



SALT LAKE CITY TRANSMITTAL

To:
Salt Lake City Council Chair

Start Date:
10/23/2024

Date Sent to Council:
10/25/2024

From:

Employee Name:
Tarufelli, Lisa

E-mail
lisa.tarufelli@slc.gov

Department
Public Utilities

Department Director Signature

Laura Briefer

Chief Administrator Officer's Signature *

Julie Lave

Director Signed Date
10/23/2024

Chief Administrator Officer's Signed Date
10/25/2024

Subject:
Salt Lake City Public Utilities Revenue Bonds, Series 2025

Additional Staff Contact:

Presenters/Staff Table

Document Type *
Resolution

Budget Impact *
☐ Yes
☒ No

Budget Impact:

Recommendation: *

That the City Council consider adopting a Bond Parameters Resolution for the issue and sale of up to \$225,000,000 principal amount of Salt Lake City Public Utilities Revenue Bonds Series 2025. This includes as a recommendation to 1) hold a discussion on November 12, 2024 in anticipation of adopting a Bond Parameters Resolution for the aforementioned bond issue; 2) adopt a Bond Parameters Resolution on November 19, 2024 approving the issuance and sale of up to \$225,000,000 principal amount of Salt Lake City Public Utilities Revenue Bonds Series 2025 and give authority to certain officers to approve the final terms and provisions of and confirm the sale of the Bonds within certain parameters set forth in the attached Bond Parameters Resolution; and 3) hold a public hearing on December 3, 2024.

Background/Discussion (?)

In accordance with provisions of the Local Government Bonding Act, the City is required to hold a public hearing to receive input from the public for all new money bond issues with respect to: a) the issuance of our revenue bonds; and b) the potential economic impact that the water and sewer infrastructure improvements will have on the private sector. The financing team is requesting that the City Council approve the Bond Parameters Resolution on November 19, 2024 setting Tuesday, December 3, 2024 as the date to hold the public hearing. A Notice of Public Hearing is required to be published once at least 14 days before the public hearing. The publication of that notice will be done in accordance with requirements.

The Bond Parameters Resolution for the above referenced bond issue contemplates the issuance of up to \$225,000,000 million principal amount of bonds bearing interest at a rate not to exceed 6% per annum with a price not less than 98% of the total principal amount and a bond period not to exceed 31 years.

The Series 2025 Bond will finance a portion of the capital improvements for water and sewer utilities, mainly related to the planned repair and replacement of aging infrastructure and to meet regulatory requirements. The sewer proceeds will serve as the planned match for the \$348 million low interest federal Water Infrastructure Finance and Innovation Act (WIFIA) loan for construction of the water reclamation facility (see

<https://makeitpureslc.com>). The water proceeds portion of the bond will serve as the planned match for the \$36.7 million FEMA BRIC (Federal Emergency Management Agency Building Resilient Infrastructure and Communities) grant for City Creek Water Treatment Plant (see <https://www.keepitpurecitycreek.com>). Proceeds will go to additional water improvements for the water distribution system, treatments plants, and master plan projects.

Draft copies of the Bond Parameters Resolution, Thirteenth Supplemental Trust Indenture, Bond Purchase Contract, Preliminary Official Statement, and preliminary calendar of events are included for your review. These documents are subject to change.

Will the City Council need to hold a public hearing for this item? *

- ☒ Yes
☐ No

Public Process (?)

As indicated in recommendation above.

Chief Administrator Officer's Comments

Calendar of Bonding Events

\$180,315,000* Salt Lake City, Utah

Public Utilities Revenue Bonds, Series 2025

October 18, 2024



OCTOBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

NOVEMBER						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

DECEMBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

JANUARY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

FEBRUARY						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

DATE	EVENT	STATUS	PARTICIPANTS
October 1	Bond Counsel prepares and distributes initial drafts of the Indenture, Reimbursement Resolution, Parameters Resolution and Preliminary Official Statement.	<input checked="" type="checkbox"/>	BC
October 14	Market Holiday: Indigenous Peoples Day.		-
October 22	Council Transmittal Packets (including Form of Parameters Resolution, Public Hearing, and Reimbursement Resolution) due to Mayor's Office for November 12 briefing.	<input type="checkbox"/>	PU, BC
October 29	Council Transmittal Packets due to Mayor's Office for November 19 adoption of Parameters Resolution (approving previously circulated documents).	<input type="checkbox"/>	PU, BC
November 1	Send out Underwriter RFP.	<input type="checkbox"/>	UW
November 6-7	FOMC Meeting		-
November 12	Regular City Council Meeting: Bond transaction briefing.	<input type="checkbox"/>	CC, PU, MA
November 13	Underwriting Proposals due.	<input type="checkbox"/>	MA
November 19	Regular City Council Meeting: Council adopts Bond Parameters Resolution and sets the date of December 3 for Public Hearing.	<input type="checkbox"/>	CC, PU, MA
November 21	Public Utilities and Municipal Advisor review Proposals via Conference Call.	<input type="checkbox"/>	PU, CT, MA
	Notify underwriter of selection.	<input type="checkbox"/>	PU, MA
November 28	Market Holiday: Thanksgiving.		-
December 2	Document Review Meeting.	<input type="checkbox"/>	PU, CO, CT, MA, BC, UW
December 3	Regular City Council Meeting: Public Hearing on bond issue.	<input type="checkbox"/>	CC, PU, MA
December 12	Rating Zoom with Moody's.	<input type="checkbox"/>	PU, CO, CT, MA
	Rating Zoom with S&P.	<input type="checkbox"/>	PU, CO, CT, MA
December 17-18	FOMC Meeting		-
December 20	End of 30-day contest period.	<input type="checkbox"/>	-
	Receive final ratings.	<input type="checkbox"/>	PU, CO, CT, MA
December 25	Market Holiday: Christmas Day.		-
December 27	All final comments due on financing documents.	<input type="checkbox"/>	ALL HANDS
December 30	Final Preliminary Official Statement and Investor Presentation released to market.	<input type="checkbox"/>	UW
January 1	Market Holiday: New Year's Day.		-
January 7	Pre-Pricing Conference Call or Zoom.	<input type="checkbox"/>	PU, CO, CT, MA, UW
January 8	Pricing: Bonds marketed to investors.	<input type="checkbox"/>	PU, CO, CT, MA, UW
	Execution of Bond Purchase Agreement.	<input type="checkbox"/>	M (or designee), UW, BC

Calendar of Bonding Events

\$180,315,000* Salt Lake City, Utah

Public Utilities Revenue Bonds, Series 2025

October 18, 2024



OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY
S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28

DATE	EVENT	STATUS	PARTICIPANTS
January 15	Distribution of closing documents.	<input type="checkbox"/>	BC
	Distribution of closing memo.	<input type="checkbox"/>	MA
January 20	Market Holiday: Martin Luther King Day		-
Week of January 27	Documents signed by Mayor.	<input type="checkbox"/>	M
January 28-29	FOMC Meeting		-
February 4	Bond Closing, 9:30 AM via conference call.	<input type="checkbox"/>	ALL HANDS
February 17	Market Holiday: Presidents' Day		-

Legend

BC:	Bond/ Disclosure Counsel - Chapman and Cutler LLP (Ryan Bjerke)
CA:	City Attorney: (Mark Kittrell)
CC:	City Council - Salt Lake City
CO:	City Officials: (Mary Beth Thompson and Russ Sundquist)
CR:	City Recorder's Office: (Cindy Lou Trishman and Thais Stewart)
CT:	City Treasurer's Office: (Marina Scott, Jared Jenkins, Gaby Ewell and Jou Ying Su)
MA:	Municipal Advisor - Stifel, Nicolaus & Company, Inc. (John Crandall and Elizabeth Read)
M:	Mayor: (Erin Mendenhall)
N:	Newspaper - <i>The Salt Lake Tribune</i>
PU:	Public Utilities Office: (Laura Briefer, Jesse Stewart, Jason Brown and Lisa Tarufelli)
T:	Trustee - US Bank (Laurel Bailey)
UW:	Underwriter - TBD
UWC:	Underwriter's Counsel - TBD

Distribution List

\$180,315,000* Salt Lake City, Utah

Public Utilities Revenue Bonds, Series 2025



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Distribution List
\$180,315,000* Salt Lake City, Utah
Public Utilities Revenue Bonds, Series 2025



UNDERWRITERS

TBD

UNDERWRITER'S COUNSEL

TBD

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Salt Lake City, Utah

November 19, 2024

The City Council (the “*City Council*”) of Salt Lake City, Utah (the “*City*”), met in regular public session on November 19, 2024, at the regular meeting place of the City Council in Room 326 in the City and County Building, 451 South State Street, in Salt Lake City, Utah, at 7:00 p.m., due, legal and timely notice of the meeting having been given to all members as required by law.

Members of the public are allowed to participate in the meeting via electronic means if they do not attend in person as shown in the formal meeting meeting agenda attached as *Exhibit A*.

The meeting was duly called to order by Councilmember Chris Wharton who was conducting the meeting, with the following members of the City Council being present, a quorum of the City Council:

Victoria Petro-Eschler	Council Chair
Chris Wharton	Council Vice Chair
Eva Lopez Chavez	Councilmember
Dan Dugan	Councilmember
Darin Mano	Councilmember
Alejandro Puy	Councilmember
Sarah Young	Councilmember
Absent:	_____.

There were also present:

Erin Mendenhall	Mayor
Katherine N. Lewis	City Attorney
Cindy Lou Trishman	City Recorder.

The City Recorder presented to the City Council an affidavit evidencing the giving of not less than twenty-four (24) hours’ public notice of the agenda, date, time, and place of the November 19, 2024 regular meeting of the City Council (which was held as an electronic meeting without an anchor location) in compliance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, by (1) posting written notice of the meeting on the Utah Public Notice Website, (2) posting written notice of the meeting on the City’s website and (3) posting written notice of the meeting in a public location in the City. The affidavit was ordered recorded in the minutes of the meeting and is as follows:

STATE OF UTAH)
)
COUNTY OF SALT LAKE)

I, Cindy Lou Trishman, the duly qualified and acting City Recorder of Salt Lake City, Utah (the “City”), do hereby certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours’ public notice of the agenda, date, time, and place of the November 19, 2024, regular public meeting held by the City Council of the City (the “City Council”) (which was held as an electronic meeting without an anchor location), by:

(a) causing a Notice of Public Meeting in the form attached hereto as *Exhibit A* to be posted on the Utah Public Notice Website on November __, 2024, at least twenty-four (24) hours before the convening of the meeting;

(b) causing a Notice of Public Meeting in the form attached hereto as *Exhibit B* to be posted on the City’s website on November __, 2024, at least twenty-four (24) hours before the convening of the meeting; and

(c) causing a Notice of Public Meeting in the form attached hereto as *Exhibit C* to be posted in a public location in the City that is reasonably likely to be seen by the residents of the City, on November __, 2024, at least twenty-four (24) hours before the convening of the meeting, the Notice of Public Meeting having continuously remained so posted and available for public inspection until the convening of the meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of Salt Lake City, Utah, this 19th day of November, 2024.

City Recorder
Salt Lake City, Utah

[SEAL]

EXHIBIT A

[ATTACH COPY OF NOTICE OF PUBLIC MEETING ON UTAH PUBLIC NOTICE WEBSITE]

EXHIBIT B

[ATTACH COPY OF NOTICE OF PUBLIC MEETING ON CITY'S WEBSITE]

EXHIBIT C

[ATTACH COPY OF NOTICE OF PUBLIC MEETING TO BE POSTED IN THE CITY]

Thereupon, the following resolution was introduced and after due consideration of the resolution by the City Council, Councilmember _____ made a motion to adopt the resolution, and Councilmember _____ seconded the motion. On being put to a vote, the motion was carried by the following vote:

PU Bond Resolution Minutes (11-19-24)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF SALT LAKE CITY, UTAH, AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$225,000,000 AGGREGATE PRINCIPAL AMOUNT OF PUBLIC UTILITIES REVENUE BONDS, SERIES 2025; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING THE EXECUTION BY THE ISSUER OF A SUPPLEMENTAL INDENTURE, A BOND PURCHASE CONTRACT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; APPROVING AN OFFICIAL STATEMENT; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "*Bond Act*"), Salt Lake City, Utah (the "*Issuer*"), is authorized to issue public utilities revenue bonds payable from the net revenues of its existing water, sewer, storm drain and street lighting systems (collectively, the "*System*") for the municipal purposes set forth therein;

WHEREAS, subject to the limitations set forth herein, the City Council of the Issuer (the "*Council*") desires to authorize the issuance of the Issuer's Public Utilities Revenue Bonds, Series 2025 (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer) (the "*Series 2025 Bonds*") to (a) finance water and sewer improvements to the System (the "*Project*") and (b) pay costs of issuance of the Series 2025 Bonds, pursuant to this Resolution, the Bond Act, a Master Trust Indenture, dated as of January 1, 2004; as heretofore amended and supplemented (the "*Master Indenture*"), between the Issuer and U.S. Bank Trust Company, National Association (formerly known as U.S. Bank National Association), as trustee (the "*Trustee*"), and one or more Supplemental Trust Indentures to be entered into between the Issuer and the Trustee (the "*Supplemental Indenture*" and collectively with the Master Indenture, the "*Indenture*"), in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as *Exhibit A*;

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

WHEREAS, the Council desires to call a public hearing for this purpose and to publish a notice of such hearing with respect to the Series 2025 Bonds;

WHEREAS, the Council desires to approve and authorize the execution of one or more Bond Purchase Contracts (the "*Bond Purchase Contract*"), to be entered into between the Issuer and the underwriter(s) or the purchaser(s) selected by the Issuer for the Series 2025 Bonds (the "*Underwriter/Purchaser*"), in substantially the form attached hereto as *Exhibit B*;

WHEREAS, in the event that the Designated Officers (defined below) determine that it is in the best interests of the Issuer to publicly offer the Series 2025 Bonds, the Issuer desires to authorize the use and distribution of a Preliminary Official Statement (the "*Preliminary Official Statement*"), and to approve a final Official Statement (the "*Official Statement*") in substantially the form attached hereto as *Exhibit C*, and other documents relating thereto; and

WHEREAS, in order to allow the Issuer, in consultation with the Issuer's Municipal Advisor, Stifel, Nicolaus & Company, Incorporated (the "*Municipal Advisor*") flexibility in determining the method of sale and in setting the pricing date of the Series 2025 Bonds, the Council desires to grant to (a) the (i) Mayor of the Issuer; or (ii) in the event of the absence or incapacity of the Mayor, the Mayor's Chief of Staff; or (iii) in the event of the absence or incapacity of both the Mayor and the Mayor's Chief of Staff, the City Treasurer; or (iv) in the event of the absence or incapacity of the Mayor, the Mayor's Chief of Staff and the City Treasurer, the Deputy Treasurer of the Issuer and (b) (i) the Chair of the Council; or (ii) in the event of the absence or incapacity of the Chair of the Council, the Vice Chair of the Council; or (iii) in the event of the absence or incapacity of both the Chair and Vice Chair of the Council, any other member of the Council (collectively, the "*Designated Officers*"), the authority to select the Underwriter/Purchaser, to approve the final interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the Series 2025 Bonds shall be sold, to determine whether the Series 2025 Bonds should be sold and the method of sale, and to make any changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the "*Parameters*");

NOW, THEREFORE, it is hereby resolved by the City Council of Salt Lake City, Utah, as follows:

Section 1. For the purpose of financing the Project and paying costs of issuance of the Series 2025 Bonds, the Council hereby authorizes the issuance of the Issuer's Series 2025 Bonds which shall be designated "Salt Lake City, Utah Public Utilities Revenue Bonds, Series 2025" (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer) in the initial aggregate principal amount of not to exceed \$225,000,000. The Series 2025 Bonds shall mature in not more than thirty-one (31) years from their date or dates, shall be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, shall bear interest at a rate or rates not to exceed six percent (6.00%) per annum, and may be non-callable or subject to redemption, all as shall be approved by the Designated Officers in consultation with the Issuer's Municipal Advisor, all within the Parameters set forth herein.

Section 2. The Supplemental Indenture and the Bond Purchase Contract, in substantially the forms presented at this meeting and attached hereto as *Exhibits A* and *B* respectively, are hereby authorized, approved, and confirmed. The Mayor or the Mayor's Chief of Staff as the Mayor's

designee (collectively referred to herein as the “*Mayor*”) are hereby authorized to execute and deliver and the City Recorder or Deputy City Recorder (the “*City Recorder*”) to attest or countersign, the Supplemental Indenture and the Bond Purchase Contract, in substantially the forms and with substantially the content as the forms presented at this meeting for and on behalf of the Issuer, with final terms as may be established by the Designated Officers, in consultation with the Municipal Advisor, within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized by Section 4 hereof. The Designated Officers are each hereby authorized to select the Underwriter/Purchaser, to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2025 Bonds for and on behalf of the Issuer, provided that such terms are within the Parameters set by this Resolution. The execution of the Bond Purchase Contract by the Mayor and the approval of the Designated Officers of the terms included therein shall demonstrate the approval of the Designated Officers.

Section 3. The Council hereby approves and authorizes the utilization of the Preliminary Official Statement in substantially the form attached hereto as *Exhibit C* in the marketing of the Series 2025 Bonds (as appropriate) and hereby approves the Official Statement in substantially the same form as the Preliminary Official Statement, with any necessary revisions and insertions to complete the same with the terms established for the Series 2025 Bonds. The Mayor is hereby authorized to cause the Official Statement to be delivered to the Underwriter/Purchaser evidencing its approval by the Issuer.

Section 4. The appropriate officials of the Issuer are authorized to make any alterations, changes, deletions or additions to the Supplemental Indenture, the Series 2025 Bonds, the Bond Purchase Contract, the Preliminary Official Statement, the Official Statement, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2025 Bonds (within the Parameters set by this Resolution), to conform to any applicable insurance or to remove the same, 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. The execution thereof by the Mayor on behalf of the Issuer shall conclusively establish such necessity, appropriateness, and approval with respect to all such additions, modifications, deletions, and changes incorporated therein.

Section 5. The form, terms, and provisions of the Series 2025 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Mayor and City Recorder are hereby authorized and directed to execute and seal the Series 2025 Bonds and to deliver said Series 2025 Bonds to the Trustee for authentication. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution.

Section 6. The appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Trustee the written order of the Issuer for authentication and delivery of the Series 2025 Bonds in accordance with the provisions of the Indenture.

Section 7. Upon their issuance, the Series 2025 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2025 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2025 Bonds, the Bond Purchase Contract, the Preliminary Official Statement, or any other instrument, shall be construed as creating a general obligation of the Issuer, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Issuer or its taxing powers.

Section 8. The appropriate officials of the Issuer, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any or all additional certificates, documents and other papers (including, without limitation, any reserve instrument guaranty agreements permitted by the Indenture) and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 9. Pursuant to Section 11-14-318 of the Bond Act, the Issuer shall hold a public hearing on December 3, 2024, to receive input from the public with respect to (a) the issuance of the Series 2025 Bonds, and (b) the potential economic impact that the improvements to be financed with the proceeds of the Series 2025 Bonds will have on the private sector. The Issuer shall publish or caused to be publish the “Notice of Public Hearing” not less than fourteen (14) days prior to the hearing, as a class A notice under Section 63G-30-102 Utah Code Annotated 1953, as amended, (a) on the Utah Public Notice Website created under Section 63A-16-601 Utah Code Annotated 1953, as amended, (b) on the Issuer’s website and (c) in a public location within Salt Lake City, Utah, that is reasonably likely to be seen by residents of the Issuer. The Issuer directs its officers and staff to publish such “Notice of Public Hearing” in substantially the following form:

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "*Bond Act*"), that on November 19, 2024, the City Council (the "*Council*") of Salt Lake City, Utah (the "*Issuer*"), adopted a resolution (the "*Resolution*") in which it authorized the issuance of the Issuer's Public Utilities Revenue Bonds, Series 2025 (the "*Series 2025 Bonds*") (to be issued in one or more series and with such other name, series or title designation(s) as may be determined by the Issuer) in the aggregate principal amount of not to exceed \$225,000,000 and called a public hearing.

PURPOSE, TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on December 3, 2024, at the hour of 7:00 p.m. via electronic means, while also providing an in-person opportunity to attend or participate in the hearing at City Hall, located at 451 South State Street, Room 315, Salt Lake City, Utah. For more information, including electronic connection information, please visit www.slc.gov/council/agendas or call 801-535-7654.

The purpose of the hearing is to receive input from the public with respect to (a) the issuance of the Series 2025 Bonds and (b) any potential economic impact that the project to be financed with the proceeds of the Series 2025 Bonds may have on the private sector. All members of the public are invited to attend and participate.

NO TAXES PROPOSED TO BE PLEDGED

The Series 2025 Bonds are payable from water, sewer, stormwater, streetlighting and other revenues and funds pledged therefor and the City does not propose to pledge any taxes for the repayment of the Series 2025 Bonds.

PURPOSE FOR ISSUING THE SERIES 2025 BONDS

The Series 2025 Bonds will be issued for the purpose of financing water and sewer improvements to the Issuer's water, sewer, storm drain and street lighting systems (collectively, the "*System*") and paying costs of issuance of the Series 2025 Bonds.

DATED this November 19, 2024.

SALT LAKE CITY, UTAH

By _____
City Recorder

Section 10. Pursuant to Section 11-14-316 of the Bond Act, the Issuer shall publish or cause to be published a notice of bonds to be issued (i) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended, which may require publication in *The Salt Lake Tribune* a newspaper of general circulation in the Issuer, and (ii) as a class A notice under Section 63G-30-102 (a) on the Utah Public Notice Website created under Section 63A-16-601 Utah Code Annotated 1953, as amended, (b) on the Issuer's website and (c) in a public location within Salt Lake City, Utah, that is reasonably likely to be seen by residents of the Issuer. The City Recorder shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Salt Lake City offices, or in the event such offices are closed for any reason, at 349 South 200 East, Salt Lake City, Utah, for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the date of publication thereof. The Issuer directs its officers and staff to publish a "Notice of Bonds to be Issued" in substantially the following form:

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "*Bond Act*") that on November 19, 2024, the City Council (the "*Council*") of Salt Lake City, Utah (the "*Issuer*"), adopted a resolution (the "*Resolution*") in which it authorized the issuance of the Issuer's Public Utilities Revenue Bonds, Series 2025 (the "*Series 2025 Bonds*") (to be issued in one or more series and with such other name, series or title designation(s) as may be determined by the Issuer).

PURPOSE FOR ISSUING THE SERIES 2025 BONDS

The Series 2025 Bonds will be issued for the purpose of financing water and sewer improvements to the Issuer's water, sewer, storm drain and street lighting systems (collectively, the "*System*") and paying costs of issuance of the Series 2025 Bonds.

REVENUES TO BE PLEDGED

The Series 2025 Bonds are special limited obligations of the Issuer payable from the revenues of the System (the "*Revenues*").

PARAMETERS OF THE SERIES 2025 BONDS

The Issuer intends to issue the Series 2025 Bonds in the aggregate principal amount of not more than two hundred twenty-five million Dollars (\$225,000,000), to mature in not more than thirty-one (31) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof and bearing interest at a rate or rates not to exceed six percent (6.00%) per annum. The Series 2025 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a Master Trust Indenture (the "*Master Indenture*") and a Supplemental Trust Indenture (the "*Supplemental Indenture*" and collectively, the "*Indenture*"), which Supplemental Indenture was before the Council in substantially final form at the time of the adoption of the Resolution and said Supplemental Indenture is to be executed by the Issuer in such form and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2025 Bonds will not exceed the maximums set forth above.

OUTSTANDING BONDS SECURED BY REVENUES

Other than the proposed Series 2025 Bonds, the Issuer currently has \$899,910,000 (includes a \$348,635,000 WIFIA Loan) of bonds outstanding (the "*Outstanding Bonds*") secured by the Revenues (as more fully described in the Indenture).

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer's Outstanding Bonds may be found in the Issuer's financial report (the "*Financial Report*") at: <https://reporting.auditor.utah.gov/searchreports/s/>. For additional information, including any

information more recent than as of the date of the Financial Report, please contact Marina Scott, City Treasurer, at (801) 535-6565.

TOTAL ESTIMATED COST

Based on the Issuer's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Series 2025 Bonds to be issued under the Bond Act if held until maturity is \$356,846,119.

A copy of the Resolution and the Indenture are on file in the office of the Salt Lake City Recorder, 451 South State Street, Salt Lake City, Utah, or, in the event such office is closed for any reason, at 349 South 200 East, Salt Lake City, Utah, where they may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Supplemental Indenture, or the Series 2025 Bonds, or any provision made for the security and payment of the Series 2025 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this November 19, 2024.

SALT LAKE CITY, UTAH

By _____
City Recorder

Section 11. The Issuer hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for initial expenditures for costs of the Project. The Series 2025 Bonds are to be issued, and the reimbursements made, by the later of 18 months after the payment of the costs or after the Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Series 2025 Bonds which will be issued to finance the reimbursed costs of the Project is not expected to exceed \$225,000,000.

Section 12. The Issuer hereby reserves the right to opt not to issue the Series 2025 Bonds for any reason, including without limitation, consideration of the opinions expressed at the public hearing.

Section 13. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

Section 14. Upon the issuance of the Series 2025 Bonds, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2025 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

ADOPTED by the City Council of Salt Lake City, Utah, this 19th day of November, 2024.

SALT LAKE CITY, UTAH

By _____
Chair
Salt Lake City Council

ATTEST AND COUNTERSIGN:

By _____
City Recorder

[SEAL]

APPROVED AS TO FORM

By /s/ Sara Montoya
Senior City Attorney

PRESENTATION TO THE MAYOR

The foregoing resolution was presented to the Mayor for her approval or disapproval on November 19, 2024.

By: _____
Chair

MAYOR'S APPROVAL OR DISAPPROVAL

The foregoing resolution is hereby approved on this November 19, 2024.

By: _____
Mayor

EXHIBIT A

INDENTURE

EXHIBIT B

FORM OF BOND PURCHASE CONTRACT

EXHIBIT C

FORM OF PRELIMINARY OFFICIAL STATEMENT

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

Upon the conclusion of all business and upon motion duly made and carried, the meeting of the City Council was adjourned.

SALT LAKE CITY, UTAH

Chair, City Council

[SEAL]

ATTEST:

City Recorder

STATE OF UTAH)
)
COUNTY OF SALT LAKE)

I, Cindy Lou Trishman, the duly qualified and acting City Recorder of Salt Lake City, Utah (the “City”), do hereby certify, according to the records of said City in my official possession, that the foregoing is a full, true and correct copy of the extracts of minutes of a regular public meeting of the City Council of the City (the “City Council”) held on November 19, 2024, including a resolution adopted at the meeting, as recorded in the regular official book of minutes of the proceedings of the City Council kept in my office, that all members were given due, legal and timely notice of said meeting, that the meeting therein shown was in all respects called, held and conducted in accordance with law and in full conformity therewith, and that the persons therein named were present at the meeting, as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of Salt Lake City, Utah, this 19th day of November, 2024.

City Recorder
Salt Lake City, Utah

[SEAL]

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BOND PURCHASE CONTRACT

**\$ _____
SALT LAKE CITY, UTAH
PUBLIC UTILITIES REVENUE BONDS, SERIES 2025**

_____, 2025

Salt Lake City
451 South State Street
Salt Lake City, Utah 84111

Ladies and Gentlemen:

The undersigned _____ (the [“*Representative*”), acting on behalf of and as the representative of itself and _____ (collectively, the] “*Underwriter[s]*”), offers to enter into this bond purchase contract (the “*Purchase Contract*”) with Salt Lake City, Utah (the “*City*”), which will be binding upon the City and the Underwriter[s] upon the acceptance hereof by the City. This offer is made subject to its acceptance by the City by execution of this Purchase Contract and its delivery to the Underwriter[s] on or before 5:00 p.m., Utah time, on the date hereof. All terms used herein and not otherwise defined shall have the meanings given to such terms in the hereinafter defined Official Statement.

Section 1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter[s] hereby agree to purchase, and the City hereby agrees to cause to be delivered to the Underwriter[s], all (but not less than all) of the City’s \$ _____ aggregate principal amount of Public Utilities Revenue Bonds, Series 2025 (the “*Bonds*”) at a purchase price of \$ _____ (representing the par amount of the Bonds, plus \$ _____ of net original issue premium and less \$ _____ of Underwriter[s]’[s] discount).

Section 2. Description and Purpose of the Bonds. The Bonds will be dated the date of Closing (as hereinafter defined) and will be executed by the City and will be authenticated and delivered by U.S. Bank Trust Company, National Association (formerly known as U.S. Bank National Association), as trustee (the “*Trustee*”), pursuant to the Master Trust Indenture dated as of January 1, 2004, as heretofore amended and supplemented (the “*Master Trust Indenture*”), and as further supplemented by the _____ Supplemental Trust Indenture, dated as of [February 1], 2025 (the “_____ *Supplemental Indenture*” and together with the Master Trust Indenture, the “*Indenture*”), each between the City and the Trustee. The Bonds shall mature on the dates and in the amounts and shall bear interest as set forth on *Exhibit A* hereto and shall be as more particularly described in the Indenture and the Official Statement dated _____, 2025, relating to the Bonds (which, together with all exhibits and appendices included therein or attached thereto and such amendments or supplements thereto which shall be approved by the [Representative][Underwriter], is hereinafter called the “*Official Statement*”).

The Bonds are being executed and delivered to (a) finance water and sewer improvements to the City's water, sewer, storm drain and street lighting utilities (collectively, the "*System*") and (b) pay costs of issuance of the Bonds.

Section 3. Public Offering. The Underwriter[s] agree[s] to make an initial public offering of all the Bonds at the public offering prices (or yields) set forth in the Official Statement. Subsequent to the initial public offering, the Underwriter[s] reserve[s] the right to change the public offering prices (or yields) as [it][they] deem necessary in connection with the marketing of the Bonds, provided that the Underwriter[s] shall not change the interest rates set forth on *Exhibit A*. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering price or prices set forth in the Official Statement. The Underwriter[s] also reserve[s] the right (i) to engage in transactions that stabilize, maintain or otherwise affect the market price of the Bonds at a level above that which might otherwise prevail in the open market and (ii) to discontinue such transactions, if commenced, at any time.

Section 4. Establishment of Issue Price.

(a) The [Representative][Underwriter][, on behalf of the Underwriter[s],] agrees to assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as *Exhibit B*, with such modifications as may be appropriate or necessary, in the reasonable judgment of the [Representative][Underwriter], the City and Bond Counsel (as hereinafter defined), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) Except for any Hold-the-Price Maturities described in subsection (c) below and *Exhibit A* attached hereto, the City will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). *Exhibit A* attached hereto sets forth the maturities of the Bonds for which the 10% test has been satisfied as of the date of this Purchase Contract (the "10% Test Maturities") and the prices at which the Underwriter[s] [has][have] sold such 10% Test Maturities to the public.

(c) With respect to any maturities of the Bonds that are not 10% Test Maturities, as described in *Exhibit A* attached hereto (the "*Hold-the-Price Maturities*"), the [Representative][Underwriter] confirms that the Underwriter[s] [has][have] offered such maturities of the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "*initial offering price*"), or at the corresponding yield or yields, set forth in *Exhibit A* attached hereto. The City and the [Representative][Underwriter][, on behalf of the Underwriter[s],] agree that the (i) the [Representative][Underwriter] shall retain the unsold bonds of each Hold-the-Price Maturity and shall not allocate any such bonds to any other underwriter and (ii) the restrictions set forth in the next sentence shall apply to the Hold-the-Price Maturities, which will allow the City to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "*hold-the-offering-price rule*"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Hold-the-Price Maturities,

the [Representative][Underwriter] will neither offer nor sell unsold bonds of such maturity of the Hold-the-Price Maturities to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the [Representative][Underwriter] has sold at least 10% of that maturity of the Hold-the-Price Maturities to the public at a price that is no higher than the initial offering price to the public.

The [Representative][Underwriter] shall advise the City promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Hold-the-Price Maturities to the public at a price that is no higher than the initial offering price to the public.

(d) The [Representative][Underwriter] confirms that:

- (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the [Representative][Underwriter] is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

- (A) (i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date (as hereinafter defined) has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the [Representative][Underwriter] that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the [Representative][Underwriter], and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the [Representative][Underwriter] and as set forth in the related pricing wires,

- (B) to promptly notify the [Representative][Underwriter] of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

- (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the [Representative][Underwriter] shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public; and

- (ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating

each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the [Representative][Underwriter] or such underwriter or dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the [Representative][Underwriter] or such underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the [Representative][Underwriter] or the underwriter or the dealer and as set forth in the related pricing wires.

(e) The City acknowledges that, in making the representations set forth in this subsection, the [Representative][Underwriter] will rely on (i) the agreement of each underwriter to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement to adhere to the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(f) The Underwriter[s] acknowledge[s] that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “*public*” means any person other than an underwriter or a related party,

(ii) “*underwriter*” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “*related party*” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “*sale date*” means the date of execution of this Purchase Contract by all parties.

Section 5. Delivery of Official Statement. Pursuant to the authorization of the City, the Underwriter[s] have distributed copies of the Preliminary Official Statement dated _____, 2024, relating to the Bonds, which, together with the cover page and appendices thereto, is herein called the “*Preliminary Official Statement*.” By its acceptance of this proposal, the City hereby approves and ratifies the distribution and use by the Underwriter[s] of the Preliminary Official Statement. The City agrees to execute and deliver a final Official Statement in substantially the same form as the Preliminary Official Statement with such changes as may be made thereto, with the consent of the City and the [Representative][Underwriter], and to provide copies thereof to the Underwriter[s] as set forth in Section 7(n) hereof. The City hereby authorizes the Underwriter[s] to use and distribute, in connection with the offer and sale of the Bonds: the Preliminary Official Statement, the Official Statement, the Indenture, and the Continuing Disclosure Undertaking (as hereinafter defined) and other documents or contracts to which the City is a party in connection with the transactions contemplated by this Purchase Contract, including this Purchase Contract and all information contained herein, and all other documents, certificates and statements furnished by the City to the Underwriter[s] in connection with the transactions contemplated by this Purchase Contract.

Section 6. The Closing. At 9:30 a.m., Utah time, on [February 4], 2025, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the [Representative][Underwriter] (the “*Closing Date*”), the City will cause to be executed and delivered (i) the Bonds in book-entry form through the facilities of The Depository Trust Company, or its agent, on behalf of the Underwriter[s], and (ii) the closing documents hereinafter mentioned at the offices of Chapman and Cutler LLP (“*Bond Counsel*”) in Salt Lake City, Utah, or another place to be mutually agreed upon by the City and the [Representative][Underwriter].

The Underwriter[s] will accept such delivery of the Bonds and pay the purchase price of such Bonds as set forth in Section 1 hereof in immediately available funds to the order of the City. This payment for and delivery of the Bonds, together with the execution and delivery of the aforementioned documents, is herein called the "*Closing*."

Section 7. City Representations, Warranties and Covenants. The City represents, warrants and covenants to the Underwriter[s] that:

(a) *Due Organization, Existence and Authority.* The City is a municipality and a public body corporate and politic duly organized and existing under the laws of the State of Utah (the "*State*") with full right, power and authority to execute, deliver and perform its obligations under this Purchase Contract, the Indenture, and the Continuing Disclosure Undertaking (collectively, the "*City Documents*") and to carry out and consummate the transactions contemplated by the City Documents and the Official Statement.

(b) *Due Authorization and Approval.* By all necessary official action of the City, the City has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations contained or described in, the Preliminary Official Statement, the Official Statement and the City Documents, and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered, and assuming the authorization, execution and delivery by the other parties thereto, each City Document and the Bonds will constitute the legally valid and binding obligation of the City enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws or equitable principles relating to or affecting creditors' rights generally or by the exercise of judicial discretion in appropriate cases or by limitations on legal remedies against public agencies in the State.

(c) *Official Statement Accurate and Complete.* The Preliminary Official Statement was as of its date, and the Official Statement is as of the date hereof, true and correct in all material respects, and the Preliminary Official Statement and the Official Statement contain no misstatement of any material fact and do not omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading (except no representation is made with respect to information relating to DTC and DTC's book-entry system).

(d) *Underwriter[s]'[s] Consent to Amendments and Supplements to Official Statement.* The City will advise the [Representative][Underwriter] promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the [Representative][Underwriter], which consent will not be unreasonably withheld. The City will advise the [Representative][Underwriter] promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(e) *City Agreement to Amend or Supplement Official Statement.* If after the date of this Purchase Contract and until 25 days after the end of the “underwriting period” (as defined in Section 240 15c2-12 in Chapter II of Title 17 of the Code of Federal Regulations (“*Rule 15c2-12*”)), any event occurs as a result of which the Official Statement as then amended or supplemented would include an untrue statement of a material fact, or omit to state any material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, and, in the reasonable opinion of the [Representative][Underwriter], an amended or supplemented Official Statement should be delivered in connection with the offers or sales of the Bonds to reflect such event, the City promptly will prepare at its expense an amendment or supplement which will correct such statement or omission and the City shall promptly furnish to the Underwriter[s] a reasonable number of copies or an electronic version acceptable to the Underwriter[s] of such amendment or supplement. The Underwriter[s] hereby agree to deposit the Official Statement with the Municipal Securities Rulemaking Board (the “MSRB”). The Underwriter[s] acknowledge that the end of the “underwriting period” will be the Closing Date.

(f) *No Material Change in Finances.* Except as otherwise described in the Official Statement, there have not been any material adverse changes in the financial condition of the City since June 30, 202[4].

(g) *No Breach or Default.* As of the time of acceptance hereof, (A) the City is not in default, nor has it been in default, as to principal or interest with respect to an obligation issued by the City, and (B) the City is not, in any manner which would materially adversely affect the transactions contemplated by the City Documents, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any material trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute, in any manner which would materially adversely affect the transactions contemplated by the City Documents, a default or event of default under any such instrument; and, as of such time, the authorization, execution and delivery of the City Documents and compliance with the provisions of each of such agreements or instruments do not in any manner which would materially adversely affect the transactions contemplated by the City Documents, conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the City Documents.

(h) *No Litigation.* As of the time of acceptance hereof, no litigation, with merit, in the State or federal court has been served on the City or, to the best knowledge of the City after due investigation, is threatened (A) in any way questioning the corporate existence of the City or the titles of the officers of the City to their respective offices; (B) affecting, contesting or seeking to prohibit, restrain or enjoin the execution or delivery of any of the Bonds, or in any way contesting or affecting the validity of the Bonds or the City Documents or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest on the Bonds from gross income for federal income tax purposes or contesting the powers of the City to enter into the City Documents; (C) which, except as described in the Official Statement, may result in any material adverse change to the financial condition of the City or to its ability to pay the debt service payments on the Bonds when due; or (D) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (A) through (D) of this sentence.

(i) *No Prior Liens on Revenues.* Except for the Outstanding Parity Bonds (as described in the Official Statement), the City will not have outstanding any indebtedness which indebtedness is secured by a lien on the Net Revenues superior to or on a parity with the lien of the Bonds on the Net Revenues.

(j) *Further Cooperation: Blue Sky.* The City will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter[s] as the Underwriter[s] may reasonably request in order (A) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter[s] may designate and (B) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; *provided, however*, that the City shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(k) *Consents and Approvals.* All authorizations, approvals, licenses, permits, consents and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required for the due authorization of, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the City of its obligations in connection with, the City Documents have been duly obtained or made, except as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

(l) *No Other Obligations.* Between the date of this Purchase Contract and the date of Closing and except as otherwise disclosed in the Official Statement, the City will not, without the prior written consent of the [Representative][Underwriter], offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, directly or contingently payable from the Revenues.

(m) *Certificates.* Any certificate signed by any official of the City and delivered to the Underwriter[s] shall be deemed to be a representation and warranty by the City to the Underwriter[s] as to the statements made therein.

(n) *Compliance with Rule 15c2-12.* The Preliminary Official Statement heretofore delivered to the Underwriter[s] is hereby deemed final by the City as of its date and as of the date hereof, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(i) of Rule 15c2-12. The City hereby covenants and agrees that, within seven business days from the date hereof, the City shall cause a final form of the Official Statement to be delivered to the Underwriter[s] in sufficient quantity to comply with paragraph (b)(4) of Rule 15c2-12 and Rules of the Municipal Securities Rulemaking Board, with such additional copies as shall reasonably be requested by the Underwriter[s].

(o) *Continuing Disclosure.* Except as noted in the Official Statement, within the last five years the City has been in compliance with all continuing disclosure undertakings that it has entered into pursuant to Rule 15c2-12. The City will undertake, pursuant to a Continuing Disclosure Undertaking (the “*Continuing Disclosure Undertaking*”), to provide annual reports and notices of certain events in accordance with the requirements of Rule 15c2-12. A form of the Continuing Disclosure Undertaking is set forth as Appendix F to the Official Statement.

Section 8. Closing Conditions. The Underwriter[s] have entered into this Purchase Contract in reliance upon the representations, warranties and covenants herein and the performance by the City of its obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter[s]’[s] obligations under this Purchase Contract are and shall be subject to the following additional conditions:

(a) *Bring-Down Representation.* The representations, warranties and covenants of the City contained herein, shall be true, complete and correct at the date hereof and at the time of the Closing, as if made on the Closing Date.

(i) *Executed Agreements and Performance Thereunder.* At the time of the Closing (a) the City Documents shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the [Representative][Underwriter], (b) there shall be in full force and effect such resolutions (collectively, the “*Resolution*”) as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated by the Official Statement and the City Documents, (c) the City shall perform or have performed its obligations required or specified in the City Documents to be performed at or prior to Closing, and (d) the Official

Statement shall not have been supplemented or amended, except pursuant to paragraphs 7(d) and 7(e) hereof or as otherwise may have been agreed to in writing by the [Representative][Underwriter].

(ii) *No Default.* At the time of the Closing, no default, or any event that with the passage of time would be reasonably likely to result in default, shall have occurred or be existing under the Resolution, the City Documents, or any other agreement or document pursuant to which any of the City's financial obligations was issued and the City shall not be in default in the payment of principal or interest on any of its financial obligations which default would materially adversely impact the ability of the City to pay debt service on the Bonds.

(b) *Termination Events.* The Underwriter[s] shall have the right to terminate this Purchase Contract, without liability therefor, by written notification to the City if at any time at or prior to the Closing:

(i) any event shall occur which causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading; or

(ii) the marketability of the Bonds or the market price thereof, or the ability of the Underwriter[s] to enforce contracts for the sale at the initial offering prices set forth in the Official Statement, in the opinion of the Underwriter[s], have been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of this Purchase Contract in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or State court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority; or

(iii) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be

rendered which, in the reasonable opinion of the Underwriter[s], materially adversely affects the market price of the Bonds; or

(iv) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the execution, delivery, offering or sale of obligations of the general character of the Bonds, or the execution, delivery, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(v) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affect the Underwriter[s]'[s] ability to trade the Bonds; or

(vi) a general banking moratorium shall have been established by federal or state authorities, or a major financial crisis or any material disruption in commercial banking or securities settlement or clearance services shall have occurred; or

(vii) there shall have occurred (a) any new outbreak or escalation of hostilities, declaration by the United States of a national or international emergency or war or other calamity or crisis in financial markets, (b) a downgrade of the sovereign debt rating of the United States by any major credit rating agency or payment default on United States Treasury obligations, or (c) a default with respect to the debt obligations of, or the institution of proceedings under any federal bankruptcy laws by or against any state of the United States or any city, county or other political subdivision located in the United States having a population of over 1,000,000; or

(viii) the withdrawal or downgrading of any rating of the Bonds or other debt securities of the City by Moody's Investors Service, Inc. ("*Moody's*") or S&P Global Ratings ("*S&P*"), or any formal statement shall be published, such as being placed on "credit watch" with negative implications or "negative outlook" or similar qualification, with respect to the Bonds or other debt securities of the City; or

(ix) any event occurring, or information becoming known that, in the judgment of the Underwriter[s], makes untrue in any material respect any statement or information contained in the Official Statement or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(x) any litigation or proceedings shall be pending or threatened contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto or asserting that the Official Statement contained any untrue statement of material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which there were made, not misleading; or

(xi) there shall be in force a general suspension of trading on the New York Stock Exchange, which suspension materially adversely affects the ability of the Underwriter[s] to market, sell or deliver the Bonds; or

(xii) there shall have occurred any materially adverse change in the financial condition of the City.

(c) *Closing Documents.* At or prior to the Closing, the Underwriter[s] shall receive with respect to the Bonds the following documents:

(i) *Approving Opinion.* An approving opinion of Bond Counsel dated the Closing Date and substantially in the form included as [Appendix D] to the Official Statement, together with a letter from such counsel, dated the Closing Date and addressed to the Underwriter[s], to the effect that the foregoing opinion addressed to the City may be relied upon by the Underwriter[s] to the same extent as if such opinion were addressed to them.

(ii) *Disclosure Counsel Opinion and Negative Assurances Letter.* The opinion and negative assurances letter of Chapman and Cutler LLP, as disclosure counsel to the City, in form and substance acceptable to the Underwriter[s], and dated the Closing Date substantially to the following effect:

(A) The Purchase Contract has been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the other parties thereto, is a valid and binding agreement of the City enforceable in accordance with its terms, except that the rights and obligations under the Purchase Contract are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State;

(B) The statements contained in the Preliminary Official Statement and the Official Statement on the cover page and under the captions "INTRODUCTION," "THE SERIES 2025 BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS," and "TAX MATTERS," and in [APPENDIX B] and [APPENDIX D] thereto, insofar as such statements purport to summarize certain provisions of the Bonds, the Indenture, State law and Bond Counsel's opinions concerning certain federal

and State tax matters relating to the Bonds, present a fair and accurate summary of such provisions; and

(C) While such counsel has not verified and is not passing upon and does not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or the Official Statement, such counsel has participated in conferences with representatives of and counsel for the City and representatives of the Underwriter[s] at which the contents of the Preliminary Official Statement and the Official Statement were discussed and revised. Based on such counsel's role as disclosure counsel in connection with the issuance of the Bonds, no facts came to the attention of the attorneys in such firm rendering legal services in connection with such representation which caused such counsel to believe that the Preliminary Official Statement contained as of its date or the Official Statement contained as of its date or as of the Closing Date contains any untrue statement of a material fact or omitted or omits to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect (except that no opinion or belief is expressed as to (i) the expressions of opinion, the assumptions, the projections, the financial statements, or other financial, numerical, economic, demographic or statistical data contained in the Official Statement, (ii) the information with respect to DTC and DTC's book-entry system, and (iii) the information contained in Appendices [A, C, E and F] to the Preliminary Official Statement and the Official Statement).

(iii) *City Attorney Opinion.* An opinion of the City Attorney dated the Closing Date and addressed to the Underwriter[s], in form and substance acceptable to Bond Counsel and the Underwriter[s] substantially to the following effect:

(A) The City is a municipality and a public body corporate and politic duly organized and existing under the laws of the State;

(B) The City Documents have been duly authorized, executed and delivered by the City and, assuming the validity thereof against the other parties thereto, constitute the valid, legal and binding agreements of the City enforceable against the City in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws or equitable principles relating to or affecting creditors' rights generally or by the exercise of judicial discretion in appropriate cases or by limitations on legal remedies against public agencies in the State, and the City has full right, power and authority to carry out and consummate all transactions contemplated by the City Documents as of the date of the Official Statement and as of the Closing Date;

(C) Except for the Outstanding Parity Bonds, the City will not have outstanding any indebtedness which indebtedness is secured by a lien on the Net Revenues superior to or on a parity with the lien of the Bonds on the Net Revenues;

(D) The resolution of the City approving and authorizing the execution and delivery of the City Documents, and approving the Official Statement, has been duly adopted at a meeting of the governing body of the City, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout and the resolution is in full force and effect and has not been modified, amended or rescinded;

(E) To the best knowledge of such counsel, the execution and delivery of the City Documents and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not, in any respect which will have a material adverse impact on the transactions contemplated by the City Documents conflict with, or constitute, or with the giving of notice or the passage of time would constitute, on the part of the City a breach of or default under, any material agreement or other instrument to which the City is a party or by which it is bound or any existing law, administrative rule, regulation, order, decree, judgment, license or permit to which the City is subject (excluding, however, any opinion as to compliance with any applicable federal securities laws); or by which the City or any of its property is bound;

(F) The Preliminary Official Statement and the Official Statement has been prepared by, or on behalf of, the City under the supervision of authorized officials of the City, and executed on its behalf by authorized officers of the City;

(G) The information in the Preliminary Official Statement and the Official Statement under the captions "THE SYSTEM," "THE CITY," and LEGAL MATTERS—LITIGATION" is true and accurate to the best of such counsel's knowledge at and as of the date of the Preliminary Official Statement and the Official Statement and at and as of the Closing Date;

(H) To the best of such counsel's knowledge, no additional authorization, approval, consent, waiver or any other action by any person, board or body, public or private, not previously obtained is required as of the Closing Date for the City to enter into the City Documents or to perform its obligations thereunder; and

(I) No litigation, with merit, in the State or federal court has been served on the City or, to such counsel's best knowledge, is threatened, against the City challenging the creation, organization or existence of the City, or the validity of the City Documents or seeking to restrain or enjoin the payment of debt service on the Bonds or in any way contesting or affecting the validity of the City Documents or any of the transactions referred to therein or contemplated thereby or contesting the authority of the City to enter into or perform its obligations under any of the City Documents, or, except as described in the Official Statement, under which a determination adverse to the City would have a material adverse effect upon the financial condition or the revenues of the City, or which, in any manner, questions or affects the right or ability of the City to enter into the City Documents or affects

in any manner the right or ability of the City to make payments of principal and interest on the Bonds from Net Revenues.

(iv) *Underwriter[s]’[s] Counsel Opinion.* An opinion of _____, counsel to the Underwriter[s] (“*Underwriter[s]’[s] Counsel*”), dated the Closing Date and addressed to the Underwriter[s] to the effect that:

(A) Such counsel is of the opinion that the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended;

(B) While such counsel is not passing upon, and does not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement, and makes no representation that they have independently verified the accuracy, completeness or fairness of any such statements, such counsel has participated in conferences with representatives of and counsel for the City and Bond Counsel and representatives of the Underwriter[s] at which the contents of the Preliminary Official Statement and the Official Statement were discussed and revised. Based on such counsel’s representation of the Underwriter[s] in connection with the issuance of the Bonds, without independent verification, such counsel advises the Underwriter[s] as a matter of fact and not opinion that nothing has come to the attention of the attorneys in such firm rendering legal services in connection with such representation which caused such counsel to believe that the Preliminary Official Statement (apart from (i) CUSIP numbers, (ii) the information relating to The Depository Trust Company and its book entry only system, (iii) the financial statements or other financial, operating, statistical, numerical or accounting data contained or incorporated therein, and (vii) the information describing the opinion of Bond Counsel in “TAX MATTERS” and the form of opinion of Bond Counsel in [APPENDIX D], as to all of which such counsel does not express any conclusion or belief) contained as of its date and the Official Statement (apart from (i) CUSIP numbers, (ii) the information relating to The Depository Trust Company and its book entry only system, (iii) the financial statements or other financial, operating, statistical, numerical or accounting data contained or incorporated therein, and (vii) the information describing the opinion of Bond Counsel in “TAX MATTERS” and the form of opinion of Bond Counsel in [APPENDIX D], as to all of which such counsel does not express any conclusion or belief) contained as of its date or as of the Closing Date contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(C) The provisions of the Continuing Disclosure Undertaking, comply with the provisions of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

(v) *City Certificate.* A certificate of the City, dated the Closing Date, signed on behalf of the City by the Mayor, Treasurer, and City Recorder or other duly authorized officers of the City to the effect that:

(A) The representations, warranties and covenants of the City contained in the Purchase Contract are true and correct in all material respects on and as of the Closing Date as if made on the Closing Date and the City has complied with all of the terms and conditions of the Purchase Contract required to be complied with by the City at or prior to the Closing Date;

(B) No event affecting the City has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (except no representation is made with respect to information relating to DTC and DTC's book-entry system); and

(C) No event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute an event of default under the City Documents.

(vii) *Trustee's Certificate.* A certificate, dated the Closing Date, signed by a duly authorized official of the Trustee satisfactory in form and substance to the Underwriter[s], to the effect that:

(A) The Trustee is duly organized and existing as a national banking association under the laws of the United States of America, having the full corporate power and authority to enter into and perform its duties under the Indenture;

(B) The Trustee is duly authorized to enter into the Indenture and has duly executed and delivered the Indenture, and assuming due authorization and execution by the other party thereto, the Indenture is legal, valid and binding upon the Trustee, and enforceable against the Trustee in accordance with its terms;

(C) The Trustee has duly authenticated the Bonds under the Indenture and delivered the Bonds to or upon the order of the Underwriter[s]; and

(D) No consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the banking or trust powers of the Trustee that has not been obtained is or will be required for the authentication and delivery of the Bonds or the consummation by the Trustee of its obligations under the Indenture.

(vii) *Transcript.* A transcript of all proceedings relating to the authorization, execution and delivery of the Bonds.

(viii) *Official Statement.* The Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the City by duly authorized officers of the City.

(ix) *Documents.* An executed copy of each of the City Documents.

(x) *City Resolution.* A copy of the Resolution, certified by the City Recorder.

(xi) *15c2-12 Certificate of the City.* A certificate of the City “deeming final” the Preliminary Official Statement for purposes of Rule 15c2-12.

(xii) *8038-G.* Evidence that the federal tax information form 8038-G relating to the Bonds has been prepared for filing.

(xiii) *Tax Certificate.* A tax exemption certificate and agreement relating to the Bonds in form satisfactory to Bond Counsel.

(xiv) *Ratings.* Evidence from S&P and Moody’s that the Bonds have been assigned ratings of “AAA” and “Aa1,” respectively, from S&P and Moody’s.

(xv) *Continuing Disclosure Undertaking.* An executed copy of the Continuing Disclosure Undertaking.

(xvi) *Net Revenues Certificate.* A written certificate meeting the requirements of Section 2.03(c)(3) of the Master Trust Indenture, as required by the Master Trust Indenture; and

(xvii) *Additional Documents.* Such additional certificates, instruments and other documents as the Underwriter[s] may reasonably deem necessary.

If the City shall be unable to satisfy the conditions contained in this Purchase Contract, or if the obligations of the Underwriter[s] shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter[s] nor the City shall be under further obligation hereunder, except as further set forth in Section 9 hereof.

Section 9. Expenses. The Underwriter[s] shall be under no obligation to pay and the City shall pay or cause to be paid the expenses incident to the performance of the obligations of the City hereunder including but not limited to (a) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of the City Documents and the cost of preparing, printing, issuing and delivering the Bonds; (b) the fees and disbursements of any counsel, financial advisors, accountants or other experts or consultants retained by the City; (c) the fees and disbursements of Bond Counsel, Disclosure Counsel, and counsel to the City; (d) the fees and disbursements of the rating agencies; (e) the cost of printing and distributing the Preliminary Official Statement and any supplements and amendments thereto and the cost of printing and distributing the Official Statement and any supplements and amendments thereto, including a reasonable number of copies thereof for distribution by the Underwriter[s]; (f) expenses (included

in the expense component of the Underwriter[s]'[s] spread) incurred on behalf of the City's officers or employees which are incidental to implementing this Purchase Contract, including, but not limited to, meals, transportation, lodging, and entertainment of those officers or employees; (g) CUSIP Service Bureau fees and charges; and (h) Trustee fees. The City acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

Section 10. Representation Regarding Ethical Standards for City Officers and Employees and Former City Officers and Employees. The Underwriter[s] have not: (i) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (ii) retained any person to solicit or secure this Purchase Contract upon an agreement or understanding for a commission, percentage, or brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (iii) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (iv) knowingly influenced, and hereby promises that the Underwriter[s] will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

Section 11. Notice. Any notice or other communication to be given to the City under this Purchase Contract may be given by delivering the same in writing to Salt Lake City Corporation, 1530 South West Temple, Salt Lake City, Utah 84115, Attention: Director, Department of Public Utilities, with a copy to Salt Lake City Corporation, 451 South State Street, Room 505A, PO Box 145478, Salt Lake City, Utah 84111, Attention: City Attorney.

Any notice or other communication to be given to the Underwriter[s] under this Purchase Contract may be given by delivering the same in writing to the [Representative][Underwriter], _____, _____, _____, _____, Attention:

Section 12. Entire Agreement. This Purchase Contract, when accepted by the City, shall constitute the entire agreement between the City and the Underwriter[s] with respect to the subject matter hereof and is made solely for the benefit of the City and the Underwriter[s] (including the successors of the Underwriter[s]). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein. All of the City's representations, warranties and agreements in this Purchase Contract shall remain operative and in full force and effect except as otherwise provided herein, regardless of any investigations made by or on behalf of the Underwriter[s] and shall survive the delivery of and payment for the Bonds.

Section 13. No Advisory or Fiduciary Role. The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the City and the Underwriter[s]; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter[s] are and have been acting solely as a principal and are not acting as the agent, advisor or fiduciary of the City; (iii) the Underwriter[s] have not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering contemplated hereby or

the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter[s] have provided other services or are currently providing other services to the City on other matters) and the Underwriter[s] have no obligation to the City with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract; (iv) the Underwriter[s] are not acting as municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended); and (v) the City has consulted its own legal, financial and other advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

Section 14. Compliance with Public Contract Boycott Restrictions. [The Underwriter][The Representative, on behalf of each of the Underwriters,] hereby certifies and agrees that:

- a. the [Underwriter is][Underwriters are] not currently engaged in (i) a boycott of the State of Israel; or (ii) an economic boycott;
- b. the [Underwriter][Underwriters] agree[s] not to engage in a boycott of the State of Israel for the duration of this Purchase Contract; and
- c. the [Underwriter][Underwriters] agree to notify the Issuer in writing if the [Underwriter][Underwriters] begin engaging in an economic boycott (which notice may be grounds for termination of this Purchase Contract).

For purposes of this certification:

- i. *"Boycott action"* means refusing to deal, terminating business activities, or limiting commercial relations.
- ii. *"Boycott of the State of Israel"* means engaging in a boycott action targeting (A) the State of Israel; and (B)(I) companies or individuals doing business in or with the State of Israel; or (II) companies authorized by, licensed by, or organized under the laws of the State of Israel to do business.
- iii. *"Boycotted company"* means a company that (A) engages in the exploration, production, utilization, transportation, sale, or manufacture of fossil fuel-based energy, timber, mining, or agriculture; (B) engages in, facilitates, or supports the manufacture, distribution, sale, or use of firearms; (C) does not meet or commit to meet environmental standards, including standards for eliminating, reducing, offsetting, or disclosing greenhouse gas-emissions, beyond applicable state and federal law requirements; or (C) does not facilitate or commit to facilitate access to abortion or sex characteristic surgical procedures.
- iv. *"Economic boycott"* means, without an ordinary business purpose (A) engaging in a boycott action targeting (I) a boycotted company; or (II) another company because the company does business with a boycotted company; or (B) taking an action intended to penalize, inflict economic harm to, or change or limit the activities of (I) a

boycotted company; or (II) another company because the company does business with a boycotted company.

Section 15. Counterparts; Electronic Signatures. This Purchase Contract and all documents necessary or required to complete the sale of the Bonds may be executed in multiple counterparts, all of which taken together will constitute one and the same instrument. Pursuant to the Uniform Electronic Transactions Act, Title 46, Chapter 4 Utah Code Annotated 1953, as amended, the Underwriter[s] and the City hereby agree and consent to the use of electronic signatures and electronic records in connection with the Bond transaction; provided, however, that such consent and agreement only permits the use of, but does not require, electronic signatures or electronic records, including on documents delivered in counterparts.

Section 16. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

Section 17. STATE LAW GOVERNS. THE VALIDITY, INTERPRETATION AND PERFORMANCE OF THIS PURCHASE CONTRACT SHALL BE GOVERNED BY THE LAWS OF THE STATE.

Section 18. No Assignment. The rights and obligations created by this Purchase Contract shall not be subject to assignment by the Underwriter[s] or the City without the prior written consent of the other party hereto.

_____, [as Representative of itself
and _____]

By: _____
Managing Director

Accepted as of the date first stated above:

Time of acceptance:

_____ [a.m./p.m.] M.D.T.

This January _____, 2025.

SALT LAKE CITY, UTAH

By: _____
Mayor

[SEAL]

ATTEST:

By: _____
City Recorder

APPROVED AS TO FORM:

By: _____
Senior City Attorney

EXHIBIT A

\$ _____

SALT LAKE CITY, UTAH

PUBLIC UTILITIES REVENUE BONDS, SERIES 2025

Maturity Date (February 1)	Principal <u>Amount</u>	Interest <u>Rate</u>	<u>Yield</u>	Hold-the- Offering-Price <u>Maturity</u>
---	--	---------------------------------------	---------------------	---

c Yield to optional call on February 1, 20__.
[(There were no Hold-the-Price Maturities.)]

EXHIBIT B

UNDERWRITER[S]'[S] RECEIPT OF BONDS AND ISSUE PRICE CERTIFICATE

\$ _____
SALT LAKE CITY, UTAH
PUBLIC UTILITIES REVENUE BONDS, SERIES 2025

The undersigned, on behalf of _____[, and as [underwriter][representative] (the “[Purchaser][Representative]”) and of _____ (collectively, the “*Original Purchaser Group*”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “*Bonds*”).

1. *Receipt of the Bonds.* The [Representative][Purchaser] hereby acknowledges receipt of the Bonds pursuant to the Bond Purchase Contract (the “*Purchase Contract*”) by and between the [Purchaser][Original Purchaser Group] and Salt Lake City, Utah (the “*Issuer*”), dated _____, 2025 (the “*Sale Date*”). The Bonds are issued as fully registered bonds, and are dated, mature on the dates, bear interest at the rates per annum, and are numbered as set forth in the Indenture (as defined in the Purchase Contract.)

2. *General.* The [Purchaser][Representative] and the Issuer have executed the Purchase Contract in connection with the Bonds on the Sale Date. The Purchase Contract has not been modified since its execution on the Sale Date.

3. *Price.* (a) [As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Schedule A*.][As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Schedule A*.]

[(b) The [Purchaser][Original Purchaser Group] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Schedule A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Schedule B*.

As set forth in the Purchase Contract, the [Purchaser][the members of the Original Purchaser Group] [has][have] agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, [it][they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “*hold-the-offering-price rule*”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement would contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule.

No Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

4. *Defined Terms.*

“General Rule Maturities” means those Maturities of the Bonds not listed in *Schedule A* hereto as the “Hold-the-Offering-Price Maturities.”

“Hold-the-Offering-Price Maturities” means those Maturities of the Bonds listed in *Schedule A* hereto as the “Hold-the-Offering-Price Maturities.”

“Holding Period” means with respect to each Hold-the-Offering-Price Maturity the period starting on the Sale Date and ending on the earlier of:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the [Purchaser][Original Purchaser Group] [has][have] sold at least 10% of that Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

“Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

“Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriting Firm.

A person is a *“Related Party”* to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (a) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (b) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (c) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

“Underwriter” means (a) any person that agrees pursuant to a written contract with the Issuer (or with the [Purchaser][Representative] to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (a) of this definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

All terms not defined herein shall have the same meanings as in the Tax Exemption Certificate and Agreement with respect to the Bonds, to which this Certificate is attached. The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in its documents and with respect to compliance with the federal income tax rules affecting the Bonds, and by Chapman and Cutler LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

_____, [as Representative of the
Original Purchaser Group]

By: _____
Managing Director
_____, [as representative of the

Dated: _____, 2025.

To Be Attached:

SCHEDULE A — Sale Prices [*Same as Exhibit A to the Bond Purchase Contract*]

SCHEDULE B — Final Pricing Wire

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PRELIMINARY OFFICIAL STATEMENT DATED _____, 2025

NEW ISSUE—Issued in Book-Entry Only Form

Ratings: S&P “ ”
Moody’s “ ”
(See “BOND RATINGS” herein.)

Subject to compliance by the City with certain covenants, in the opinion of Chapman and Cutler LLP, Bond Counsel, under present law, interest on the Series 2025 Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Series 2025 Bonds may affect the corporate alternative minimum tax for certain corporations. In the opinion of Bond Counsel, under the existing laws of the State of Utah, as presently enacted and construed, interest on the Series 2025 Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. See “TAX MATTERS” herein for a more complete discussion.



\$180,315,000*
SALT LAKE CITY, UTAH
PUBLIC UTILITIES REVENUE BONDS, SERIES 2025

Dated: Date of Initial Delivery

Due: February 1, as shown on the inside cover

The \$180,315,000* Public Utilities Revenue Bonds, Series 2025, (the “Series 2025 Bonds”), are issuable by Salt Lake City, Utah (the “City”), 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, which will act as securities depository for the Series 2025 Bonds. Purchases of Series 2025 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 2025 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 2025 Bonds. Interest on the Series 2025 Bonds is payable on February 1 and August 1 of each year, commencing August 1, 2025, through U.S. Bank Trust Company, National Association, as Paying Agent, all as more fully described herein. So long as DTC or its nominee is the registered owner of the Series 2025 Bonds, payments of the principal of, premium, if any, and interest on such Series 2025 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 2025 BONDS—Book-Entry Only System” herein.

The Series 2025 Bonds are issued for the purpose of (i) financing improvements to the City’s Water and Sewer Utilities (collectively, the “Series 2025 Project”) which are part of the City’s utility System (as defined herein) and (ii) paying costs associated with the issuance of the Series 2025 Bonds.

The Series 2025 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein. See “THE SERIES 2025 BONDS—Redemption” herein.

The Series 2025 Bonds are special limited obligations of the City, payable solely from a pledge and assignment of Net Revenues and moneys on deposit in certain funds and accounts established in the Indenture (defined herein) between the City and U.S. Bank Trust Company, National Association, as trustee. Neither the credit nor the taxing power of the City or the State of Utah or any agency, instrumentality, or political subdivision thereof is pledged for the payment of the principal of, premium, if any, or interest on the Series 2025 Bonds. The Series 2025 Bonds are not general obligations of the City or the State of Utah or any agency, instrumentality, or political subdivision thereof. The issuance of the Series 2025 Bonds shall not directly, indirectly, or contingently obligate the City or the State of Utah or any agency, instrumentality, or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for the payment of the Series 2025 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” herein.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read this Official Statement in its entirety to obtain information essential to making an informed investment decision.

The Series 2025 Bonds are offered when, as and if issued by the City and received by the Underwriter[s], and subject to the approval of their legality and certain other legal matters by Chapman and Cutler LLP, Salt Lake City, Utah, as Bond Counsel to the City, and certain other conditions. Certain matters will be passed upon for the City by the City Attorney and certain matters relating to disclosure will be passed upon by Chapman and Cutler LLP., disclosure counsel to the City. Certain matters will be passed upon for the Underwriter[s] by _____. Stifel, Nicolaus & Company, Incorporated is acting as municipal advisor to the City in connection with the issuance of the Series 2025 Bonds. It is expected that the Series 2025 Bonds in book entry form will be available for delivery to The Depository Trust Company or its agent on or about _____, 2025.

This Official Statement is dated _____, 2025, and the information contained herein speaks only as of that date.

[UNDERWRITER LOGO]

* Preliminary; subject to change.

\$180,315,000*
SALT LAKE CITY, UTAH
PUBLIC UTILITIES REVENUE BONDS, SERIES 2025

MATURITIES, AMOUNTS, INTEREST RATES, AND PRICES OR YIELDS

<u>DUE</u> <u>(FEBRUARY 1)</u>	<u>PRINCIPAL</u> <u>AMOUNT*</u>	<u>INTEREST</u> <u>RATE</u>	<u>YIELD</u>	<u>CUSIP**</u>
	\$	%	%	

\$ _____ * _____ % Term Bond Due February 1, 20__ ; Price _____ % CUSIP** _____
\$ _____ * _____ % Term Bond Due February 1, 20__ ; Price _____ % CUSIP** _____

c Yield/priced to optional call on February 1, 20__.

* Preliminary; subject to change.

** The above-referenced CUSIP number(s) have been assigned by an independent company not affiliated with the parties to this bond transaction and are included solely for the convenience of the holders of the Series 2025 Bonds. Neither the City, the Trustee nor the Underwriter[s] are responsible for the selection or uses of such CUSIP numbers, and no representation is made as to its correctness on the Series 2025 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2025 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities.

The information contained in this Official Statement has been furnished by the City, DTC and other sources that are believed to be reliable. No dealer, broker, salesperson or any other person has been authorized by the City or the Underwriter[s] 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 as having been authorized by the City or the Underwriter[s].

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 2025 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither 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 of this Official Statement.

The Underwriter[s] have provided the following sentence for inclusion in this Official Statement:

The Underwriter[s] have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter[s] do not guarantee the accuracy or completeness of such information.

The Series 2025 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such act. Any registration or qualification of the Series 2025 Bonds in accordance with applicable provisions of the securities laws of the states in which the Series 2025 Bonds have been registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER[S] MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE MARKET PRICES OF THE SERIES 2025 BONDS. SUCH TRANSACTIONS, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THESE SECURITIES 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.

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 City maintains a website. However, the information presented on that website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2025 Bonds.

Any references in this Official Statement to the “Issuer” mean the City of Salt Lake, Utah and references to “Bonds” or “Securities” mean the Public Utilities Revenue Bonds, Series 2025 offered hereby.

\$180,315,000*
SALT LAKE CITY, UTAH
PUBLIC UTILITIES REVENUE BONDS
SERIES 2025

Salt Lake City
City and County Building
451 South State Street
Salt Lake City, Utah 84111
(801) 535-7946

CITY COUNCIL

Victoria Petro.....	Council Chair
Chris Wharton	Council Vice Chair
Eva Lopez Chavez.....	Council Member
Dan Dugan.....	Council Member
Darin Mano.....	Council Member
Alejandro Puy.....	Council Member
Sarah Young	Council Member

CITY ADMINISTRATION

Erin J. Mendenhall.....	Mayor
Rachel Otto.....	Chief of Staff
Katherine N. Lewis.....	City Attorney
Cindy Lou Trishman.....	City Recorder
Marina Scott	City Treasurer

DEPARTMENT OF PUBLIC UTILITIES

Laura Briefer, MPA.....	Director
Jesse Stewart, PG.....	Deputy Director
Jason Brown	Deputy Director
Lisa Taruffelli, MBA	Finance Administrator
Tamara Wambeam, GISP	GIS & IT Admin
Jamey West.....	Water Reclamation Manager
Jeff Grimsdell	Maintenance Superintendent
Jason Brown	Chief Engineer
[Teresa Gray, LEHS]	Water Quality & Treatment Admin

PUBLIC UTILITIES ADVISORY COMMITTEE

Alexander Lovell.....	Chair
Kathryn Floor	Vice Chair
Ted Boyer.....	Member
Dani Cepernich.....	Member
Tom Godfrey	Member
Terry Marasco	Member
Roger Player.....	Member
Browne Sebright.....	Member
Christopher Shope.....	Member

BOND COUNSEL

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215 South State, Suite 560
Salt Lake City, Utah 84111
(801) 533-0066

INDEPENDENT AUDITORS

Eide Bailly LLP
5 Triad Center, Suite 600
Salt Lake City, Utah 84180
(801) 532-2200

MUNICIPAL ADVISOR

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

TRUSTEE

U.S. Bank Trust Company, National Association
170 South Main Street, Suite 200
Salt Lake City, Utah 84101
(801) 534-6083

* Preliminary; subject to change.

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OFFICIAL STATEMENT

RELATING TO

\$180,315,000*

SALT LAKE CITY, UTAH

PUBLIC UTILITIES REVENUE BONDS, SERIES 2025

INTRODUCTION

This Official Statement, including the cover page, introduction and appendices, provides information regarding (i) the issuance and sale by Salt Lake City, Utah (the “City”), a political subdivision of the State of Utah (the “State”), of its \$180,315,000* Public Utilities Revenue Bonds, Series 2025 (the “Series 2025 Bonds”), initially issued in book-entry form only; (ii) the City; and (iii) the sewer system (the “Sewer Utility”), the water system (the “Water Utility”), the stormwater system (the “Stormwater Utility”), and the street lighting system (the “Street Lighting Utility,” and collectively with the Sewer Utility, the Water Utility, and the Stormwater Utility, the “System”) owned and operated by the City. 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 Series 2025 Bonds to potential investors is made only by means of the entire Official Statement. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in “APPENDIX B—EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE.”

See also the following appendices attached hereto: “APPENDIX A—SALT LAKE CITY WATER, SEWER, STORMWATER, AND STREET LIGHTING UTILITIES (ENTERPRISE FUNDS OF SALT LAKE CITY CORPORATION) INDEPENDENT AUDITOR’S REPORT AND COMBINED FINANCIAL STATEMENTS AS OF JUNE 30, 2024”; “APPENDIX B—EXCERPTS OF CERTAIN PROVISION OF THE MASTER INDENTURE”; “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY”; “APPENDIX D—PROPOSED FORM OF OPINION OF BOND COUNSEL”; “APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM”; and “APPENDIX F—FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

THE CITY

The City is a municipal corporation and political subdivision of the State and is the capital of the State. The City is the most populous city in the State with an estimated population of 209,593 residents in 2023. The City has a council-mayor form of government. For more information with respect to the City, see “THE CITY,” “DEBT STRUCTURE OF THE CITY,” “FINANCIAL INFORMATION REGARDING THE CITY,” and “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY.

* Preliminary; subject to change.

THE SYSTEM {To be updated by the City.}

The System consists of the Water Utility, the Sewer Utility, the Stormwater Utility, and the Street Lighting Utility. The Water Utility includes three primary water sources (streams, reservoirs, and groundwater), three water treatment plants, seven raw water storage reservoirs, 22 distribution reservoirs, ten storage tanks, 26 deep groundwater wells, and an interconnecting network of approximately 1,320 miles of distribution and transmission lines. The Sewer Utility consists of 44 lift stations and approximately 655 miles of 3-inch to 78-inch interceptors and collectors. The Sewer Utility also includes a water reclamation facility which receives sewage through the collection system and treats sewage to meet water quality requirements prior to discharge. The Stormwater Utility consists of a combination of collection lines, curbs and gutters, canals, and other facilities. The Street Lighting Utility consists of approximately 15,840 street lights, with approximately 9,810 energy efficient lights and approximately 4,090 enhanced or decorative street lights for which property owners in the area pay an additional street lighting charge. The System is managed and operated by the Department of Public Utilities of the City (the “*Department*”). For additional details regarding the System, see “THE SYSTEM” herein.

AUTHORIZATION AND PURPOSE OF THE SERIES 2025 BONDS

The Series 2025 Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “*Utah Code*”), and other applicable provisions of law (collectively, the “*Act*”); (ii) a resolution adopted on _____, 2024 (the “*Resolution*”) by the City Council of the City (the “*City Council*”); and (iii) a Master Trust Indenture, dated as of January 1, 2004, as heretofore amended and supplemented (the “*Master Indenture*”), and as further amended and supplemented by a [Thirteenth] Supplemental Trust Indenture, dated as of February 1, 2025 (the “[*Thirteenth*] *Supplemental Indenture*” and together with the Master Indenture, the “*Indenture*”), each between the City and U.S. Bank Trust Company, National Association (formerly known as U.S. Bank National Association), as trustee (the “*Trustee*”).

The Series 2025 Bonds are issued for the purpose of (i) financing improvements to the Water and Sewer Utilities (collectively, the “*Series 2025 Project*”) and that are more particularly described herein under the heading “THE SERIES 2025 PROJECT” and (ii) paying costs associated with the issuance of the Series 2025 Bonds. See “THE SERIES 2025 PROJECT” and “ESTIMATED SOURCES AND USED OF FUNDS” herein.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

The Series 2025 Bonds are payable solely from and secured solely by a pledge and assignment of the Net Revenues derived by the City from the System. “*Net Revenues*” means, for any period, the Revenues for such period less the Operation and Maintenance Costs (as defined in APPENDIX B). “*Revenues*” means all revenues, connection fees, income, rents and receipts derived by the City from or attributable to the System, including all interest, profits or other income derived from the investment of any moneys held pursuant to the Indenture and the proceeds of any interest subsidy with respect to the Bonds. Revenues do not include proceeds received on insurance

resulting from casualty damage to assets of the System or the proceeds of sale of bonds, notes or other obligations issued for System purposes.

The Series 2025 Bonds will be issued on parity with any other Bonds that have been issued under the Master Indenture, including but not limited to the City's outstanding (i) Taxable Water and Sewer Revenue Bonds, Series 2009, currently outstanding in the aggregate principal amount of \$2,205,000 (the "*Series 2009 Bonds*"); (ii) Water and Sewer Revenue Bonds, Series 2010, currently outstanding in the aggregate principal amount of \$4,760,000 (the "*Series 2010 Bonds*"); (iii) Water and Sewer Revenue Bonds, Series 2011, currently outstanding in the aggregate principal amount of \$1,705,000 (the "*Series 2011 Bonds*"); (iv) Water and Sewer Improvement and Refunding Revenue Bonds, Series 2012, currently outstanding in the aggregate principal amount of \$1,745,000 (the "*Series 2012 Bonds*"); (v) Public Utilities Revenue Refunding Bonds, Series 2017, currently outstanding in the aggregate principal amount of \$54,445,000 (the "*Series 2017 Bonds*"); (vi) Public Utilities Revenue Bonds, Series 2020, currently outstanding in the aggregate principal amount of \$157,390,000 (the "*Series 2020 Bonds*"); (vii) a draw down loan with the United States Environmental Protection Agency (the "*EPA*") for up to \$348,635,000 under the Water Infrastructure Finance and Innovation Act ("*WIFIA*") executed on September 15, 2020 (the "*WIFIA Loan*" or the "*Series 2020B Bonds*"); (viii) Public Utilities Revenue Bonds, Series 2022, currently outstanding in the aggregate principal amount of \$329,025,000 (the "*Series 2022 Bonds*"); and (vi) [Public Utilities Revenue Bonds], Series 2024, currently outstanding in the aggregate principal amount of \$39,525,000 (the "*Series 2024 Bonds*" and, collectively with the Series 2009 Bonds, the Series 2010 Bonds, the Series 2011 Bonds, the Series 2012 Bonds, the Series 2017 Bonds, the Series 2020 Bonds, the Series 2020B Bonds, the Series 2022 Bonds and the Series 2024 Bonds, the "*Outstanding Parity Bonds*").

The City may issue additional Bonds payable on a parity with the Series 2025 Bonds and the Outstanding Parity Bonds (the "*Additional Bonds*") upon complying with certain requirements set forth in the Indenture and in the WIFIA Loan Agreement dated as of September 15, 2020 that evidences the WIFIA Loan (the "*WIFIA Loan Agreement*") by and between the City and the EPA. Such Additional Bonds together with the Series 2025 Bonds and the Outstanding Parity Bonds are sometimes collectively referred to herein as the "*Bonds.*" See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Additional Bonds" below.

REDEMPTION PROVISIONS

The Series 2025 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity. See "THE SERIES 2025 BONDS—Redemption" below.

REGISTRATION, DENOMINATIONS, MANNER OF PAYMENT

The Series 2025 Bonds are issuable only as fully-registered Series 2025 Bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("*DTC*"), which will act as securities depository of the Series 2025 Bonds. Purchases of Series 2025 Bonds will be made in book-entry only form, 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 2025 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 2025 Bonds.

So long as Cede & Co. is the registered Owner of the Series 2025 Bonds, as nominee of DTC, references herein and in the Indenture to the bondowners or registered Owners of the Series 2025 Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Series 2025 Bonds.

Principal of and interest on the Series 2025 Bonds (interest payable February 1 and August 1 of each year, commencing August 1, 2025) are payable by U.S. Bank Trust Company, National Association, Salt Lake City, Utah, as Paying Agent, to the registered owners of the Series 2025 Bonds, initially Cede & Co., as nominee of DTC. See “THE SERIES 2025 BONDS—Book-Entry Only System” below.

TRANSFER OR EXCHANGE

Except as described under “THE SERIES 2025 BONDS —Book-Entry Only System” below, in all cases in which the privilege of exchanging or transferring the Series 2025 Bonds is exercised, the City shall execute, and the Trustee shall authenticate and deliver, the Series 2025 Bonds in accordance with the provisions of the Indenture. For every such exchange or transfer of the Series 2025 Bonds, the City or the Trustee may make a charge sufficient to reimburse it for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer of the Series 2025 Bonds but may impose no other charge therefor.

The Trustee, shall not be required to transfer or exchange any Series 2025 Bond during the period from and including any Record Date, to and including the next succeeding Interest Payment Date. In addition, the City, the Trustee and any Transfer Agent shall not be required (a) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the date of the mailing of a notice of redemption of Series 2025 Bonds selected for redemption under the Indenture and ending at the close of business on the day of such mailing, or (b) to register the transfer of or exchange any Series 2025 Bond so selected for redemption in whole or in part, except the unredeemed portion of Series 2025 Bonds being redeemed in part.

TAX-EXEMPT STATUS

Subject to compliance by the City with certain covenants, in the opinion of Chapman and Cutler LLP, Bond Counsel, under present law, interest on the Series 2025 Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Series 2025 Bonds may affect the corporate alternative minimum tax for certain corporations. In the opinion of Bond Counsel, under the existing laws of the State of Utah, as presently enacted and construed, interest on the Series 2025 Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. See “TAX MATTERS” herein for a more complete discussion.

CONDITIONS OF DELIVERY, ANTICIPATED DATE, MANNER AND PLACE OF DELIVERY

The Series 2025 Bonds are offered, subject to prior sale, when, as and if issued and received by _____ ([collectively,] the “*Underwriter[s]*”), subject to the approval of the legality of the Series 2025 Bonds by Chapman and Cutler LLP, Bond Counsel to the City, and certain other conditions. Certain matters relating to disclosure will be passed upon for the City by Chapman and Cutler LLP as disclosure counsel to the City. Certain legal matters will be passed on for the City by the City Attorney. Certain matters will be passed upon for the Underwriter[s] by _____. It is expected that the Series 2025 Bonds, in book-entry form only, will be available for delivery through the facilities of DTC on or about _____, 2025.

CONTINUING DISCLOSURE

The City will execute a Continuing Disclosure Undertaking for the benefit of the beneficial owners of the Series 2025 Bonds to enable the Underwriter[s] to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. See CONTINUING DISCLOSURE UNDERTAKING” and “APPENDIX F—FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

BASIC DOCUMENTATION

This Official Statement speaks only as of its date and the information contained herein is subject to change. Brief descriptions of the System, the City, the Series 2025 Bonds, and the Indenture are included in this Official Statement. Such descriptions do not purport to be comprehensive or definitive. Descriptions of the Series 2025 Bonds are qualified by reference to bankruptcy laws¹ affecting the remedies for the enforcement of the rights and security provided therein and the effect of the exercise of the police power by any entity having jurisdiction. The “basic documentation,” which includes the Indenture and other documentation authorizing the issuance of the Series 2025 Bonds and establishing the rights and responsibilities of the City and other parties to the transaction, may be obtained from the Municipal Advisor as indicated below.

¹ There is currently no specific authorization under the Utah Code for the City to file bankruptcy under Chapter 9 of the U.S. Bankruptcy Code.

CONTACT PERSONS

The primary contact for the City in connection with the issuance of the Series 2025 Bonds is:

Lisa M. Tarufelli
Finance Administrator
Department of Public Utilities
Salt Lake City Corporation
1530 South West Temple
Salt Lake City, Utah 84115
(801) 483-6755
lisa.tarufelli@slc.gov

Additional requests for information may be directed to the City's Municipal Advisor as follows:

John Crandall, Executive Managing Director
Elizabeth Read, Director
Stifel, Nicolaus & Company, Incorporated
15 West South Temple, Suite 1090
Salt Lake City, Utah 84101
(385) 799-7231
crandallj@stifel.com
reade@stifel.com

ADDITIONAL INFORMATION

In preparing this Official Statement, the City has relied upon information furnished by DTC and others. This Official Statement also includes summaries of the terms of the Series 2025 Bonds, certain provisions of the Act and the Utah Code. The summaries of and references to all documents and statutes referred to herein do not purport to be complete, comprehensive or definitive, and each such summary and reference is qualified in its entirety by reference to each such document or statute.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or owners of any of the Series 2025 Bonds.

THE SERIES 2025 BONDS

GENERAL

The Series 2025 Bonds are dated the date of their initial delivery and, except as otherwise provided in the Indenture, shall bear interest from said date. Interest on the Series 2025 Bonds

will be payable semiannually on February 1 and August 1 of each year commencing August 1, 2025. Interest on the Series 2025 Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months. The Series 2025 Bonds will be issued as fully registered Series 2025 Bonds, initially in book-entry form, in denominations of \$5,000 or any integral multiple thereof, not exceeding the amount of each maturity.

The Series 2025 Bonds shall bear interest at the rates and shall mature annually in each of the years as set forth inside the front cover of this Official Statement.

The Series 2025 Bonds are special limited obligations of the City, payable solely from the Net Revenues, moneys, securities, and funds pledged therefor in the Indenture. Neither the credit nor the taxing power of the City, the State or any agency, instrumentality, or political subdivision thereof is pledged for the payment of the principal of, premium, if any, or interest on the Series 2025 Bonds. The Series 2025 Bonds are not general obligations of the City or the State or any agency, instrumentality, or political subdivision thereof. The issuance of the Series 2025 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 taxation therefor or to make any appropriation for the payment of the Series 2025 Bonds.

Interest on the Series 2025 Bonds will be paid on each Interest Payment Date to the registered owner thereof (initially DTC) who is the registered owner at the close of business on the Record Date for such interest, which shall be the fifteenth day of the month next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner of any Series 2025 Bonds on such Regular Record Date, and may be paid to the registered owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such registered owner not less than ten days prior to such Special Record Date. The principal of and premium, if any, on the Series 2025 Bonds are payable upon presentation and surrender thereof at the principal corporate trust office of the Trustee. Interest shall be paid by check or draft mailed on each Interest Payment Date to the registered owner (initially DTC) of each of the Series 2025 Bonds as the name and address of such registered owner appear on the record date in the Register.

REDEMPTION

Optional Redemption. The Series 2025 Bonds maturing on or after February 1, 203_, are subject to redemption at the election of the City on any date on or after _____ 1, 203_, in whole or in part (if in part, such Series 2025 Bonds to be redeemed will be selected from such maturities as are determined by the City in its discretion and within each maturity as selected by the Trustee), upon notice as provided below. Such optional redemption of the Series 2025 Bonds will be at the Redemption Price equal to the principal amount thereof, but without premium, plus accrued interest thereon to the redemption date.

Mandatory Sinking Fund Redemption. The Series 2025 Bonds maturing on February 1, 20__ and bearing interest at ____% ("Term Bond 1"), are subject to mandatory sinking fund

redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the redemption date on the dates and in the principal amounts as follows:

MANDATORY SINKING FUND REDEMPTION DATE (FEBRUARY 1)	MANDATORY SINKING FUND REDEMPTION AMOUNT
	\$

*

*Final Maturity Date.

The Series 2025 Bonds maturing on February 1, 20__ and bearing interest at ____% (“*Term Bond 2*”), are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the redemption date on the dates and in the principal amounts as follows:

MANDATORY SINKING FUND REDEMPTION DATE (FEBRUARY 1)	MANDATORY SINKING FUND REDEMPTION AMOUNT
	\$

*

*Final Maturity Date.

Upon redemption of any portion of Term Bond 1 or Term Bond 2, other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited toward a part or all of any one or more of such mandatory sinking fund redemption amounts for Term Bond 1 or Term Bond 2, respectively, in such order of mandatory sinking fund date as shall be directed by the City.

Notice of Redemption. Notice of redemption will be given by first class mail, not less than 30 nor more than 45 days prior to the redemption date, to the registered owner of a Series 2025 Bond, at such owner’s address as it appears on the bond registration books of the Trustee or at such address as it may have filed with the Trustee for that purpose. Each notice of redemption will state the redemption date, the place of redemption, the source of the funds to be used for such redemption, the principal amount and, if less than all of the Series 2025 Bonds of like maturity are to be redeemed, the distinctive numbers of the Series 2025 Bonds to be redeemed, and will also state that the interest on the Series 2025 Bonds in such notice designated for redemption will cease to accrue from and after such redemption date and that on said date there will become due and payable on each of such Series 2025 Bonds the Redemption Price thereof and interest accrued thereon to the redemption date.

If at the time of mailing of the notice of optional redemption there has not been deposited with the Trustee moneys sufficient to redeem all Series 2025 Bonds called for redemption, which moneys are or will be available for redemption of Series 2025 Bonds, such notice may state that such redemption is conditioned upon the receipt by the Trustee on or prior to the date fixed for such redemption of money sufficient to pay the Redemption Price of and interest on the Series 2025 Bonds to be redeemed, and that if such money has not been so received said notice is of no force and effect, and the City is not required to redeem such Series 2025 Bonds. In the event that such notice of redemption contains such a condition and such money is not so received, the redemption will not be made and the Trustee will, as soon as possible after the redemption date, give notice, in the manner in which the notice of redemption was given, that such money was not so received and that such redemption was not made.

TRANSFER, EXCHANGE AND PAYMENT OF THE SERIES 2025 BONDS

In the event that the book-entry only system has been terminated, any Series 2025 Bond may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of the Indenture, by the person in whose name it is registered, in person or by such person's duly authorized attorney, upon surrender of such Series 2025 Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any Series 2025 Bond or Bonds are surrendered for transfer, the Trustee will authenticate and deliver a new fully registered Series 2025 Bond or Bonds duly executed by the City for like aggregate principal amount. The Trustee will require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

In the event that the book-entry only system has been terminated, any Series 2025 Bond may be exchanged at the principal corporate trust operations office of the Trustee for a like aggregate principal amount of Series 2025 Bonds of the same series and maturity of authorized denominations. The Trustee will require the payment by the Bondholder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. No such exchange will be required to be made during the 15 days preceding each interest payment date.

The principal of, and premium, if any, and interest on, the Series 2025 Bonds is payable in lawful money of the United States of America. In the event that the book-entry only system has been terminated, principal of and premium, if any, on the Series 2025 Bonds when due will be payable at the principal corporate trust operations office of the Trustee, or of its successor as Paying Agent for the Series 2025 Bonds. In the event that the book-entry only system has been terminated, payment of interest on the Series 2025 Bonds will be paid by check or draft mailed to the registered owner of record as of the close of business on the Record Date at such owner's address as it appears on the registration books of the Trustee or at such other address as is furnished in writing by such registered owner to the Trustee prior to the Record Date.

BOOK-ENTRY ONLY SYSTEM

The Series 2025 Bonds originally will be issued solely in book-entry form to DTC or its nominee, Cede & Co., to be held in DTC's book-entry only system. So long as such Series 2025 Bonds are held in the book-entry only system, DTC or its nominee will be the registered owner or Holder of such Series 2025 Bonds for all purposes of the Indenture, the Series 2025 Bonds and this Official Statement. Purchases of beneficial ownership interests in the Series 2025 Bonds may be made in the denominations described above. For a description of the book-entry system for the Series 2025 Bonds, see "APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM."

THE SERIES 2025 PROJECT

A portion of the proceeds from the Series 2025 Bonds will be used to finance improvements to the System, including, but not limited to the Water Utility and the Sewer Utility. Series 2025 Project improvements to the Water Utility will focus on upgrades to the aging distribution system, treatment plants, storage facilities, and various master plan projects. Proceeds from the Series 2025 Bonds will be utilized for the Sewer Utility for construction of the Salt Lake City Water Reclamation Facility ("*SLCWRF*") to meet regulatory requirements.

ESTIMATED SOURCES AND USES OF FUNDS

The sources and uses of funds in connection with the issuance of the Series 2025 Bonds are estimated to be as follows:

SOURCES:

Par amount of the Series 2025 Bonds	\$ _____
Net Reoffering Premium	_____
TOTAL	\$ _____

USES:

Series 2025 Project	\$ _____
Costs of issuance ⁽¹⁾	_____
TOTAL	\$ _____

(1) Includes Underwriter[s]'[s] discount, legal, and Trustee fees and expenses, and other costs incurred in connection with the issuance of the Series 2025 Bonds..

**DEBT SERVICE SCHEDULE FOR THE SERIES 2025 BONDS
AND THE OUTSTANDING PARITY BONDS**

The following table sets forth the debt service requirements of the Series 2025 Bonds, the Series 2020B Bonds (WIFIA Loan), and the Outstanding Parity Bonds (other than the Series 2020B Bonds).⁽¹⁾

FISCAL YEAR	SERIES 2025 BONDS*			SERIES 2020B BONDS ⁽²⁾	OUTSTANDING PARITY BONDS ⁽³⁾	FISCAL TOTAL*
	PRINCIPAL	INTEREST	PERIOD TOTAL			
2025	\$ -	\$ -	\$ -	\$ -	\$ 39,794,739	\$ 39,794,739
2026	-	8,940,619	8,940,619	-	39,969,675	48,910,294
2027	-	9,015,750	9,015,750	-	39,963,274	48,979,024
2028	3,085,000	9,015,750	12,100,750	-	38,769,053	50,869,803
2029	3,245,000	8,861,500	12,106,500	14,844,362	38,773,539	65,724,401
2030	3,405,000	8,699,250	12,104,250	14,844,362	39,206,516	66,155,128
2031	3,575,000	8,529,000	12,104,000	14,844,362	39,214,852	66,163,214
2032	3,750,000	8,350,250	12,100,250	14,844,362	38,138,151	65,082,763
2033	3,940,000	8,162,750	12,102,750	14,844,362	38,142,561	65,089,673
2034	4,140,000	7,965,750	12,105,750	14,844,362	38,144,366	65,094,478
2035	4,345,000	7,758,750	12,103,750	14,844,362	38,136,566	65,084,678
2036	4,565,000	7,541,500	12,106,500	14,844,362	38,137,411	65,088,273
2037	4,790,000	7,313,250	12,103,250	14,844,362	38,139,151	65,086,763
2038	5,025,000	7,073,750	12,098,750	14,844,362	32,448,986	59,392,098
2039	5,280,000	6,822,500	12,102,500	14,844,362	32,449,516	59,396,378
2040	5,545,000	6,558,500	12,103,500	14,844,362	32,447,926	59,395,788
2041	5,820,000	6,281,250	12,101,250	14,844,362	32,443,341	59,388,953
2042	6,110,000	5,990,250	12,100,250	14,844,362	32,448,301	59,392,913
2043	6,420,000	5,684,750	12,104,750	14,844,362	32,451,166	59,400,278
2044	6,740,000	5,363,750	12,103,750	14,844,362	32,449,111	59,397,223
2045	7,075,000	5,026,750	12,101,750	14,844,362	32,450,605	59,396,717
2046	7,430,000	4,673,000	12,103,000	14,844,362	32,449,610	59,396,972
2047	7,800,000	4,301,500	12,101,500	14,844,362	32,447,368	59,393,229
2048	8,190,000	3,911,500	12,101,500	14,844,362	32,447,886	59,393,748
2049	8,605,000	3,502,000	12,107,000	14,844,362	32,444,498	59,395,859
2050	9,035,000	3,071,750	12,106,750	14,844,362	32,446,474	59,397,586
2051	9,480,000	2,620,000	12,100,000	14,844,362	21,995,659	48,940,021
2052	9,960,000	2,146,000	12,106,000	14,844,362	21,996,678	48,947,039
2053	10,455,000	1,648,000	12,103,000	14,844,362	744,905	27,692,267
2054	10,975,000	1,125,250	12,100,250	14,844,362	745,560	27,690,172
2055	11,530,000	576,500	12,106,500	14,844,362	745,065	27,695,927
2056	-	-	-	14,844,362	745,435	15,589,797
2057	-	-	-	14,844,362	744,655	15,589,017
2058	-	-	-	14,844,362	744,740	15,589,102
2059	-	-	-	-	744,675	744,675
2060	-	-	-	-	745,460	745,460
2061	-	-	-	-	745,080	745,080
2062	-	-	-	-	745,550	745,550
2063	-	-	-	-	744,855	744,855
2064	-	-	-	-	745,010	745,010
2025	-	-	-	-	39,794,739	39,794,739
Total	\$180,315,000	\$176,531,119	\$356,846,119	\$445,330,853	\$979,287,970	\$1,781,464,942

* Preliminary; subject to change.

(1) Totals may not foot because amounts have been rounded.

(2) Debt service on Series 2020B Bonds (WIFIA Loan), based on anticipated draws per the City's fiscal year 2021 budget.

(3) Debt service on Outstanding Parity Bonds, not including the estimated debt service on the Series 2020B Bonds.

(Source: The Municipal Advisor.)

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

GENERAL

The Series 2025 Bonds and all other Bonds issued under the Master Indenture will be secured equally and ratably by the Net Revenues and funds pledged therefor pursuant to the Master Indenture. The Series 2025 Bonds are special obligations of the City, payable exclusively from the Revenues, moneys, securities and funds pledged therefor in the Indenture, after the payment from such Revenues of Operation and Maintenance Costs of the System. “*Revenues*” means all revenues, connection fees, income, rents and receipts derived by the City from or attributable to the System, including all interest, profits or other income derived from the investment of any moneys held pursuant to the Indenture and the proceeds of any interest subsidy with respect to the Bonds. Revenues do not include proceeds received on insurance resulting from casualty damage to assets of the System or the proceeds of sale of bonds, notes or other obligations issued for System purposes. “*Net Revenues*” means, for any period, the Revenues for such period less the Operation and Maintenance Costs (as defined in APPENDIX B). In the case of an Event of Default under the Indenture, the Series 2025 Bonds are not subject to acceleration.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY IS PLEDGED AS SECURITY FOR THE SERIES 2025 BONDS, AND THE SERIES 2025 BONDS DO NOT CONSTITUTE GENERAL OBLIGATIONS OF THE CITY OR OF ANY OTHER ENTITY OR BODY, MUNICIPAL, STATE OR OTHERWISE. THE INDENTURE DOES NOT MORTGAGE OR OTHERWISE PLEDGE ANY SYSTEM PROPERTIES.

NO DEBT SERVICE RESERVE REQUIREMENT

The [Thirteenth] Supplemental Indenture provides that there will be no Debt Service Reserve Requirement for the Series 2025 Bonds. Certain of the Outstanding Parity Bonds have a covenant to fund a debt service reserve fund for the related bonds under certain circumstances. However, if funded, such debt service reserves will not secure the Series 2025 Bonds.

FLOW OF FUNDS

The Revenues are to be deposited by the City in the Revenue Fund. On or before the fourth Business Day prior to the end of each month, after the payment of unpaid Operation and Maintenance Costs then due, the City will transfer from the Revenue Fund, to the extent of money available therein, and deposit into the following Fund and Accounts the amounts set forth below:

- (a) in the Principal and Interest Fund (i) for credit to the Bond Service Account, the amount, if any, required so that the balance therein meets the Debt Service requirements on any outstanding Bonds (provided that if there are not sufficient moneys in the Revenue Fund to satisfy the requirements of this provision (i) with respect to all Series Subaccounts in the Bond Service Account, all moneys available for distribution among such Series Subaccounts will be deposited into the Bond Service Account and distributed pro rata based on the amount of the deficiencies to the deficient Series Subaccounts in the Bond Service

Account, and provided further, there shall be allowances for amounts transferred from the Construction Fund to pay capitalized interest); and (ii) for credit to the Debt Service Reserve Account, such amounts as are required by the Master Indenture and any Supplemental Indenture for each Series of Bonds (provided that if there are not sufficient moneys in the Revenue Fund to satisfy the requirements of this provision (ii) all moneys available for distribution among the Series Subaccounts in the Debt Service Reserve Account will be deposited into the Debt Service Reserve Account and distributed pro rata based on the amount of deficiencies to the deficient Series Subaccounts in the Debt Service Reserve Account) (see “APPENDIX B—Flow of Funds”); and

(b) in the Renewal and Replacement Fund the amounts necessary to fund the Renewal and Replacement Fund Reserve Requirement. The Renewal and Replacement Fund Reserve Requirement currently is \$0.

Notwithstanding the foregoing, no deposits will be required into the Principal and Interest Fund so long as there is held in the Principal and Interest Fund an amount sufficient to pay in full all outstanding Bonds in accordance with their terms.

Amounts remaining in the Revenue Fund at the end of each month after payment of the amounts set forth above may be applied by the City, free and clear of the lien of the Indenture, to any lawful purpose of the City. It has been the City Council’s practice to keep such amounts for use within the System. For a more detailed discussion of the flow of funds under the Indenture, please see “Flow of Funds” in APPENDIX B.

RATE COVENANT

The City covenants in the Master Indenture that for so long as any Bonds remain outstanding the City will establish and collect rates and charges for System services that, together with other available income from the System, are reasonably expected to produce Net Revenues for the forthcoming Fiscal Year (i) equal to at least (a) 1.25 times the Aggregate Debt Service for such forthcoming Fiscal Year on all Bonds outstanding and (b) the Repayment Obligations, if any, that are due and payable during the forthcoming Fiscal Year and (ii) sufficient to fund the Debt Service Reserve Account at the times, rates and in the manner specified in the Master Indenture (collectively, the “Rate Covenant Requirement”). See “HISTORICAL AND PROJECTED SUMMARY OF THE DEPARTMENT’S REVENUES AND EXPENSES” herein.

OUTSTANDING PARITY BONDS

The Outstanding Parity Bonds are outstanding under the Master Indenture in the total aggregate principal amount of \$899,910,000, which includes \$_____ of the total \$348.635 million WIFIA Loan (Series 2020B Bonds) which has been drawn to date.

The Series 2025 Bonds, the Outstanding Parity Bonds, and any Additional Bonds hereafter issued pursuant to the provisions of the Master Indenture are equally and ratably secured under the terms of the Master Indenture.

ADDITIONAL BONDS

Additional Bonds may be issued under the Master Indenture by the City only upon the satisfaction of various conditions specified in the Master Indenture. The amount of Additional Bonds that may be issued under the Master Indenture is not limited by law or the Master Indenture. In connection with the issuance of Additional Bonds to finance the construction of a Project, the City is required to file, among other things, the following documents with the Trustee:

(a) a certificate of the City setting forth the then estimated completion date and the then estimated cost of construction of the Project being financed by the Additional Bonds;

(b) either:

(i) a certificate of the City either for the City's most recent Fiscal Year or for any Year during the most recent 18 months showing that the Net Revenues for such period would not be less than the Rate Covenant Requirement with respect to all Bonds to be outstanding at any time during the Year next following the issuance of the Additional Bonds and the Repayment Obligations to be outstanding at any time during the Year next following the issuance of the Additional Bonds; or

(ii) (A)(I) an Accountant's Certificate, (II) an Engineer's Certificate or (III) any combination of (I) and (II) setting forth the Estimated Net Revenues (assuming the completion of the Project on its then estimated completion date) for whichever of the following periods shall extend until the latest date: (1) if the Supplemental Indenture authorizing the Additional Bonds requires that interest on the Additional Bonds be capitalized until a certain date in accordance with the Indenture, for each of the two Fiscal Years succeeding such date, or (2) if the Supplemental Indenture authorizing the Additional Bonds does not require that interest on the Additional Bonds be capitalized, for the then current Fiscal Year and each succeeding Fiscal Year to and including the third Fiscal Year succeeding the date of issuance of the Additional Bonds; and

(B) a certificate of the City showing the Aggregate Debt Service for each of the Fiscal Years set forth in the certificate or certificates described in subparagraph (A) above and showing that the Estimated Net Revenues as shown in such certificate or certificates for each of such Fiscal Years are not less than the Rate Covenant Requirement for each of such Fiscal Years after the issuance of the Additional Bonds.

In connection with the issuance of Additional Bonds to refund all or a part of the outstanding Bonds of one or more series, the City is required to deliver to the Trustee:

(a) a certificate of the City stating that the issuance of such Additional Bonds complies with the requirements of the Indenture and either (i) a Certificate of the City

setting forth the Aggregate Debt Service for each Fiscal Year to and including the Fiscal Year in which occurs the latest maturity of the Bonds to be refunded or the Additional Bonds, whichever is later, (A) with respect to the Bonds to be refunded and (B) with respect to the Additional Bonds, and stating that the Aggregate Debt Service for any Fiscal Year set forth pursuant to clause (B) is no greater than the Aggregate Debt Service for any Fiscal Year set forth pursuant to clause (A); or (ii) an Accountant's Certificate (A) setting forth for the latest Fiscal Year preceding the delivery of the Additional Bonds for which Fiscal Year an audited financial report is available, the Net Revenues for such period, and (B) showing that such Net Revenues for such year would not be less than the Rate Covenant Requirement (for each Fiscal Year to and including the Fiscal Year in which occurs the latest maturity of the Additional Bonds).

(b) irrevocable instructions to the Trustee to give notice of redemption of all of the Bonds to be refunded on the redemption date or dates specified in such instructions;

(c) if the Bonds to be refunded are not by their terms subject to redemption within the next 60 days, irrevocable instructions to the Trustee to mail notice to the holders of the Bonds being refunded pursuant to the Indenture;

(d) either (i) moneys in an amount sufficient to effect payment at the applicable Redemption Price of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date, or (ii) Investment Securities in such principal amounts, of such maturities and bearing such interest as shall be sufficient together with the moneys, if any, deposited at the same time, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on the Bonds to be refunded on and prior to the redemption date or maturity date thereof as the case may be; and

(e) if the Additional Bonds to be issued are Cross-Over Refunding Bonds, the Supplemental Indenture providing for the issuance of the Additional Bonds shall, in addition to all other requirements of paragraphs (a), (b), (c) and (d), provide:

(i) that until the Cross-Over Date neither principal of nor interest on the Cross-Over Refunding Bonds shall be payable from or secured by a pledge of the Revenues, but shall be payable solely from the escrow provided for under the Utah Refunding Bond Act; and

(ii) there shall be filed with the Trustee an Accountant's Certificate demonstrating the sufficiency of the moneys and investments in the escrow provided for under the Utah Refunding Bond Act to pay principal of and interest on the Cross-Over Refunding Bonds to the Cross-Over Date (which Cross-Over Date may, at the option of the City, be extended as provided in the Supplemental Indenture providing for the issuance of the Cross-Over Refunding Bonds, but only upon filing a revised Accountant's Certificate which demonstrates that the moneys and investments then in the escrow will be sufficient to pay principal of and interest on the Cross-over Refunding Bonds to the extended Cross-Over Date).

In addition, one or more Series of Bond Anticipation Notes, payable on a parity with all Outstanding Bonds (except as provided below), may be authenticated and delivered upon original issuance from time to time in such Principal amount for each such Series as may be determined by the City for the purpose of paying or providing for the payment of all or a portion of the Cost of Construction of a Project, or the refunding of Bond Anticipation Notes, or a combination of such purpose.

Each Supplemental Indenture authorizing the issuance of a Series of Bond Anticipation Notes (i) shall specify the Project for which the proceeds of such Series of Bond Anticipation Notes will be applied, and (ii) may require the City to deposit a specified amount of money from the proceeds of the sale of such Series of Bond Anticipation Notes into a Project Account in the Construction Fund to pay when due all or a portion of the interest on such Series of Bond Anticipation Notes accrued and to accrue to the Estimated Completion, plus interest to accrue on such Series of Bond Anticipation Notes after the Estimated Completion Date for up to one Year (or such different period as may then be permitted by law).

If so provided in the Supplemental Indenture providing for the issuance of any Series of Bond Anticipation Notes, the payment of the Principal Installments on such Bond Anticipation Notes shall be subject to the prior lien and charge created in the Indenture for the payment of the Bonds out of the Principal and Interest Fund.

As of the date of issuance of any Series of Bond Anticipation Notes, the aggregate Principal amount of all outstanding Bond Anticipation Notes (including such Series) shall never exceed the Principal amount of a hypothetical Series of Bonds which could be issued by the City on such date in compliance with the provisions described above for construction Bonds, having an assumed final maturity of 30 years, bearing an assumed rate of interest equal to the highest rate then borne by any outstanding Bond Anticipation Notes and having Debt Service due in each Fiscal Year in approximately equal amounts; provided that if no Series of Bond Anticipation Notes are then Outstanding under the Indenture, the interest rate used for purposes of the calculation shall be the interest rate borne by the Series of Bond Anticipation Notes to be issued.

For a discussion on plans for the issuance of Additional Bonds, please see “THE CITY – Future Debt Plans” herein.

THE SYSTEM

THE DEPARTMENT OF PUBLIC UTILITIES

General. The Department of Public Utilities of the City (the “*Department*”) is responsible for the administration and maintenance of the System, which, for purposes of the Indenture, consists of the following utilities and their separate systems: water, sewer, stormwater, and street lighting. Each utility serves as a separate enterprise fund; *provided, however*, under the Indenture the combined revenues of each of the utilities have been pledged for the payment of the Bonds.

The Department is under the administration of the Mayor, who receives input from the Public Utilities Advisory Committee.

PUBLIC UTILITIES ADVISORY COMMITTEE

Policy input is provided to the Mayor by a nine-member Public Utilities Advisory Committee (“PUAC”), which was formed in 1980. Committee members represent City and County customers with regard to rate structures, annual budgets, capital improvements and watershed protection. PUAC serves without pay and provides citizen input on both operations and policies.

MANAGEMENT PERSONNEL {TO BE UPDATED BY THE CITY.}

The System is administered by the Department, which includes the following personnel:

Laura Briefer, MPA, Director, has overall responsibility for the Department. Ms. Briefer has worked at the Department for 14 years in various areas of the organization and has 27 years professional experience in natural resource and environmental professions in the public, private, and non-profit sectors. Ms. Briefer was appointed as the City’s Public Utilities Director in 2016. She holds a bachelor’s degree in environmental studies from the University of California at Santa Barbara, and a Master of Public Administration from the University of Utah. Ms. Briefer serves on the Utah Water Task Force, and on the board of directors for the Utah Lake Water Users Association, the Provo River Water Users Association, the National Association of Clean Water Agencies, and the Water Research Foundation.

Jesse Stewart, P.G., Deputy Director, is responsible for the Department’s development review, water reclamation, engineering, and operations and maintenance divisions. Mr. Stewart joined the Department in August 2013. He graduated from the University of Wyoming in 1989 with a bachelor’s degree in business administration and from Weber State University in 2001 with a degree in environmental geosciences. Mr. Stewart is a registered professional geologist in the State of Utah. Prior to coming to the Department, Mr. Stewart was a principal level project manager and hydrogeologist with a worldwide engineering and environmental firm.

Jason Brown, Deputy Director, {to be provided}.

Lisa M. Tarufelli, MBA, Finance Administrator, is responsible for the Department’s accounting, budgeting, customer service, billing and meter reading sections. Ms. Tarufelli was appointed in January 2019 and has more than 30 years of professional, municipal government experience, working extensively in all aspects of municipal finance. Ms. Tarufelli received a Bachelor of Science in accounting as well as a Master of Business Administration from the University of Utah. She is a member of the Government Finance Officer of America (GFOA) and has been a licensed Certified Public Accountant in the State of Wyoming for 37 years.

Tamara Wambeam, MS, GIS and IT Administrator, is responsible for all information management, information technology and mapping needs of the Department, including all hardware, software, programming, mapping, surveying and pipe locating. Ms. Wambeam has

been working in geographic information systems (“GIS”) and information technology (“IT”) for over 30 years. Ms. Wambeam has a Master of Science degree in geography with and emphasis in GIS and geomorphology from the University of Utah.

Jamey West, Water Reclamation Manager, is responsible for the City’s water reclamation facility. Mr. West spent 20 years employed in almost all facets of the wastewater industry before becoming the Operations and Maintenance Manager at the SLCWRF in 2016. He soon after assumed the responsibilities as the facility manager in early 2017. He holds a Grade IV Wastewater Treatment certification as well as a Grade IV Wastewater Collections certification from the Utah Division of Water Quality and is a member in good standing of the Water Environment Federation.

Jeff Grimsdell, Operations and Maintenance Superintendent, is responsible for the operation and maintenance of the Water, Sewer and Stormwater Facilities. {City to provide bio.}

Jason Brown, P.E., Chief Engineer, is responsible for the management and coordination of all engineering and engineering related functions at the Department. Mr. Brown is a licensed professional Engineer with over 20 years of engineering experience. He has been with the Department for over 16 years and has served in various roles including Development Review, Water System Program Manager and the Capital Improvements Program Manager. He is a member of American Water Works Association (AWWA) and American Society of Civil Engineers (ASCE).

[*Teresa Gray*, Water Quality & Treatment Administrator, is responsible for overseeing water quality and treatment programs in the Department. This includes the management of three water treatment facilities, regulatory program management for the Safe Drinking Water Act, Clean Water Act, and Stormwater Quality programs. She is a graduate of Weber State University with a bachelor’s degree in Microbiology, and a minor in Chemistry. Teresa Gray is a Licensed Environmental Health Scientist with over 27 years of experience. Prior to coming to the Department, she was the Bureau Manager of Water Quality and Hazardous Waste for the Salt Lake County Health Department.]

UTILITY RATES

The City Council has full and independent power to set rates for services provided by the System. The Department plans System rates on a five-year rolling basis after evaluating projected Revenues, long-term capital improvement plans, and other factors. Proposed rate increases are developed during the annual budget process in consultation with PUAC. Upon recommendation by PUAC, the annual budget including proposed rate increases is submitted to the Mayor for review and subsequent recommendation to the City Council for its approval. The Department solicits feedback from System customers regarding proposed rate increases and shares responses with the City Council. The Department’s proposed budget for fiscal year 2025 included a __% rate increase for the Water, Sewer, and Stormwater Utilities, which was approved by the City Council and became effective on July 1, 2024. For historical and projected rate adjustments, see “HISTORICAL AND PROJECTED SUMMARY OF THE DEPARTMENT’S REVENUES AND EXPENSES.” The City Council has generally been supportive of previous System rate increases. However, the City cannot predict how the City Council will vote on future rate increases.

BILLING AND COLLECTION PROCEDURES

The Department bills for all services provided by the System in one combined, monthly bill. Also included in the monthly bill are other City services, such as garbage collection, recycling, and transit passes. All payments from customers are allocated based on percentage of charges and customers cannot choose to pay one charge for any particular utility over another. By City ordinance, outstanding or delinquent customer accounts are considered water fees and as such, water service would be denied until delinquent customers bring their account balance current or fully paid. Historically, delinquent accounts (defined as outstanding balances greater than 90 days) have averaged less than 1% of outstanding accounts receivable.

WATER UTILITY

General. In the 2023 calendar year, the Water Utility provided water to a population of more than _____ people through more than _____ connections with an approximate per capita consumption in the 2023 calendar year of _____ gallons per day. Unlike other parts of the System which only service the City, the Water Utility service area includes the corporate limits of the City and other portions of Salt Lake County covering an area of over _____ square miles. The service area outside the City begins at the southern corporate limits of the City and extends to the mouth of Little Cottonwood Canyon on the south and is bounded by the Wasatch Mountains on the east and approximately 1300 East Street on the west. The Water Utility includes three primary water sources (some with multiple subsources, including 26 deep wells, several streams, and reservoirs), three water treatment plants, seven raw water storage reservoirs with a collective capacity of approximately 22,100 acre-feet (“AF”), 22 distribution reservoirs with a collective capacity of approximately 96 million gallons (“MG”), 10 storage tanks which have a collective capacity of 7.6 MG, and an interconnecting network of approximately [1,320] miles of distribution and transmission lines to link the numerous facilities with the customers. The City estimates that the weighted average age of the water lines is about 58 years.

Sources and Supplies of Water. The City obtains the principal portion of its water supply from (a) direct stream flows (Big Cottonwood Creek, Little Cottonwood Creek, Parley’s Creek and City Creek located adjacent or in close proximity to the City) and (b) reservoir storage in Deer Creek Reservoir on the Provo River in Wasatch County and Mountain Dell and Little Dell Reservoirs located in Parley’s Canyon in Salt Lake County. All the reservoirs store water collected from the watersheds and annual snowfall in the Wasatch Mountains directly east of the City.

The Department also has ownership in wells and springs and other water rights and contracts such as the contract with Metropolitan Water District of Salt Lake and Sandy (“MWD”) pursuant to which MWD provides water for purchase to both the City and Sandy City, Utah (“Sandy”). The Central Utah Project (“CUP”), which is managed by the Central Utah Water Conservancy District, allows MWD to provide 20,000 AF each year to both the City and Sandy. Sandy can purchase up to 7,940 AF through MWD of the allotment.

Direct Appropriations. The City has direct appropriation rights for water delivered out of City Creek, Red Butte, Emigration, Parleys, Mill Creek, Big Cottonwood, and Little Cottonwood Creeks and filings to 108 cubic feet per second of ground water in Salt Lake Valley (which is equal

to a withdrawal rate of 18,000 AF per year). Approximately 9 to 15% of the City's water comes from wells and springs depending on natural variability of stream flows, climate, and water demand each year.

Water Right Purchases and Exchange Contracts. The City has acquired significant water rights to the following streams through water rights purchases and water exchange contracts: Big Cottonwood Creek, Little Cottonwood Creek, Mill Creek, and Parley's Creek. The exchange contracts convey the water rights of these streams to the City in exchange for providing irrigation water during the irrigation season from water held by the City in Utah Lake and other sources. The City entered into the first exchange agreement in 1888 with owners of Parley's Creek, providing non-culinary Utah Lake and other water through the Jordan and Salt Lake City Canal for the high-quality mountain water. Subsequently, similar exchanges were made with the previous water right holders of Mill Creek, Big Cottonwood Creek and Little Cottonwood Creek. The duration of each of these contracts is in perpetuity as long as the specified quantity of irrigation water is supplied during the irrigation season. Over time the City, through policy, has purchased irrigation companies or become the majority shareholder, which has reduced the City's exchange contract obligations. The City continues to implement this policy.

MWD Contracts. MWD was organized and functions as a wholesale provider of water to the City and Sandy. Accordingly, the City obtains treated water from MWD for distribution in the City's service area. For more information regarding MWD, see "Metropolitan Water District of Salt Lake and Sandy" below. MWD's primary sources of water are the Provo River Project (the "PRP"), the CUP, and the Little Dell Reservoir, each as more fully discussed below. MWD's Little Cottonwood Treatment Plant also treats the City's Little Cottonwood Creek water.

MWD owns 61.7% of the issued and outstanding shares of Provo River Water Users Association ("PRWUA") stock, which entitles it to 61.7% (approximately 61,700 AF) of the water available for allotment each water year to PRWUA shareholders from the PRP, a federal reclamation project. PRWUA shares are fully assessable and such assessments to the PRWUA shareholders are expected to increase in the future because of several significant PRWUA capital improvement projects. The projected PRWUA assessments were taken into account in projecting future MWD water rates, as described below.

Sandy has the preferential right to purchase up to 7,940 AF of the water available to MWD under existing MWD rights to PRP and CUP water. The City has the preferential right to purchase all PRP and CUP water available under existing MWD rights that has not been allocated to Sandy. To the extent that either the City or Sandy does not exercise its preferential right to purchase MWD water, the other city has the right to do so in preference to all others. MWD may sell any surplus water to others. The City and MWD each own interests in water rights that allow water to be stored in the Little Dell Reservoir. The City treats and is entitled to all City and MWD water from Little Dell Reservoir.

Existing Water Sources. The City's existing water supply comes from a number of different sources. For planning purposes, the City's sources have been grouped into two primary categories: (a) Surface Water Sources and (b) Ground Water Sources.

Surface Water Sources. The City owns or controls water rights in several surface water sources. This includes surface water treated at the following City-owned and operated treatment plants: Big Cottonwood Water Treatment Plant (“*BCWTP*”), Parleys Water Treatment Plant (“*Parleys WTP*”), and City Creek Water Treatment Plant (“*CCWTP*”). The City also owns most of the water rights in Little Cottonwood Creek, which is treated at the MWD’s Little Cottonwood Water Treatment Plant (“*LCWTP*”). Based on the City’s current 40-year water supply and demand plan, the combined projected annual yield of these sources is [40,820] AF (dry year) and [59,500] AF (average year).

The City also holds surface water rights in Red Butte, Emigration, and Mill Creeks, Utah Lake, and the Jordan River. Those water rights are put to beneficial use to meet exchange contract deliveries for irrigation water. Mill Creek water rights are also held for future culinary water sources, as described below.

Finally, the City has substantial interest in surface water sources via PRP and CUP through its contractual relationship with MWD. The yield of water stores in PRP is estimated to be 53,760 AF (average year) and [18,900] AF (dry year). The available CUP supply is 20,000 acre-feet in both average and dry years, which is contractually defined.

[The City also recently petitioned CUCWD for CUP water through the Utah Lake System (“*ULS*”) through MWD and began receiving 3,100 acre-feet of ULS water in 2021.]

City Groundwater Sources. The City owns water rights for a number of groundwater sources. For evaluation purposes, these sources have been broken into two categories:

Base Wells and Springs – The City has a number of springs and artesian wells that require little or no pumping. Water from these sources is used year-round by the City. The estimated average annual production of these sources is [7,500] AF. That figure is for both average and dry water years.

Peaking Wells – All remaining groundwater sources owned by the City are generally used only during the summer months to meet peak demands. Annual production from these wells will vary significantly based on needs. [In average years, the estimated yield of these wells is 4,400 AF. The estimated maximum of the wells in dry years is 10,400 AF].

[Combining both categories of groundwater sources results in an average year yield of 11,900 AF and a maximum dry year yield of 17,900 AF.]

Potential New Water Sources. In 2019, the City completed an updated water supply and demand plan through the year 2060. The City is currently considering the following potential new sources: new well development, additional surface water development, wastewater reuse, and additional Little Dell water rights. The City has also included more aggressive water conservation goals and impacts of climate change to water supply and demand when considering both existing and new sources of water.

New Groundwater Development. To meet future demands, the City has planned for the development of additional wells at various locations throughout its System and the rehabilitation of existing wells at higher capacities. [The City estimates development of new groundwater sources will yield up to 12,000 AF annually of additional ground water in dry years. In average years, it has been assumed that yields would be limited to 3,000 AF.]

Additional Surface Water Development. Another potential new supply the City is exploring is development of additional surface water sources. This could include construction of a treatment plant to treat water from Millcreek Canyon. The City would like to develop additional surface water sufficient to produce at least 3,300 AF during dry years. Based on historical flow records for Millcreek, that development would equate to an estimated average year yield of 3,967 AF.

Wastewater Reuse. The City has an interest in pursuing opportunities for wastewater reuse. Probable reuse opportunities currently being studied include irrigation of two large golf courses and a park area near the City's wastewater treatment plant. Alternatively, wastewater may also be reused to improve inflows to Great Salt Lake, which has been impacted by diversions and drought. Initial City plans for wastewater reuse for irrigation purposes would produce approximately 4,200 AF annually and production would be constant in both dry and average water years.

Aquifer Storage and Recovery ("ASR"). The City, in conjunction with Sandy and MWD, is investigating the use of ASR. This option would use high spring runoff in the City's water sources that currently arrives during a period when supply is in excess of demand (early spring). The water would be stored in the aquifer for use during dry years. The projected annual volume available to the City would be 5,900 AF in dry years.

Estimated Total Dry Year Yield. The City estimates water yield based on conservatively calculated dry year production of each of its water sources, taking into account historic flows, available storage, and available treatment capacity for each of the water treatment plants. For current water sources, the estimated annual dry year yield is 97,620 AF. The estimated annual dry year yield by 2050 of current and future water sources is estimated to be over 126,120 AF. City water supplies have exceeded customer demands in the past and water supply is expected to meet the anticipated demands for future years.

The table below summarizes the various sources of water used by the City for the last five fiscal years in acre feet (AF).

FIVE-YEAR SUMMARY OF WATER DELIVERIES (AF)

<i>Water Source</i>	2020	Fiscal Year Ended June 30, 2021	2022	2023	2024
	(AF)	(AF)	(AF)	(AF)	(AF)
Direct Appropriations:					
Wells/Springs	6,957	9,873			
City Creek	<u>6,481</u>	<u>4,615</u>			
Total Direct Appropriations	13,438	14,488			
Water Rights					
& Exchange Contracts					
Big Cottonwood Creek	26,118	21,025			
Little Cottonwood Creek	18,420	10,103			
Parley's Creek ⁽¹⁾	<u>2,860</u>	<u>5,927</u>			
Total Exchange Contracts	47,398	37,055			
MWD Contracts					
Deer Creek	17,727	30,702			
CUP	<u>11,453</u>	<u>13,340</u>			
Total MWD Contracts	<u>29,180</u>	<u>44,042</u>			
Total Water Sources	90,016	95,585			

(1) Includes Little Dell Reservoir and Mountain Dell Reservoir.

Metropolitan Water District of Salt Lake and Sandy. MWD is a metropolitan water district formed in 1935 under the Metropolitan Water District Act, Title 17B, Chapter 2a, Part 6, Utah Code, to provide supplemental wholesale water to the City and Sandy. The City was the sole member of MWD until Sandy became a part of MWD in 1990. MWD is governed by an independent, seven-person Board of Trustees, five of whom are appointed by the Salt Lake City Council and two of whom are appointed by Sandy. MWD owns and operates, or has capacity rights in, water treatment plants, aqueducts, a water reservoir and other facilities.

MWD's mission is to acquire water rights or acquire, construct or operate, control and use various facilities (each, a "*MWD Project*") for the transportation or treatment of water for the benefit of the City and Sandy. The Board of Trustees of MWD, after consultation with the City and Sandy, determines the scope of any MWD Project, the costs of such MWD Project, and whether or not to proceed with an MWD Project. Depending on the nature of the MWD Project and subject to the 2001 Interlocal Agreement (as defined below), the costs of such MWD Project are recovered by MWD through (a) annual assessments charged to the City and Sandy or (b) from (i) the ad valorem property tax MWD is authorized to levy, (ii) the rates MWD charges the City and Sandy for the purchase of water, or (iii) any combination of (i) or (ii).

Annual assessments are charged in proportion to the supply, treatment and/or conveyance capacities from an MWD Project that are committed on a preferential basis to the City and Sandy.

Pursuant to an Interlocal Agreement, dated as of May 1, 2001 (the “2001 Interlocal Agreement”), among MWD, the City and Sandy have the first right to determine the allocation of the preferential rights to capacity or supply from an MWD Project. However, in the event that the City and Sandy cannot agree to such allocation, MWD will allocate the preferential rights from an MWD Project to the City and Sandy.

The MWD Board of Trustees sets MWD water rates, after consultation with the City and Sandy. Preliminary projections of MWD’s water rates are based upon a number of assumptions regarding future contingencies, including assumptions regarding PRWUA assessments, MWD water sales, MWD tax revenues and costs of labor and supplies. The preliminary projections of MWD water rates have been included in the City’s estimated costs of sales and services contained under the caption “HISTORICAL AND PROJECTED SUMMARY OF THE DEPARTMENT’S REVENUES AND EXPENSES.”

For further discussion of MWD’s water rights, certain proposed MWD Projects and currently anticipated annual assessments, see “Sources and Supplies of Water” above and “Water Treatment Capacity” below.

Water Treatment Capacity. The following table shows the treatment capacity in million gallons per day (“MGD”) available to the City through its three water treatment plants (at City Creek, Parley’s Canyon, and Big Cottonwood Canyon), LCWTP, the City’s share of MWD’s Point of the Mountain Water Treatment Plant (“POMWTP”), MWD’s share of the capacity of the Jordan Valley Water Treatment Plant (“JVWTP”), which is operated by Jordan Valley Water Conservancy District, and wells and springs:

WATER TREATMENT CAPACITY

Treatment Plant	Treatment Capacity (MGD)
City Creek	
Parley’s	
Big Cottonwood	
MWD:	
LCWTP ⁽¹⁾	
POMWTP ⁽¹⁾	
JVWTP ⁽¹⁾	
Wells/Springs ⁽²⁾	
Total City Portion	

(1) Amounts shown are total plant capacity and City portion of such total plant capacity (e.g. 150 MGD total treatment capacity, of which 125 MGD is available to the City), if such capacity is available.

(2) Amount shown for wells/springs represents the amount of potable water available to the City from its wells and springs and does not require treatment.

[In 2007, MWD enlarged the water treatment capacity of LCWTP to approximately 150 MGD and finished construction of the POMWTP (70 MGD capacity). Pursuant to the 2001 Interlocal Agreement, the costs of enlarging the LCWTP were recovered by MWD through the ad

valorem property tax that MWD levies and through charges (based on water rates) to the City and Sandy.] [Also] pursuant to the 2001 Interlocal Agreement, MWD charges the City and Sandy an annual assessment for certain new capital improvements, including POMWTP, the Point of the Mountain Aqueduct (“POMA”) which connects LCWTP and POMWTP, and certain other improvements. The capacities committed to the City and Sandy are preferential rights. Neither the City nor Sandy has an ownership interest in the facilities providing such capacities. The projected charges have been incorporated in the System’s estimated operating expenses shown in the table under the caption “HISTORICAL AND PROJECTED SUMMARY OF THE DEPARTMENT’S REVENUES AND EXPENSES.”

The City has a preferential right to 62.5% of POMWTP’s capacity and is responsible for 62.5% of the total annual assessment relating to such facility. The preferential capacity rights of each city in each section of POMA are described in the 2001 Interlocal Agreement. Currently, the City is being charged an annual assessment of approximately \$7.1 million each year until 2034 for such capacity rights in POMWTP and POMA. The projected annual assessments have been incorporated in the System’s estimated operating expenses shown in the table under the caption “HISTORICAL AND PROJECTED SUMMARY OF THE DEPARTMENT’S REVENUES AND EXPENSES.” It is anticipated that annual assessments for POMWTP and POMA will be charged to the City regardless of the quantity of water purchased from MWD or the actual amount of capacity provided by POMWTP and POMA; *provided, however*, to the extent that MWD uses any of the excess capacity from POMWTP or POMA to provide water to others, the City will be credited for a portion of its annual assessment. Pursuant to the Indenture, any annual assessment charged to the City under the 2001 Interlocal Agreement will be treated as an Operations and Maintenance Cost.

City Water Supply and Demand. The City projects culinary water demand based on a drought condition scenario and includes growth projections from the City and other governmental agencies as well as other factors such as climate change. The City has projected culinary water production versus supply out to the year 2060. The City’s existing water resources, together with the potential new water sources discussed above will be sufficient to meet future demand scenarios.

City Water Consumption. The following table summarizes City water demand for the last five fiscal years in terms of water consumption in millions of gallons (MG) and in acre-feet (AF), estimated equivalent population served, and the corresponding estimated per capita water consumption in gallons per day.

<u>Fiscal Year</u>	<u>Total Consumption (MG/AF)⁽¹⁾</u>	<u>Estimated Equivalent Population Served</u>	<u>Per Capita Consumption (Gallons Per Day)</u>
2019	23,954/73,512	356,677	184
2020	24,425/74,956	360,654	186
2021	25,128/77,116	364,982	188
2022			
2023			

⁽¹⁾ One million gallons is equivalent to 3.069 acre-feet.

Major Water Facility Users. The following table summarizes the City’s top ten water users for fiscal year 2024 in terms of water charges and percentage of total water sales. {To be updated by the City.}

<u>User</u>	<u>Type</u>	<u>Annual Billing</u>	<u>% of Total Annual Billing</u>
Tesoro Petroleum	Industrial	\$1,874,879	2.20%
University of Utah	School, Hospital	1,729,727	2.03
Municipal Golf Courses	Municipal Government	577,377	0.68
Utah Department of Corrections	State Government	454,210	0.53
Sugarhouse Park Authority	Miscellaneous	402,876	0.47
R4J Investments LLC	Business	358,709	0.42
City Department of Airports	Municipal Government	305,302	0.36
YWCA of SLC	Apartment	284,670	0.33
ATP/SLC, LLC	Business	253,963	0.30
Utah Power	Industrial	<u>233,071</u>	<u>0.27</u>
Total		<u>\$6,474,784</u>	<u>7.59%</u>

Water Rates. Water rates are calculated on a monthly service charge based on meter size plus a winter months usage rate or a summer months four-tiered usage rate. During the summer months, each usage tier or “block” is based on the amount of water used measured in units of one-hundred cubic feet or “ccf” (equivalent to 748 gallons of water). The City’s current water rates for users within and outside the City boundaries, which have been in effect since July 2024, are summarized below. For historical and projected rate adjustments, see “HISTORICAL AND PROJECTED SUMMARY OF THE DEPARTMENT’S REVENUES AND EXPENSES.”

Water Rates – Single Residential Accounts

	<u>Within City Boundaries</u>	<u>Outside City Boundaries</u>
Monthly service charge ⁽¹⁾	\$14.15	\$19.10
Usage rate per ccf (Nov. – March)	2.09	2.82
Usage rate per ccf (April – Oct)		
Block 1: 1-10 ccf	2.09	2.82
Block 2: 11-30 ccf	2.85	3.85
Block 3: 31-60 ccf	3.95	5.34
Block 4: Over 61 ccf	4.22	5.71

⁽¹⁾ Based on a 3/4” meter size.

Water Rates – Commercial and Industrial Accounts

	<u>Within City Boundaries</u>	<u>Outside City Boundaries</u>
Monthly service charge ⁽¹⁾	\$42.50	\$57.38
Usage rate per ccf (Nov. – March)	2.27	3.07
Usage rate per ccf (April – Oct)		
Block 1: 1 ccf - AWC ⁽²⁾	2.27	3.07
Block 2: > 100% - 300% AWC	3.12	4.21
Block 3: > 300% - 600% AWC	4.34	5.86
Block 4: Over 600% AWC	4.61	6.22

(1) Based on a 2" meter size.

(2) Average Winter Water consumption, which varies for each commercial and industrial customer.

Water Utility Connection Fees. The City charges a fee to connect to the Water Utility, which includes connection-related fees and an impact fee. A schedule of the fees is shown below. These charges may change from time to time as capital improvement or other programs are implemented at the various entities. {To be updated by the City.}

Water Utility –Connection Fees⁽¹⁾

<u>Classification</u>	<u>Dwelling</u>	<u>Meter Size</u>	<u>Within City Boundaries</u>	<u>Outside City Boundaries</u>
Residential	Single family	3/4 inch	\$2,439.07	\$2,520.07
	Single family	1 inch	3,994.30	4,191.30
	Duplex	1 inch	3,994.30	4,191.30
	Triplex	1 inch	3,994.30	4,191.30
	Fourplex	1 inch	3,994.30	4,191.30
Commercial/Industrial	Compound ⁽²⁾	3/4 inch	4,527.30	4,910.30
	Compound	1 inch	4,527.30	4,910.30
	Compound	1.5 inch	9,946.98	10,684.98
	Compound	2 inch	14,547.83	15,605.83
	Compound	3 inch	30,108.54	32,268.54
	Compound	4 inch ⁽³⁾	35,254.54	35,254.54
	Compound	6 inch	65,657.59	65,657.59
	Compound	8 inch	100,190.54	100,190.54
	Turbo ⁽⁴⁾	2 - 8 inch	Price determined upon request	Price determined upon request
	Fire Meter	4 inch	37,200.93	37,200.93
	Fire Meter	6 inch	67,557.57	67,557.57
	Fire Meter	8 inch	104,974.63	104,974.63
	Fire Meter	10 inch	147,135.18	147,135.18

(1) Connection fee includes hardware costs, inspection fees, and impact fees.

(2) Compound meters allow for measurement of both high and small flow rates.

(3) For meters 4 inches and larger a water resource fee is added which is based on the ratio of the projected usage (gpd) to the equivalent residential unit amount of 449 gpd multiplied by \$106.

(4) Turbo meters are used where continuous and sustained flow rates are required.

SEWER UTILITY

General. Created by the City in 1979 to meet EPA regulations and address infrastructure needs, the Sewer Utility serves approximately [110] square miles of the City. The Sewer Utility presently contains over [656] miles of sanitary sewer pipe, various sewage lift stations and a pretreatment and biological treatment plant. The City estimates that the weighted average age of the sewer lines in the Sewer Utility is over 65 years.

The SLCWRF, portions of which are over 60 years old, was constructed with a capacity of 45 MGD and was upgraded to 56 MGD in 1986. The SLCWRF currently provides wastewater treatment to EPA secondary effluent standards by incorporating a “Trickling Filter/Activated Sludge” process and chlorine disinfection. Following treatment, water is discharged into the City’s Northwest Drain Canal and flows directly to Farmington Bay of the Great Salt Lake. At the 2021 National Association of Clean Water Agencies (NACWA) Utility Leadership Conference, the SLCWRF was recognized for 28 years of complete and consistent National Pollutant Discharge Elimination System (“NPDES”) permit compliance.

The Sewer Utility serves an estimated population of approximately 209,593 within the municipal corporate limits of the City through approximately [50,310] connections. The daytime population increases significantly to over [300,000]. By industry standards, the calculated population equivalent served by the Sewer Utility and SLCWRF is more than [340,000]. The SLCWRF treated a monthly average flow of 28.75 MGD and a monthly peak flow of 30.81 MGD in the fiscal year ended June 30, 2024 and is currently in compliance with its NPDES Permit. The SLCWRF currently has a [56] MGD capacity. The City believes that the SLCWRF has adequate capacity to meet the City’s present needs and is planning to meet future demand. See “System Capital Financing Programs–Sewer Capital Financing Program” herein.

City Wastewater Treatment. The following chart shows the wastewater treatment at the Treatment Plant for each of the past five fiscal years:

<u>Fiscal Year</u>	<u>Flow Average (MGD)</u>	<u>TBOD (1) (mg per liter)</u>	<u>TSS (2) (mg per liter)</u>
2023			
2022			
2021	28.78	7.7	10.8
2020	32.38	11.1	11.3
2019	34.13	13.2	13.9

(1) Total Biochemical Oxygen Demand (“TBOD”) represents the amount of oxygen used by microorganisms in the aerobic biological process as they consume organic material. The TBOD test measures the amount of dissolved oxygen needed by aerobic decomposers to break down the organic materials in each volume of wastewater over a period of five days. The City’s current effluent permit limit for TBOD is 25 milligrams per liter (“mg/L”).

(2) The City’s current effluent permit limit for Total Suspended Solids (“TSS”) is 25 mg/L.

Major Sewer Facility Users. The following table summarizes the City's top ten Sewer Utility users for fiscal year 2024 in terms of sewer charges and percentage of total sewer sales: {To be updated by the City.}

<u>User</u>	<u>Type</u>	<u>Annual Billing</u>	<u>% of Total Annual Billing</u>
Tesoro Petroleum	Industrial	\$3,091,127	6.05%
University of Utah	School, Charity, Hospital	2,802,386	5.48
Meadow Gold Dairies	Business	1,130,780	2.21
WWF Operating Company	Business	829,731	1.62
Sweet Candy Company	Business	771,622	1.51
The Sun Products Corp	Industrial	740,679	1.45
Grand America Hotel	Hotel	555,725	1.09
Thatcher Company	Business	359,892	0.70
SLC Dept of Airports	Business	357,590	0.70
VA Medical Center	Hospital	339,066	0.66
Total		<u>\$10,978,598</u>	<u>21.47%</u>

Sewer Rates. The City's current sewer rates, which have been in effect since July 2024, are summarized below. For historical and projected rate adjustments, see "HISTORICAL AND PROJECTED SUMMARY OF THE DEPARTMENT'S REVENUES AND EXPENSES."

(a) Minimum charge per month: \$14.12 per residential unit, or \$7.06 per ccf of average monthly water meter reading of those using solely City water during the consecutive months of November through March inclusive each year (average winter usage), whichever is higher.

(b) Commercial customers discharging waste strength between 300 mg/l and 1,800 mg/l of biological demand or total suspended solids will be charged \$9.17 per ccf to \$21.81 per ccf depending on strength of waste. Customers discharging greater than 1,800 mg/l of biological oxygen demand or total suspended solids will be charged based on actual pounds of chemical oxygen demand, biological oxygen demand, and/or total suspended solids.

(c) Users having more than one water meter, one or more of which measures water eventually discharged into the Sewer Facility and one or more other meters measuring water not entering the Sewer Facility, will be charged \$7.06 per ccf for all water used which may enter the sewer, but will not be assessed a sewer charge on water meter(s) which measure water, no part of which flows into the sewer system.

(d) For those not using City water or using some City water, the City may require a City-approved meter, at the sewer user's expense, on the well(s) or other source(s) of water supply for measurement by the City during said months, the average of which shall become the basis for sewer billings for said period.

Sewer Utility Connection Fees. The City charges a fee to connect to the Sewer Facilities. A schedule of such fees is shown below. These charges may change from time to time as capital improvement or other programs are implemented at the various entities. {To be updated by the City.}

Sewer Utility – Connection Fees

<u>Type</u>	<u>Fee</u>
Residential single dwelling, and condominium, per connection or unit	\$545
Multi-family dwellings:	
Duplex	818
Triplex	1,226
Townhouse (apartment) per unit	409
Hotels and motels	
Per dwelling unit without kitchen or restaurant	273
Per dwelling unit with a kitchen and/or restaurant	363
General commercial and industrial uses, per each equivalent fixture unit	27
Trailer parks, per equivalent fixture unit	
(3 trailer spaces equal 1 equivalent fixture unit)	545
Recreation parks, per equivalent fixture unit	
(6 trailer spaces equal 1 equivalent fixture unit)	545
Special industrial and commercial uses (including car washes, laundromats, etc.), per equivalent fixture unit, as specified in the Uniform Plumbing Code	27

STORMWATER UTILITY

General. In June 1991, the City Council created the Stormwater Utility to improve drainage and to meet EPA rules and regulations. The Stormwater Utility is a drainage system physically separate and distinct from the Sewer Utility. The Stormwater Utility includes approximately [350] miles of storm drain pipe, [45] miles of open channel ditches and [26] pump stations. The Department has completed Part 1 and Part 2 of the Utah Pollution Discharge Elimination System (MS4) permit application for discharges from municipal separate storm sewer systems in accordance with EPA regulations 40 CFR Section 122.21 and 122.26.

Major Stormwater Facility Users. The following table summarizes the City’s top ten Stormwater Facility users for fiscal year 2024 in terms of stormwater charges and percentage of total stormwater sales: {To be updated by the City.}

<u>User</u>	<u>Type</u>	<u>Annual Billing</u>	<u>% of Total Annual Billing</u>
University of Utah	School, Hospital	\$344,014	3.21%
City Department of Airports	Municipal Business	195,631	1.82
Utah Power	Business	55,879	0.52
VA Medical Center	Hospital	52,640	0.49
Union Pacific Railroad	Business	52,630	0.49
Utah State Fair Corp	Business	48,170	0.45
SLCWRF	Municipal Business	34,946	0.33
Woodman, Ron	Industrial	34,855	0.32
Bay Bridge/Corporate LLC	Business	32,572	0.30
AFRC	Business	31,129	0.29
Total		<u>\$882,466</u>	<u>8.22%</u>

Stormwater Rates. Single family homes provide the basis for the rate in that the average amount of impervious area on a single-family residence is 2,500 square feet or 1 equivalent service unit. The City's current stormwater rate, in effect since July 2024, charges single-family homes a rate of \$8.33 per month. All non-single-family parcels pay a multiple of this base rate according to their measured impervious area. Businesses, industrial, commercial and tax-exempt properties pay a multiple of the single-family fee. The amount depends upon the impervious area (such as parking lots, roofs and pavement).

The City also charges \$[374] per 1/4 acre for connection to the Stormwater Utility on all new development within City boundaries. This connection fee must be paid prior to the issuance of a building permit.

STREET LIGHTING UTILITY

The Street Lighting Utility consists of approximately [15,840] street lights. The City provides a "base level" of lighting, which includes standard light poles placed at the end of each block and mid-block section. This is funded through a fee (the "*Basic Service Fee*") charged to properties on City utility bills. The Basic Service Fee is assessed monthly to each property and is based on the number of Equivalent Residential Units (ERUs) for each property. Based on the average residential street frontage of 75 feet, all residential, duplex, and triplex properties are assessed one ERU. Commercial and institutional properties are assessed one ERU for every 75 feet of street frontage. As of June 30, 2024, there are approximately [74,000] ERUs in the City subject to the Basic Service Fee.

In addition to the Basic Service Fee, some areas of the City, such as the Central Business District, have a higher level of service. These areas are considered to have an "enhanced" level of service and this higher level of service is paid for by the property owners who are benefitted by it. "*Enhanced Lighting Fees*" were established July 1, 2016. As of June 30, 2024, there were approximately [3,780] Enhanced Lighting Fee accounts and approximately [4,785] enhanced service ERUs. As of July 1, 2024, the average monthly charge for an Enhanced Lighting customer is \$26.39. The Enhanced Lighting Fee ensures that decorative lights are properly and regularly maintained, that they are upgraded for energy efficiency, and that costs are paid for by the property owners in those areas. The Enhanced Lighting Fee includes three types of service groups based on type of light and anticipated needed capital expenditures as shown below.

Street Lighting Rates

<u>Service</u>	<u>Fee</u>	<u>Note</u>
<i>Basic Service Fee</i>		
City-wide	\$4.51 Per ERU	Per month. No bills shall be less than 1 ERU
<i>Enhanced Lighting Fees</i>		
Group 1 Decorative Lights – High Efficiency ⁽¹⁾	\$6.68 per ERU	Per month – residential
Group 2 Decorative Lights ⁽²⁾	\$19.28 per ERU	Per month – residential
Group 3 Decorative Multi-Head Lights ⁽³⁾	\$53.02 per ERU	Per month – commercial

- (1) Group 1 rates apply to the existing, predominantly residential properties with more closely spaced enhanced decorative lights; lights are generally energy efficient and large capital expenditures are not expected within the next three fiscal years.
- (2) Group 2 rates apply to the existing, predominantly residential properties with a number of enhanced decorative lights; many lights require energy efficiency upgrades and wiring projects.
- (3) Group 3 rates apply to the existing properties in the predominantly commercial areas with a number of enhanced decorative lights.

SYSTEM CAPITAL FINANCING PROGRAMS {TO BE UPDATED BY THE CITY.}

Water Capital Financing Program. The water capital financing program has funded more than \$336 million in improvements since 2001, primarily on a pay-as-you-go basis. Major capital improvements have included waterline replacements, groundwater well rehabilitation, upgrades to existing treatment plants, and upgrading existing reservoirs and storage tanks to meet current seismic standards. As a result of these ongoing capital investments, the City has been able to accommodate continuous growth, address aging and new infrastructure needs, and manage its water resources effectively. In addition, these improvements help the City to continue to exceed all Safe Drinking Act requirements from the source water to the distribution system. The City plans to continue a robust capital improvement program for the Water Utility funded primarily by proceeds from rate increases. The Series 2025 Project includes upgrades to the distribution system, a portion of which supports the City's road reconstruction program, water treatment plant projects, storage facilities, and master plan projects. See "THE SERIES 2025 PROJECT" herein.

Sewer Capital Financing Program. In 2001, the City Council adopted a six-year, \$57 million capital improvement program to upgrade the SLCWRF and sewage collection system. The projects were initially funded with approximately \$22 million of bonds in 2004 (which were refunded by the Series 2012 Bonds) with additional funding coming from cash reserves and approved sewer rate increases on a pay-as-you-go basis. Improvements exceeding \$214 million have been funded on a pay-as-you-go basis since 2001. The Series 2009 Bonds were issued as part of economic stimulus funding by the State which funded the replacement of the digester cover and walls at the SLCWRF. In addition to refunding certain outstanding bonds, the Series 2012 Bonds also funded over \$6.0 million in improvements to the reclamation facility and the collections system. In December 2016, final review was completed of an extensive water reclamation facility master plan update. Due to the new State nutrient treatment requirements and the age of the existing facility, the master plan developed a path forward to comply with the new requirements while replacing much of the almost 60-year old SLCWRF with an updated treatment process. The Series 2017 Bonds were used to facilitate the expansion of the capacity of the sewer

collection system by allowing flow balancing within the system and construction of master planned projects. The Series 2020, Series 2022 Bonds and the Series 2025 Bonds are funding a portion of the SLCWRF master plan implementation. Approximately 49% of the improvements to the SLCWRF are being funded from the WIFIA Loan (Series 2020B Bonds).

Stormwater Capital Financing Program. The stormwater capital program has funded over \$81 million in capital improvements since 2002. Most of these improvements have been funded on a pay-as-you-go basis; however, bonds issued in 2004 (refunded by the Series 2012 Bonds) were issued to fund a new stormwater trunk line, and the Series 2011 Bonds funded the Folsom Avenue stormwater project and other various stormwater improvements. Proceeds of the Series 2020 Bonds financed the City's road reconstruction program including investment in green infrastructure and stormwater improvements.

Street Lighting Capital Financing Program. Accounting for City street lighting was removed from the City's general fund and established as a separate enterprise fund in January 2013. This restructuring provides reliable funding for the Street Lighting Utility. Since becoming an enterprise fund the Department has improved the overall condition of this Utility. More than 60% of the City streetlights are now considered energy efficient. A Street Lighting Master Plan was completed and adopted by the City Council in December 2021. It provides guidance for future streetlight installations based on street type and locations in the City. Improvements exceeding \$8 million have been funded since 2013. The Series 2017 Bonds financed wiring replacements and upgrades to high efficiency lamps in the enhanced service areas. No new bond monies are requested for this utility at this time. The Department will continue system improvements from pay-as-you-go rate revenues with plans to spend about \$2.2 million annually on Street Lighting improvements to enhance service and energy savings over the next four fiscal years beginning in fiscal year 2025. A rate study is planned to address additional funding needs to implement some master plan elements.

Historical and Projected Capital Project Expenditures. Set forth below is a table showing a five-year historical and five-year projection of costs of capital projects:

FISCAL YEAR	WATER UTILITY	SEWER UTILITY	STORMWATER UTILITY	STREET LIGHTING UTILITY	TOTALS
<i>Historical</i>					
2019	26,776,149	41,077,785	2,717,435	2,647,922	73,219,292
2020	26,135,773	60,828,065	3,599,101	896,692	91,459,631
2021	42,650,789	84,089,346	3,738,898	1,037,034	131,516,067
2022	[83,573,695]	[333,936,247]	[12,727,316]	[2,256,415]	[432,493,673]
2023	[38,989,000]	[205,884,910]	[5,725,000]	[2,240,000]	[252,838,910]
<i>Projected</i>					
2024					
2025					
2026					
2027					
2028					

FIVE-YEAR FINANCIAL SUMMARIES OF THE SYSTEM

The following summaries regarding the financial operations of the System were extracted from the Department's audited general purpose financial statements for the years shown in such tables. These summaries have not been audited. See "APPENDIX A—SALT LAKE CITY WATER, SEWER, STORMWATER, AND STREET LIGHTING UTILITIES (ENTERPRISE FUNDS OF SALT LAKE CITY CORPORATION) INDEPENDENT AUDITOR'S REPORT AND COMBINED FINANCIAL STATEMENTS AS OF JUNE 30, 2024" herein.

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SALT LAKE CITY CORPORATION, UTAH
COMBINED STATEMENT OF NET POSITION
WATER, SEWER, STORMWATER, AND STREET LIGHTING UTILITIES
(FISCAL YEARS ENDED JUNE 30)
Unaudited

	FISCAL YEAR ENDED JUNE 30				
	2024	2023	2022	2021	2020
ASSETS & DEFERRED OUTFLOWS:					
Current assets:					
Cash and cash equivalents.....		\$ 93,153,879	\$ 34,126,274	\$ 46,070,636	\$ 38,645,615
Investments.....		14,786,298	14,513,159	14,859,452	14,792,111
Accounts receivable, net		19,778,064	17,846,567	18,532,539	19,889,140
Other receivables.....		1,010,814	402,567	436,390	307,848
Prepays		497,693	505,189	517,323	510,460
Supplies inventories		<u>7,144,918</u>	<u>5,916,198</u>	<u>4,812,982</u>	<u>4,066,913</u>
Total current assets		136,371,666	73,310,314	85,229,322	78,212,087
Noncurrent assets:					
Restricted cash for					
Revenue bond debt service.....		14,258,560	7,615,047	7,603,240	4,558,927
Capital improvements		247,495,729	415,006,673	121,030,702	—
Construction bonds.....		6,097,521	3,836,626	3,662,208	2,104,365
Customer deposits		588,458	567,998	564,206	567,493
Watershed.....		-	-	9,617,008	8,611,714
Impact fees		<u>12,733,768</u>	<u>8,389,014</u>	<u>10,320,125</u>	<u>12,918,013</u>
Total restricted cash.....		281,138,036	435,415,358	152,797,489	28,760,512
Capital assets, at cost:					
Land and water rights.....		70,416,218	69,566,218	68,541,890	67,098,536
Infrastructure		816,819,450	753,284,300	-	-
Buildings		258,642,735	247,820,517	209,283,134	194,793,412
Improvements other than buildings		26,464,572	26,234,453	764,885,266	714,930,062
Machinery and equipment.....		69,810,851	76,052,631	74,735,045	73,810,594
Intangible subscription assets.....		1,573,053	-	-	-
Construction in progress		<u>418,224,528</u>	<u>316,749,506</u>	<u>238,456,880</u>	<u>167,800,040</u>
Total capital assets		1,661,951,407	1,489,707,625	1,355,902,215	1,218,432,644
Less accumulated depreciation and amortization		<u>(393,570,940)</u>	<u>(380,432,227)</u>	<u>(364,694,961)</u>	<u>(347,111,278)</u>
Net capital assets		<u>1,268,380,467</u>	<u>1,109,275,398</u>	<u>991,207,254</u>	<u>871,321,366</u>
Other assets:					
Leases receivable.....		3,492,952	1,973,717	-	-
Net pension asset.....		-	11,323,641	587,777	-
Investments in water company stock, at cost		<u>3,202,862</u>	<u>3,198,112</u>	<u>3,194,77</u>	<u>3,114,987</u>
Total other assets		<u>6,695,814</u>	<u>16,495,470</u>	<u>3,782,564</u>	<u>3,164,987</u>
Total noncurrent assets		<u>1,556,214,317</u>	<u>1,561,186,226</u>	<u>1,147,787,307</u>	<u>903,246,865</u>
Deferred Outflows of Resources:					
Deferred outflows related to pensions..		6,009,598	4,441,649	3,353,474	3,428,579
Deferred outflows on the refunding of debt		<u>15,270</u>	<u>39,300</u>	<u>62,880</u>	<u>86,460</u>
Total deferred outflows of resources.....		<u>6,025,318</u>	<u>4,480,949</u>	<u>3,416,354</u>	<u>3,515,039</u>
Total assets and deferred outflows		<u>\$1,698,611,301</u>	<u>\$1,638,977,489</u>	<u>\$1,236,432,983</u>	<u>\$ 984,973,991</u>

continued

(Source: Information is taken from the City's audited financial statements. This summary itself has not been audited.)

SALT LAKE CITY CORPORATION, UTAH
COMBINED STATEMENT OF NET POSITION
WATER, SEWER, STORMWATER, AND STREET LIGHTING UTILITIES
(FISCAL YEARS ENDED JUNE 30)
Unaudited

	FISCAL YEAR ENDED JUNE 30				
	2024	2023	2022	2021	2020
LIABILITIES, DEFERRED INFLOWS, & NET POSITION:					
Current liabilities:					
Accounts payable	\$ 33,115,802	\$ 30,332,530	\$ 31,940,957	\$ 21,106,669	
Accrued compensation	711,536	555,134	415,117	299,030	
Current portion of subscription obligations	166,287	-	-	-	
Current portion of long-term compensation liability	749,247	919,189	1,097,607	793,273	
Current revenues collected in advance ..	2,616,787	2,335,585	2,161,196	2,151,663	
Current portion of note payable	-	-	-	2,125,000	
Current maturities of long-term obligations	<u>4,415,528</u>	<u>4,484,786</u>	<u>4,342,411</u>	<u>4,219,772</u>	
Total current liabilities	41,775,187	38,627,224	39,957,288	30,695,407	
Liabilities payable from restricted assets					
Current maturities of long-term obligations:					
Revenue bonds	3,559,472	3,230,214	3,112,589	3,015,228	
Accrued interest	10,699,088	4,384,833	4,490,652	1,544,344	
Construction bonds	6,097,521	3,836,262	3,662,208	2,104,365	
Customer deposits	<u>588,458</u>	<u>567,998</u>	<u>564,206</u>	<u>567,493</u>	
Total liabilities payable from restricted assets	20,944,539	12,019,671	11,829,655	7,231,430	
Long term obligations					
Revenue bonds less current maturities ...	613,781,052	624,341,895	284,650,069	95,814,082	
Loan from federal program	13,267,190	13,112,999	-	-	
Long-term compensation liability	3,401,409	3,287,224	3,244,955	2,938,889	
Long-term interest accrued	74,075	51,250	-	-	
Net subscription obligation	1,113,381	-	-	-	
Net pension liability	3,320,696	-	962,043	-	
Note payable – less current portion	-	-	-	-	
Revenues collected in advance	<u>6,957,138</u>	<u>7,979,733</u>	<u>9,002,327</u>	<u>10,024,921</u>	
Total liabilities payable from restricted assets & long-term liabilities	<u>662,859,480</u>	<u>660,792,772</u>	<u>309,689,049</u>	<u>123,051,618</u>	
Total liabilities	<u>704,634,667</u>	<u>699,419,996</u>	<u>349,646,337</u>	<u>153,747,025</u>	
Deferred Inflows of Resources:					
Deferred inflows related to leases	3,492,952	1,973,717	-	-	
Deferred inflows related to pensions	<u>73,672</u>	<u>14,594,362</u>	<u>8,002,132</u>	<u>4,368,454</u>	
Total deferred inflows	<u>3,566,624</u>	<u>16,568,079</u>	<u>8,002,132</u>	<u>4,368,454</u>	
NET POSITION:					
Net investment in capital assets	881,038,403	879,100,227	820,195,767	766,233,744	
Restricted	14,733,7678	8,389,014	22,414,407	24,544,310	
Unrestricted	<u>94,637,839</u>	<u>35,500,173</u>	<u>36,174,340</u>	<u>36,080,458</u>	
Total net position	<u>990,410,010</u>	<u>922,989,414</u>	<u>878,784,514</u>	<u>826,858,512</u>	
TOTAL LIABILITIES, DEFERRED INFLOWS, & NET POSITION	<u>\$1,698,611,301</u>	<u>\$1,638,977,489</u>	<u>\$1,236,432,983</u>	<u>\$984,973,991</u>	

(Source: Information is taken from the City's audited financial statements. This summary itself has not been audited.)

SALT LAKE CITY CORPORATION, UTAH
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 WATER, SEWER, STORMWATER, AND STREET LIGHTING UTILITIES
 (FISCAL YEARS ENDED JUNE 30)
 Unaudited

	Fiscal Year Ended June 30,				
	2024	2023	2022	2021	2020
OPERATING REVENUES					
Water sales	\$ 87,539,609	\$ 73,636,959	\$ 83,177,848	\$ 81,253,393	
Charges for sewer services	69,251,092	57,696,096	50,708,746	45,040,074	
Stormwater fees	13,848,374	11,915,488	10,696,303	10,719,864	
Street lighting fees	4,288,019	4,264,579	4,230,395	4,258,440	
Other	<u>6,389,882</u>	<u>4,884,623</u>	<u>4,757,047</u>	<u>3,842,677</u>	
Total operating revenues	181,316,976	152,397,745	153,570,339	145,114,448	
OPERATING EXPENSES					
Costs of sales and services	76,949,884	73,341,990	70,823,559	67,631,714	
General and administrative	22,121,510	12,804,596	17,394,889	17,975,515	
Depreciation	<u>23,829,923</u>	<u>22,081,444</u>	<u>20,987,238</u>	<u>19,877,591</u>	
Total operating expenses	<u>122,901,317</u>	<u>108,169,715</u>	<u>109,205,686</u>	<u>105,484,820</u>	
OPERATING INCOME (LOSS)	58,415,659	44,169,715	44,364,653	39,629,628	
NONOPERATING REVENUE (EXPENSE)					
Interest & financial charges	(23,559,478)	(10,260,209)	(8,932,886)	(3,240,546)	
Investment income, net	13,077,136	(318,081)	1,240,813	2,254,167	
Gain on disposition of property and equipment	<u>488,150</u>	<u>349,788</u>	<u>733,946</u>	<u>224,931</u>	
Net nonoperating expense	(9,994,192)	(10,228,502)	(6,958,116)	(761,448)	
Transfers in	2,300,000	154,443	846,809	-	
Legal settlement	5,780,176	-	-	-	
Capital contributions/grants	<u>10,918,953</u>	<u>10,109,244</u>	<u>13,672,656</u>	<u>12,793,781</u>	
CHANGES IN NET POSITION	67,420,596	44,204,900	51,926,002	51,661,961	
NET POSITION					
Beginning of year	<u>922,989,414</u>	<u>878,784,514</u>	<u>826,558,512</u>	<u>775,196,551</u>	
End of year	<u>\$990,410,010</u>	<u>\$922,989,414</u>	<u>\$878,484,514</u>	<u>\$826,858,512</u>	

(Source: Information is taken from the City's audited financial statements. This summary itself has not been audited.)

HISTORICAL AND PROJECTED SUMMARY OF THE DEPARTMENT'S REVENUES AND EXPENSES

The following table sets forth the historical and projected revenues and expenses for the Department for the fiscal years shown.

The Department does not as a matter of course make public projections as to future revenues, expenses, debt service, or other results. However, the management of the Department has prepared the prospective financial information set forth below to present the projected revenues, expenses, debt service, and debt service coverage after the issuance of the Series 2025 Bonds.

The accompanying prospective financial information was not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of the Department's management, was prepared on a reasonable basis, reflects the best currently available estimates and judgments, and presents, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of the Department. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this Official Statement are cautioned not to place undue reliance on the prospective financial information.

Neither the Department's independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

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[INSERT TABLE]

THE CITY {TO BE UPDATED BY THE CITY.}

CITY OFFICIALS

The City has a Council-Mayor form of government. The City Council consists of seven members, who are elected by voters within seven geographic districts of approximately equal population. The Mayor is elected at large by the voters of the City and is charged with the executive and administrative duties of the government.

The seven-member, part-time City Council is charged with the responsibility of performing the legislative functions of the City. The City Council performs three primary functions: it passes laws for the City, adopts the City budget and provides administrative oversight by conducting management and operational audits of City departments.

Term information concerning the Mayor and the members of the City Council is set forth below:

<u>OFFICE</u>	<u>DISTRICT</u>	<u>PERSON</u>	<u>YEARS IN SERVICE</u>	<u>EXPIRATION OF CURRENT TERM</u>
Mayor	—	Erin J. Mendenhall	4 ⁽¹⁾	January 2028
Council Chair	#1	Victoria Petro	2	January 2026
Council Vice Chair	#3	Chris Wharton	6	January 2026
Council Member	#4	Eva Lopez Chavez	--	January 2028
Council Member	#6	Dan Dugan	4	January 2028
Council Member	#5	Darin Mano ⁽²⁾	4	January 2026
Council Member	#2	Alejandro Puy ⁽³⁾	4	January 2028
Council Member	#7	Sarah Young ⁽⁴⁾	1	January 2026

(1) Mayor Mendenhall previously served 6 years as a council member before being elected mayor.

(2) Council Member Mano was selected to fill the vacancy in District 5 from 2020-2022; then was duly elected and took office in 2022.

(3) Council Member Puy was elected to serve a two-year term beginning January 3, 2022.

(4) Council Member Young was selected on July 13, 2023 to fill the seat of Amy Fowler who resigned effective July 2, 2023; then was elected to serve a two-year term beginning January 2, 2024.

CITY ADMINISTRATION

The offices of Chief of Staff, City Attorney, City Recorder and City Treasurer are appointed offices.

Rachel Otto, Chief of Staff, was appointed to her position in November 2019. Before becoming Mayor Mendenhall's chief of staff Ms. Otto worked as Government Relations Director for the Utah League of Cities and Towns. In that capacity, she developed policy and advocated for local government at the State Legislature. Ms. Otto, trained as an attorney, also served as a deputy city attorney for West Jordan, assistant city attorney for South Jordan, and worked in

private practice for several years after graduating from the University of Utah's College of Law in 2008.

Katherine N. Lewis, City Attorney, was appointed as the City Attorney in January 2020. Ms. Lewis received her law degree from the University of Utah S.J. Quinney College of Law in 2007 and received her undergraduate degree from Colorado State University in 2001. Ms. Lewis was a Senior City Attorney in the Salt Lake City Attorney's Office from 2013-2020 prior to being appointed the City Attorney. She worked in private practice at Parsons Behle & Latimer prior to joining the Salt Lake City Attorney's Office.

Cindy Lou Trishman, City Recorder, was appointed on June 3, 2020. Prior to this position, Ms. Trishman was employed by the Salt Lake City Council. Her duties included team management, inauguration and transition of newly elected officials, elected official vacancy coordination, enhancing government transparency efforts and building process improvements. Ms. Trishman holds a Bachelor of Science degree in Business and English.

Marina Scott, City Treasurer, was appointed to her position on June 4, 2013. From December 2006 until her appointment, Ms. Scott was Deputy Treasurer for the City; and from September 2005 until December 2006 she served as an Accountant III for the Public Services Department. Ms. Scott holds a Bachelor of Science degree in Accounting, and a Master of Professional Accountancy from Weber State University. She also holds a Master of Arts in Library and Information Science from Vilnius State University.

EMPLOYEE WORKFORCE AND RETIREMENT SYSTEM {TO BE UPDATED BY THE CITY.}

The City currently employs approximately [3,150] full-time employees and approximately [462] hourly and part-time employees for a total employment of approximately [3,612] employees. Through the Utah Retirement System ("URS"), the City participates in six separate pension trust funds consisting of (a) three multiple employer public employees retirement systems or funds, (b) one multiple-employer agent system or fund and (c) two multiple employer cost sharing public employees retirement systems or funds, each of which is a defined benefit retirement plan covering public employees of the State and employees of participating local governmental entities (the "Funds"). The Funds are administered under the direction of the Utah State Retirement Board whose members are appointed by the Governor of the State. The City also participates in four defined contribution savings plans with URS, including a 401(k) plan, a 457(b) plan, a Roth IRA plan and a traditional IRA plan.

RETIREMENT LIABILITY

URS is funded and administered by the State. Each year, as approved by the State Legislature, URS sets rates, enacts rules, and implements policies related to the pensions and benefits the City retirees receive through each of the Funds. Starting in Fiscal Year 2015, GASB Statement Number 68 requires URS to pass on pension and retirement liability to public entities it serves, including the City. Working with the City's independent auditors and State specialists, the City's financial statements for the Fiscal Year ending June 30, 2024 show a net pension liability in the amount of \$_____ for one of the Funds and total net pension assets in the other five

Funds of \$ _____. As each Fund is a separate trust fund, the assets in one Fund cannot be used to cover the liabilities in another.

Additional information regarding the City's retirement system can be found in the City's financial statements, which are available on the City's website.

NO OTHER POST-EMPLOYMENT BENEFITS

The City does not offer post-employment benefits; however, the City's library system (the "*Library*") provides certain employees with post-employment health care benefits through a single employer defined benefit plan. The benefits are paid on a "pay-as-you-go" basis from the Library's general fund and can be amended or terminated at any time.

DEBT STRUCTURE OF SALT LAKE CITY, UTAH

OUTSTANDING DEBT ISSUES (EXPECTED AS OF CLOSING DATE OF THE BONDS) ⁽¹⁾

	AMOUNT OF ORIGINAL ISSUE	FINAL MATURITY DATE	PRINCIPAL OUTSTANDING
General Obligation Bonds:			
Series 2010B (Public Safety Facilities)	\$100,000,000	6/15/2031	\$ 39,915,000
Series 2015A Refunding (Federally Taxable Sports Complex)	14,615,000	6/15/2028	4,655,000
Series 2017B Refunding (Refunded portion of Series 2010A)	12,920,000	6/15/2030	8,410,000
Series 2019 Improvement and Refunding (Refunded a portion of Series 2017A)	22,840,000	6/15/2039	13,475,000
Series 2020 (Streets)	17,745,000	6/15/2040	11,700,000
Series 2021 (Streets)	20,660,000	6/15/2041	15,620,000
Series 2022 (Streets)	21,785,000	6/15/2042	18,715,000
Series 2023 (Federally Taxable) ⁽²⁾	24,765,000	6/15/2043	23,850,000
Total			\$136,340,000
Water and Sewer Revenue Bonds:			
Series 2009 (Federally Taxable)	\$ 6,300,000	2/1/2031	\$ 1,890,000
Series 2010 Revenue Bonds	12,000,000	2/1/2031	4,135,000
Series 2011 Revenue Bonds	8,000,000	2/1/2027	1,150,000
Series 2012 Improvement and Refunding Bonds	28,565,000	2/1/2027	1,170,000
Series 2017 Improvement and Refunding Bonds	72,185,000	2/1/2037	51,255,000
Series 2020 Improvement Bonds	157,390,000	2/1/2050	154,215,000
Series 2020B Improvement Bonds (WIFIA loan) ⁽³⁾	348,635,000	8/1/2058	13,112,999
Series 2022A Improvement Bonds	329,025,000	2/1/2052	323,195,000
Series 2024A Improvement Bonds	39,525,000	2/1/2064	39,525,000
Series 2025 Improvement Bonds	329,025,000*	2/1/2052	180,315,000*
Total			\$769,962,999*
Sales and Excise Tax Revenue Bonds:			
Series 2014B	\$10,935,000	10/1/2034	\$ 6,410,000
Series 2016A	21,715,000	10/1/2028	9,565,000
Series 2019A	2,620,000	4/1/2027	975,000
Series 2019B (Federally Taxable)	58,540,000	4/1/2038	56,300,000
Series 2021 (Federally Taxable)	15,045,000	10/1/2034	13,065,000
Series 2022A	8,900,000	10/1/2032	7,050,000
Series 2022B	40,015,000	10/1/2042	40,015,000
Series 2022C (Federally Taxable)	24,240,000	10/1/2032	20,295,000
Total			\$153,675,000
Airport Revenue Bonds:			
Series 2017A	\$826,210,000	7/1/2047	\$ 801,860,000
Series 2017B	173,790,000	7/1/2047	168,635,000
Series 2018A	753,855,000	7/1/2048	721,855,000
Series 2018B	96,695,000	7/1/2048	96,695,000
Series 2021A	776,925,000	7/1/2051	776,080,000
Series 2021B	127,645,000	7/1/2051	126,055,000
Series 2023 ⁽⁴⁾	600,000,000	7/1/2053	600,000,000
Total			\$3,291,180,000
Local Building Authority Lease Revenue Bonds ⁽⁵⁾:			
Series 2016A	\$6,755,000	4/15/2037	\$ 4,940,000
Series 2017A	8,115,000	4/15/2038	6,630,000
Total			\$11,570,000

* Preliminary; subject to change.

- (1) The Redevelopment Agency of Salt Lake City, a separate entity, has issued bonds, but such bonds are not obligations of the City and are therefore not included in this table. See "APPENDIX B—SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022—Notes to the Financial Statements—Note 6—Long-Term Obligations."
- (2) For the purposes of this Official Statement, the Series 2023 Bonds are considered issued and outstanding.
- (3) Amount shown is the amount drawn down from the WIFIA Loan as of the date of this Official Statement.
- (4) These bonds were issued on August 2, 2023.
- (5) The Local Building Authority of Salt Lake City is a separate entity. Lease Revenue Bonds are not obligations of the City, but are paid from annually appropriated rental payments made by the City.

FUTURE DEBT PLANS

System Debt. Additional Bonds in the amount of approximately \$304 million are expected to be issued over the next five years to fund the Department's capital improvement program. A major focus of the Department's budget is the rehabilitation and replacement of aging infrastructure. In addition to the Series 2025 Project, the Additional Bonds will fund improvements to three water treatment plants, phased construction of a new water conveyance line to expand service and provide redundancy, and water, sewer and stormwater utility infrastructure work necessitated by street improvement projects. As discussed herein, any Additional Bonds are secured by and payable from Net Revenues on a parity with the Series 2025 Bonds and the Outstanding Parity Bonds.

Other City Debt. A special bond election held on November 8, 2022 gave voter authorization to the City to issue up to \$85 million in general obligation bonds to fund all or a portion of the costs of improving, renovating and upgrading various parks, trails, open space and related facilities and recreational amenities. The City has issued 24.765 million par amount of bonds from such authorization. The City anticipates issuing the remaining authorization within the next 12 months.

The City is considering issuing sales and excise tax bonds to pay for various capital improvement projects. The par amount is estimated at \$63 million. Such bonds will be secured by and payable from sales and excise tax revenues and not Net Revenues.

The City analyzes the potential value of refunding bond issues, particularly during periods when debt service savings can be realized or on an as needed basis.

The City plans to issue approximately \$506 million in additional general airport revenue bonds in the future to complete the \$4.1 billion airport reconstruction program. The reconstruction program is currently expected to be completed by 2025. Such bonds will be secured by and payable from revenues of the City's airport system and not Net Revenues.

RECENT DEVELOPMENTS

General. {To be provided by the City.}

NO DEFAULTED OBLIGATIONS

The City has never failed to pay principal and interest when due on any of its bonds, notes or other financial obligations.

FINANCIAL INFORMATION REGARDING THE CITY

FUND STRUCTURE (ACCOUNTING BASIS)

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 are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance or net assets, revenues, and expenditures or expenses. The various funds are grouped by type in the basic financial statements.

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. The City uses 60 days as a cutoff for meeting the available criterion. Property taxes are considered "measurable" when levied and available when collected and held by Salt Lake County. Any amounts not available are recorded as delayed revenue. Franchise taxes are considered "measurable" when collected and held by the utility company and are recognized as revenue at that time. Other revenues that are determined to be susceptible to accrual include grants-in-aid earned and other intergovernmental revenues, charges for services, interest, assessments, interfund service charges, and proceeds of the sale of property. Property taxes and assessments are recorded as receivables when assessed; however, they are reported as delayed revenue until the "available" criterion has been met. Sales and use taxes collected by the State and remitted to the City within the "available" time period are recognized as revenue. Revenues collected in advance are delayed and recognized in the period to which they apply.

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.

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 also maintains computerized control by major categories within departments. These computerized controls are such that a requisition cannot be entered into the purchasing system unless the appropriated funds are available. The system checks for sufficient funds again, prior to the purchase order being issued, and again before the payment check is issued. Voucher payments are also controlled by the computer for sufficient appropriations.

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, of the Utah Code (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 Fund. 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. Under the Fiscal Procedures Act, the total of anticipated revenues must equal the total of appropriated expenditures.

On or before the first regular meeting of the City Council in May of each year, the budget officer is required to submit to the City 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 request submitted by the heads of City departments but must file these submissions with the City Council together with the tentative budget. The budget officer is required to estimate in the tentative budget the revenue from nonproperty tax sources available for each fund and the revenue from general property taxes required by each fund. The tentative budget is then provisionally adopted by the City Council, with any amendments or revisions that the City Council deems advisable prior to the public hearings on the tentative budget. After public notice and hearing, the tentative budget is adopted by the City Council, subject to further amendment or revisions by the City Council prior to adoption of the final budget.

Prior to June 30th of each year, the final budgets for all funds are adopted by the City Council. The Fiscal Procedures Act prohibits the City 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 City 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 City Council for the succeeding tax year.

INSURANCE COVERAGE

The City is largely self-insured for general liability exposures, except for liability incurred on premises owned, rented, or occupied by the Department of Airports (the “*Airport*”) and cyber liability insurance. The Airport carries commercial general liability insurance with a \$500,000,000 policy limit and no deductible. The Governmental Immunity Fund (an internal service fund) has been established to pay liability claims other than those covered by the Airport policy, along with certain litigation expenses.

The City carries an all risk property insurance policy (the “*Policy*”) with a \$500,000,000 aggregate limit and a \$100,000 deductible, except for earthquake, which carries a 1% deductible per location; and flood, which carries a \$250,000 or \$500,000 deductible, depending on location. Sub-limits include: (1) earthquake limit of \$125,000,000 aggregate; (2) flood limit of \$100,000,000 aggregate; (3) dams and appurtenant structures limit of \$30,000,000 aggregate

except for Mountain Dell, which carries a \$60,000,000 aggregate limit; (4) business interruption and extra expense are covered at \$10,000,000; and (5) terrorism loss is covered at \$5,000,000. The City is self-insured for property loss above the limits and below the deductibles. The operating departments of the General Fund or proprietary funds assume financial responsibility for risk retained by the City for property damage.

The Airport is covered by a separate all risk property insurance policy with a \$1,000,000,000 limit, subject to sub-limits and a \$100,000 deductible. Locations covered include Salt Lake City International Airport, South Valley Regional Airport, and Tooele Valley Airport. Equipment breakdown carries a deductible of \$100,000. Flood carries a sub-limit of \$150,000,000 and Earth movement carries sub-limit of \$100,000,000 with a 1% deductible per unit, subject to a \$100,000 minimum and \$5,000,000 maximum in any one occurrence. Windstorm or hail carries a \$1,000,000,000 limit, subject to a minimum \$100,000 deductible per occurrence. Time element including business interruption, extra expense, rental value, and rental income is covered at \$200,000,000 with a \$100,000 deductible. Sub-limits apply for debris removal (\$25,000,000), valuable papers and records (\$25,000,000), errors and omissions (\$10,000,000), and named storm (\$1,000,000,000).

The Treasurer, Deputy Treasurer, and Chief Financial Officer are each covered under \$10,000,000 public official bonds. The City also has a government crime policy covering (1) employee theft with a \$1,000,000 limit and \$20,000 deductible; (2) forgery or alteration with a \$25,000 limit and \$1,000 deductible; (3) theft of money and securities with a \$50,000 limit and \$2,500 deductible; (4) robbery or safe burglary with a \$50,000 limit and \$2,500 deductible; (5) money orders and counterfeit money with a \$50,000 limit and \$2,500 deductible; and (6) computer fraud and funds transfer fraud, each carrying \$1,000,000 limits and \$20,000 deductibles.

The City purchases excess workers' compensation insurance with a \$30,000,000 limit and \$1,000,000 self-insured retention per occurrence for Fire and Police employees and \$750,000 self-insured retention per occurrence for all other employee classifications. The City is self-insured for losses above the limits and below the deductibles. Further, the City is self-insured for unemployment. The Risk Management Fund (an internal service fund) has been established to pay these claims along with health insurance premiums and certain administrative expenses. During the past three fiscal years, there have been no settlements that exceeded the self-insured retentions.

INVESTMENT POLICY

City Policy. It is the policy of the City to invest public funds in accordance with the principles of sound treasury management and in compliance with State and local laws, regulations, and other policies governing the investment of public funds, specifically, according to the terms and conditions of the State Money Management Act, Title 51, Chapter 7 of the Utah Code (the "*Money Management Act*") and Rules of the State Money Management Council as currently amended, and the City's own written investment policy. The following investment objectives, in order of priority, are met when investing public funds: safety of principal, need for liquidity, and maximum yield on investments consistent with the first two objectives.

The City may use investment advisers to conduct investment transactions on its behalf as permitted by the Money Management Act and local ordinance or policy. Investment advisers must be certified by the Director of the Utah State Division of Securities of the Department of Commerce (the “*Director*”). Broker/dealers and agents who desire to become certified dealers must be certified by the Director and meet the requirements of the Money Management Act. Only qualified depositories as certified by Utah’s Commissioner of Financial Institutions are eligible to receive and hold deposits of public funds. The State Money Management Council issues a quarterly list of certified investment advisers, certified dealers, and qualified depositories authorized by State statute to conduct transactions with public treasurers. Transactions involving authorized deposits or investments of public funds may be conducted only through issuers of securities authorized by Section 51-7-11(3) of the Utah Code, qualified depositories included in the current State list, and certified dealers included in the current State list. The City Treasurer must take delivery of all investments purchased, including those purchased through a certified investment adviser. This may be accomplished by the City Treasurer taking physical delivery of the security or delivering the security to a bank or trust company designated by the City Treasurer for safekeeping. The City Treasurer may use a qualified depository bank for safekeeping securities or maintain an account with a money center bank for the purpose of settling investment transactions and safekeeping and collecting those investments.

City policy provides that not more than 25% of total City funds or 25% of the qualified depository’s allotment, whichever is less, can be invested in any one qualified depository. Not more than 20% of total City funds may be invested in any one certified out-of-state depository institution. However, there is no limitation placed on the amount invested with the Utah Public Treasurer’s Investment Fund (“*PTIF*”) and other money market mutual funds, provided that the overall standards of investments achieve the City’s policy objectives.

All funds pledged or otherwise dedicated to the payment of interest on and principal of bonds or notes issued by the City are invested in accordance with the terms and borrowing instruments applicable to such bonds or notes. City policy also provides that the remaining term to maturity of an investment may not exceed the period of availability of the funds invested. The investment of City funds cannot be of a speculative nature.

The City’s entire portfolio is currently in compliance with all of the provisions of the Money Management Act.

The Utah Public Treasurers’ Investment Fund. The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. Generally, a substantial portion of the City’s funds are on deposit in the PTIF (currently approximately \$___ billion). All investments in the PTIF must comply with the Money Management Act and rules of the State Money Management Council. The PTIF invests primarily in money market securities. 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 federal government. By policy, the maximum weighted average adjusted life of the portfolio is not to exceed 90 days and the maximum final maturity of any security purchased by the PTIF is limited to five years. Safekeeping and audit controls for all investments owned by the PTIF must comply with the Money Management Act.

All securities purchased are delivered versus payment to the custody of the State Treasurer or the State Treasurer's safekeeping bank, assuring a perfected interest in the securities. Securities owned by the PTIF are completely 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.

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

The information in this section concerning the current status of the PTIF has been obtained from sources the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

INVESTMENT CONSIDERATIONS

SERIES 2025 BONDS ARE LIMITED OBLIGATIONS

The Series 2025 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 revenues, fees and other income received by the City from the operation of the System. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—General" herein. The Series 2025 Bonds do not constitute a general obligation indebtedness nor are they secured by a pledge of the ad valorem taxing power or the full faith and credit of the City and are not obligations of the State or any other agency or other political subdivision or entity of the State. The City will not mortgage or grant any security interest in the improvements financed with the proceeds of the Series 2025 Bonds or any portion thereof to secure payment of the Series 2025 Bonds.

CLIMATE CHANGE {TO BE VERIFIED AND/OR UPDATED BY THE CITY.}

Climate change caused by human activities may have adverse effects on the System, including on each of the wet utilities the Department manages. As greenhouse gas emissions continue to accumulate in the atmosphere as a result of economic activity, climate change is expected to intensify, increasing the frequency, severity and timing of extreme weather events such as coastal storm surges, drought, wildfires, floods and heat waves, and rising sea levels. The future fiscal impact of climate change on the System is difficult to predict, but it could be significant, and it could have a material adverse effect on the City's finances by requiring greater expenditures to counteract the effects of climate change or by changing the business and activities of City customers. The City considers the potential effects of climate change in its planning.

The Department anticipates and plans for climate change impacts in several ways. The most recent water supply and demand plan includes consideration of impacts to water supply availability and water demand changes in the long-range projections. This informs water resource management, including water conservation goals. A watershed management plan is being updated to include climate change impacts to water quality, vegetation and wildfire risk in source water areas. An update to the Department's stormwater management plan is also ongoing, including

consideration of storm intensification impacts to flood risk. The Department has also contracted with the University of Utah to conduct an iterative assessment of localized climate data, projected impacts, and adaptation measures. This information is used to guide short- and long-term decisions regarding water resources, capital investments, and planning. The Department is additionally addressing its role in greenhouse gas mitigation. A renewable energy plan and wire to water efficiency study were developed to inform capital and operational decisions to reduce the Department's own operational greenhouse gas emissions.

CYBERSECURITY {TO BE VERIFIED AND/OR UPDATED BY THE CITY.}

The risk of cyberattacks against enterprises, including those operated for a governmental purpose, has become more prevalent in recent years. At least one of the rating agencies factors the risk of such an attack into its ratings analysis, recognizing that a cyberattack could affect liquidity, public policy and constituent confidence, and ultimately credit quality. A cyberattack could cause the informational systems of the Department and the City to be compromised and could limit operational capacity, for short or extended lengths of time and could bring about the release of sensitive and private information. Additionally, other potential negative consequences include data loss or compromise, diversion of resources to prevent future incidences and reputational damage. To date, the City has not been the subject of a successful cyberattack. The City believes it has made all reasonable efforts to ensure that any such attack is not successful and that the information systems of the City are secure. The Department closely watches for events that can increase cyberthreat activity through WaterISAC, intelligence briefings, and industry collaborations. For instance, the Russian-Ukrainian conflict has resulted in increased national and statewide cyberthreat monitoring. The Department and the City routinely check system security and conduct regular employee training to help protect against cyberattacks. However, there can be no assurance that a cyberattack will not occur in a manner resulting in damage to the City's information systems or other challenges. The City has insurance coverage for cyber liability.

TAX MATTERS

FEDERAL

Federal tax law contains a number of requirements and restrictions which apply to the Series 2025 Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest on the Series 2025 Bonds to be excludible from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Series 2025 Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2025 Bonds.

Subject to City's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Series 2025 Bonds is excludible from the gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals under the Internal

Revenue Code of 1986, as amended (the “Code”). Interest on the Series 2025 Bonds may affect the corporate alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the City with respect to certain material facts solely within the City’s knowledge. Bond Counsel’s opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Series 2025 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series 2025 Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the “OID Issue Price”) for each maturity of the Series 2025 Bonds is the price at which a substantial amount of such maturity of the Series 2025 Bonds is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Series 2025 Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the cover page hereof.

If the OID Issue Price of a maturity of the Series 2025 Bonds is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the Bonds (the “OID Bonds”) and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the OID Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the Issuer and the Board of Education comply with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludible from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Series 2025 Bonds who dispose of Series 2025 Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Series 2025 Bonds in the initial public offering, but at a price different from the OID Issue Price or purchase Series 2025 Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Series 2025 Bond is purchased at any time for a price that is less than the Series 2025 Bond's stated redemption price at maturity or, in the case of an OID Bond, its OID Issue Price plus accreted original issue discount (the "*Revised Issue Price*"), the purchaser will be treated as having purchased a Series 2025 Bond with market discount subject to the market discount rules of the Code (unless a statutory *de minimis* rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Series 2025 Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Series 2025 Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Series 2025 Bonds.

An investor may purchase a Series 2025 Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Series 2025 Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Series 2025 Bond. Investors who purchase a Series 2025 Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Series 2025 Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Series 2025 Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Series 2025 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Series 2025 Bonds issued prior to enactment. Prospective purchasers of the Series 2025 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "*Service*") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Series 2025 Bonds. If an audit is commenced, under current procedures the Service may treat the Issuer as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Series 2025 Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Series 2025 Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Series 2025 Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal

income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

STATE OF UTAH

In the opinion of Bond Counsel, under the laws of the State of Utah, as presently enacted and construed, interest on the Series 2025 Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. Bond Counsel expresses no opinion with respect to any other taxes imposed by the State of Utah or any political subdivision thereof. Ownership of the Series 2025 Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Series 2025 Bonds. Prospective purchasers of the Series 2025 Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

LEGAL MATTERS

LITIGATION

The City Attorney reports the following matters involving potential financial liability of the City:

Lawsuits are periodically filed against the City and/or its employees, involving tort and civil rights matters. The City has a statutory obligation to defend and indemnify its officers and employees in relation to lawsuits arising from acts or failures to act of the officers or employees while in the scope and course of employment.

The City maintains a governmental immunity fund for claims against the City. In the event the fund is not sufficient to pay any outstanding judgment or judgments, the City has the ability under State law to levy a limited ad valorem tax to pay such judgments. This tax levy is separate and apart from the other taxing powers of the City.

The City also has contract claims, condemnation proceedings and environmental matters, none of which is expected to materially adversely affect the City's financial condition.

A non-litigation certificate or opinion executed by the City Attorney, dated the date of closing, will be provided stating, among other things, that to the best of her knowledge, after due inquiry, no litigation, with merit, in the State or federal court has been served on the City or is, to the best of her knowledge, 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 2025 Bonds, or for the purpose of restraining or enjoining the levy and collection of taxes or assessments by the City, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2025 Bonds are issued, the legality of the purpose for which the Series 2025 Bonds are issued, or the validity of the Series 2025 Bonds, or the issuance thereof.

APPROVAL OF LEGAL PROCEEDINGS

The authorization and issuance of the Series 2025 Bonds are subject to the approval of Chapman and Cutler LLP, Bond Counsel. Certain legal matters will be passed upon for the City by the City Attorney. The approving opinion of Bond Counsel will be delivered with the Series 2025 Bonds. A copy of the opinion of Bond Counsel in substantially the form set forth in APPENDIX D of this Official Statement will be made available upon request from the contact persons as indicated under “INTRODUCTION—Contact Persons.”

CONTINUING DISCLOSURE UNDERTAKING

The City will undertake for the benefit of the Bondholders and the beneficial owners of the Series 2025 Bonds to provide certain annual financial information and operating data and notice of certain material events to the Municipal Securities Rulemaking Board, all in order to assist the Underwriter[s] in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission. See “APPENDIX F” attached hereto and incorporated herein by reference for a form of the Continuing Disclosure Undertaking (the “*Disclosure Agreement*”) that will be executed and delivered by the City.

The City has entered into a number of Continuing Disclosure Undertakings pursuant to the Rule with respect to the bonds it has issued and has contracted with a number of dissemination agents to file annual information and notices of certain events on behalf of the City. In the previous five years the City provided its annual financial information and audited financial statements to the applicable dissemination agent in advance of the deadline specified in the applicable Continuing Disclosure Undertaking. Dissemination agents for certain of the City’s bonds filed such information late; however, the information was filed within 10 days of the deadline.

Additionally, with respect to certain of the Bonds, during the previous five years the City filed the audited financial statements of the City’s utilities system, but did not include the audited financial statements of the City. Corrective filings have been made and the City has taken steps to ensure that in the future the City’s audited financial statements will be filed for such Bonds as required. At the time of the initial corrective filings the City determined that such filings were immaterial with respect to certain maturities of the Bonds that had already matured, and corrective filing were not made for such maturities. In connection with a prior purchase of certain of the City’s general obligation bonds, the purchaser requested that corrective filings be made for such previously matured Bonds. The City complied with such request despite having determined that such filings were not material.

A failure by the City to comply with the Disclosure Agreement will not constitute a default under the Indenture and Beneficial Owners of the Series 2025 Bonds are limited to the remedies described in the Disclosure Agreement. A failure by the City to comply with the Disclosure Agreement 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 2025 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2025 Bonds and their market price. See the FORM OF CONTINUING DISCLOSURE UNDERTAKING attached hereto as APPENDIX F for the information to be

provided, the events which will be noticed on an occurrence basis and the other terms of the Disclosure Agreement, including termination, amendment and remedies.

UNDERWRITING

The Underwriter[s] have agreed, subject to certain conditions, to purchase all of the Series 2025 Bonds from the City at an aggregate price of \$_____ (which consists of the principal amount of the Series 2025 Bonds, plus net original issue premium of \$_____ and less an Underwriter[s]'[s] discount of \$_____). The Underwriter[s] have advised the City that the Series 2025 Bonds may be offered and sold to certain dealers (including dealers depositing the Series 2025 Bonds into investment trusts) at prices lower than the initial public offering prices set forth on the inside front cover page of the Official Statement and that such public offering prices may be changed from time to time.

The Underwriter[s] and their respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and its respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter[s] and their respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the City. The Underwriter[s] and their respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter[s] and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the City.

BOND RATINGS

S&P Global Ratings (“S&P”) and Moody’s Investors Service, Inc. (“Moody’s”) have assigned municipal bond ratings of “____” and “____,” respectively, to the Series 2025 Bonds.

Any explanation of the significance of such ratings may only be obtained from the rating service furnishing the same. There is no assurance that the ratings given will be maintained for any period of time or that the ratings will not be revised downward or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of such outstanding obligations.

MUNICIPAL ADVISOR

The City has entered into an agreement with Stifel, Nicolaus & Company, Incorporated (the “Municipal Advisor”) whereunder the Municipal Advisor provides financial recommendations and guidance to the City with respect to preparation for sale of the Series 2025

Bonds, timing of the sale, bond market conditions, costs of issuance and other factors related to the sale of the Series 2025 Bonds. The Municipal Advisor has participated in the preparation of and provided information for certain portions of the Official Statement, but 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 the Municipal Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of the Official Statement or any other matter related to the Official Statement. The Municipal Advisor fees are contingent upon the sale and delivery of the Series 2025 Bonds.

INDEPENDENT AUDITORS

The basic financial statements of Salt Lake City Water, Sewer, Stormwater, and Street Lighting Utilities (Enterprise Funds of Salt Lake City Corporation) as of and for the year ended June 30, 2024, included in APPENDIX A to this Official Statement, have been audited by Eide Bailly LLP, independent accountants, as stated in their report appearing in APPENDIX A herein. Copies of the City's comprehensive annual financial report may be obtained on the City's website.

MISCELLANEOUS

ADDITIONAL INFORMATION

All quotations from and summaries and explanations of the State Constitution, statutes, programs, laws of the State, 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 a representation of fact.

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

This Preliminary Official Statement is in form deemed final for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission.

The delivery of the Official Statement and its distribution and use has been duly authorized by the City.

SALT LAKE CITY, UTAH

APPENDIX A

**SALT LAKE CITY WATER, SEWER, STORMWATER, AND STREET LIGHTING UTILITIES
(ENTERPRISE FUNDS OF SALT LAKE CITY CORPORATION) INDEPENDENT AUDITOR'S REPORT
AND COMBINED FINANCIAL STATEMENTS AS OF JUNE 30, 2024**

APPENDIX B

EXCERPTS OF CERTAIN PROVISIONS OF THE MASTER INDENTURE

The following are certain of the definitions contained in the Master Indenture and extracts of certain provisions of the Master Indenture, as heretofore amended and supplemented and as further amended and supplemented by the [Thirteenth] supplemental indenture to be executed with the issuance of the Series 2025 Bonds. Reference is hereby made to the actual Indenture for a complete recital of its terms. During the period of the offering of the Series 2025 Bonds, copies of the Master Indenture and the [Thirteenth] supplemental indenture will be available from the Municipal Advisor. Subsequent to the offering of the Series 2025 Bonds, copies of the Master Indenture and [Thirteenth] supplemental indenture may be obtained from the Trustee.

DEFINITIONS

“Accountant’s Certificate” means a certificate signed by a Qualified Public Accountant.

“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.

“Accrued Debt Service” means, as of any date of calculation, the amount of Debt Service that has accrued with respect to any Series of Bonds and any related Security Instrument Repayment Obligations, calculating the Debt Service that has accrued with respect to each Series of Bonds and any related Security Instrument Repayment Obligations as an amount equal to the sum of (a) the interest on the Bonds of such Series and on any related Security Instrument Repayment Obligations that has accrued and is unpaid and that will have accrued by the end of the then-current calendar month, and (b) that portion of all Principal Installments payable within the 12-month period following the date of calculation for the Bonds of such Series (other than Subordinated Bond Anticipation Notes) and on any related Security Instrument Repayment Obligations that would have accrued, if deemed to accrue in the same manner as interest accrues, by the end of the then current calendar month.

“Act” means the Utah Municipal Bond Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended, and, to the extent applicable, the Registered Public Obligations Act, Chapter 7 of Title 15, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Chapter 27 of Title 11, Utah Code Annotated 1953, as amended, and all laws amendatory thereof or supplemental thereto.

“Agent” or *“Agents”* means the Trustee, the Paying Agents, any Transfer Agent, any Depositary, or any or all of them, as may be appropriate.

“Aggregate Debt Service” means, as of any date of calculation and with respect to any period, the sum of the amounts of Debt Service for (a) all Series of Bonds then Outstanding and (b) any Repayment Obligations then outstanding.

“Amortized Value” means par, if an obligation was purchased at par or, when used with respect to an obligation purchased at a premium above par or at a discount below par, means the value as of any given date obtained by dividing the total amount of the premium or discount at which such obligation was purchased by the number of days remaining to the maturity of such obligation on the date of such purchase and by multiplying the amount thus calculated by the number of days having passed since the date of such purchase and: (a) in the case of an obligation purchased at a premium, by subtracting the product thus obtained from the purchase price to obtain Amortized Value, or (b) in the case of an obligation purchased at a discount, by adding the product thus obtained to the purchase price to obtain Amortized Value.

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

“Authorized Officer” means the Director, the Deputy Director and the Finance Administrator of the Department, the Mayor, the City Treasurer, the City Recorder and any other person duly authorized to perform the act or sign the document in question.

“Balloon Bonds” means Bonds, other than Bonds which mature within one year of the date of issuance thereof, 25% or more of the Principal Installments on which (a) are due or, (b) at the option of the Holder thereof, may be redeemed during any period of a Year; provided, however, that to constitute Balloon Bonds the City must designate such Bonds as Balloon Bonds.

“Bond Anticipation Notes” means Bonds issued by the City pursuant to the Indenture in advance of the permanent financing of the City for a Project pursuant to the provisions of the Act.

“Bond Service Account” means the Bond Service Account in the Principal and Interest Fund established in the Indenture.

“Bondholder” or *“Holder”*, or any similar term, means the owner of any Bond or Bonds. In the case of a fully-registered Bond, Bondholder means the registered owner of such Bond.

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

“Business Day” means a day of the year which is not a Saturday, Sunday or legal holiday in New York, New York, or a day on which the Trustee, any Depositary and any Security Instrument Issuer are authorized or obligated to close.

“Calendar Year” means the period commencing on January 1 of each year and terminating on the next succeeding December 31.

“Capital Appreciation Bonds” means Bonds the interest on which (a) 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 (b) is payable upon maturity or redemption of such Bonds.

“*City*” means Salt Lake City, Utah, a municipal corporation and political subdivision of the State, and its successors and assigns.

“*City Recorder*” means the City Recorder of the City, or in the event of his or her disability or absence, a Deputy City Recorder or other person duly authorized to perform the duties of the City Recorder.

“*City Treasurer*” means the City Treasurer of the City, or in the event of his or her disability or absence, the Deputy City Treasurer or other person duly authorized to perform the duties of the City Treasurer.

“*Code*” means the Internal Revenue Code of 1986, as amended and supplemented from time to time. Each reference to a section of the Code shall be deemed to include the United States Treasury Regulations, including temporary and proposed regulations, relating to such section which are applicable to tax-exempt bonds.

“*Commercial Paper Program*” means commercial paper obligations with maturities of not more than one Year from the dates of issuance thereof which are issued and reissued by the City from time to time pursuant to the Indenture and are outstanding up to an Authorized Amount.

“*Construction Bonds*” means all Bonds, whether issued in one or more Series, authenticated and delivered pursuant to the Indenture to pay all or a portion of (a) the Cost of Construction of a Project, (b) Principal, Redemption Price and interest on Bond Anticipation Notes or (c) any combination of (a) and (b), and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor pursuant to the Indenture.

“*Construction Fund*” means the fund by that name established in the Indenture.

“*Cost of Construction*” means the costs of the City properly attributable to the acquisition of any Project and all expenses preliminary and incidental thereto incurred by the City in connection therewith and in the issuance of the Bonds, including all engineering, fiscal, underwriting, financing and legal expenses and costs of issuance, printing and advertising, for which funds may be disbursed from the Construction Fund and interest during construction, including but not limited to:

- (a) Payment of the acquisition or construction costs of a Project.
- (b) Payment of the initial or acceptance fee of the Trustee.
- (c) Payment to the City of such amounts, if any, as shall be necessary to reimburse the City in full for advances and payments theretofore made or costs theretofore incurred by the City for any item of Cost of Construction.
- (d) Costs for the obtaining of any insurance policy or policies or surety bonds with respect to a Project by the City during the construction of such Project.

(e) Payment of audit fees and expenses for maintenance of construction records required to be kept with respect to a Project.

(f) Payment of the costs of any necessary litigation and the obtaining of all necessary permits and rulings.

(g) Payment of the costs of issuance of the Bonds including legal, accounting and fiscal agent and underwriting fees and expenses, payments and fees due under any agreement pursuant to which any Series of Bonds is sold, bond discount, printing and engraving costs and fees of rating agencies, incurred in connection with the authorization, sale and issuance of the Bonds and preparation of the Indenture and Supplemental Indenture pursuant to which the Bonds will be issued.

(h) Payment of interest on the Bonds during the period of construction of a Project and for 12 months thereafter (or such different period as may then be permitted by law).

(i) The amount, if any, to be deposited into the Debt Service Reserve Account pursuant to the Indenture.

(j) Payment of any other costs and expenses during the construction period of a Project and relating to the Project, including Security instrument Costs, Reserve Instrument Costs, and fees and expenses of the Trustee and of professional services to comply with the rebate requirements of the Code.

“Council” means the City Council of the City, or any other governing body of the City hereafter provided for pursuant to law.

“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 refunded by Cross-over Refunding Bonds.

“Cross-over Refunding Bonds” means Refunding Bonds if the proceeds of such Cross-over Refunding Bonds are irrevocably deposited in escrow 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 Fiscal Year and for any Series of Bonds and any Repayment Obligations, an amount equal to the sum of:

(a) all interest (net of any interest subsidy with respect to Bonds paid or payable to or for the account of the City by any governmental body or agency and net of any amounts deposited with the Trustee pursuant to the Indenture and available to pay interest on Bonds) payable during such Fiscal Year on such Bonds then Outstanding and such Repayment Obligations then outstanding, plus

(b) the Principal Installments payable during such Fiscal Year on (i) such Bonds Outstanding (other than Subordinated Bond Anticipation Notes), 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 (ii) such Repayment Obligations then outstanding;

provided, however that

(1) for purposes of the issuance of Construction Bonds or Refunding Bonds under the Indenture, when calculating the Principal Installments payable during such Fiscal Year, there shall be treated as payable in such Fiscal Year the amount of Principal Installments which would have been payable during such Fiscal Year had the Principal of each Series of Balloon Bonds Outstanding been amortized, from their date of issuance over a period of 30 years, on a level debt service basis at an interest rate equal to the rate borne by such Balloon Bonds on the date of calculation, provided (A) that if the date of calculation is within twelve months before the actual maturity of such Balloon Bonds, the full amount of Principal payable at maturity shall be included in such calculation, and (B) that if there is any Security Instrument Repayment Obligation relating to such Balloon Bonds, the amount of Principal to be taken into account shall be the principal component of such Security Instrument Repayment Obligation;

(2) when calculating interest payable during such Fiscal Year for any Series of Variable Rate Bonds or Repayment Obligations bearing interest at a variable rate that cannot be ascertained for any particular Fiscal Year, (A) it shall be assumed that such Series of Variable Rate Bonds or Repayment Obligations will bear interest at the average of the variable rates applicable to such Series of Variable Rate Bonds or Repayment Obligations during any consecutive 12-month period during the immediately preceding 24 months (or a shorter period, commencing on the date of issuance of the Series of Variable Rate Bonds or the date of incurring such Repayment Obligations and ending within 30 days prior to the date of computation), or, (B) with respect to any Series of Variable Rate Bonds or Repayment Obligations for which such an average of variable rates cannot be determined, (i) at a rate equal to 110% of the most recent Bond Market Association Municipal Swap Index theretofore published in The Bond Buyer, or (ii) if The Bond Buyer is no longer published or no longer publishes the Bond Market Association Municipal Swap Index, at a rate certified by the City's financial advisor, underwriter or other agent, including a Remarketing Agent, to be the rate of interest such Series of Variable Rate Bonds or Repayment Obligations would bear if issued on the date of computation in the same amount, with the same maturity or maturities, with the same security, and bearing interest at a variable rate;

(3) when calculating interest payable during such Fiscal Year for any Variable Rate Bonds that are issued with an Interest Rate Swap in which the City has agreed to pay a fixed rate, such Series of Variable Rate Bonds shall be deemed to bear interest at such fixed rate as a result

of such Interest Rate Swap; provided that such fixed rate may be utilized so long as such Interest Rate Swap is contracted to remain in full force and effect;

(4) when calculating interest payable during such Fiscal Year for any Bonds which are issued with a fixed interest rate and with respect to which an Interest Rate Swap is in effect in which the City has agreed to pay a variable rate, such Series of Bonds shall be deemed to be Variable Rate Bonds bearing interest at such variable rate as a result of such Interest Rate Swap; provided that such amounts may be utilized only so long as such Interest Rate Swap is contracted to remain in full force and effect;

(5) when calculating interest payable during such Fiscal 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 Fiscal 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 the period during which obligations can be issued under such Commercial Paper Program, and bearing interest (A) at an interest rate equal to the average of the interest rates applicable to such Commercial Paper Program during any consecutive 12-month period during the immediately preceding 24 months (or a shorter period, commencing on the date obligations are first issued under the Commercial Paper Program) ending within 30 days prior to the date of computation, or (B) with respect to any Commercial Paper Program for which such an average of the interest rates cannot be determined, (i) at a rate equal to 110% of the most recent Bond Market Association Municipal Swap Index theretofore published in The Bond Buyer, or (ii) if The Bond Buyer is no longer published or no longer publishes the Bond Market Association Municipal Swap Index, at an interest rate certified by the City's financial advisor, underwriter or other agent, including a Remarketing Agent, to be the rate of interest that obligations of the Commercial Paper Program would bear if issued on the date of computation in the Authorized Amount, with the same security, bearing interest at a variable rate and maturing over a period of 30 years beginning on the date of calculation; and

(6) 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 City with respect to such Paired Obligations;

and further *provided*, however, that there shall be excluded from "Debt Service" (1) interest on Bonds (whether Cross-over Refunding Bonds or Cross-over Refunded Bonds) to the extent that Escrowed Interest is available to pay such interest, (2) 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 Annotated 1953, 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, (3) Repayment Obligations to the extent that payments on Pledged Bonds relating to such Repayment Obligations satisfy the City's obligation to pay such Repayment Obligations, and (4) any termination payments with respect to an Interest Rate Swap.

“Debt Service Reserve Account” means the Debt Service Reserve Account in the Principal and Interest Fund established in the Indenture.

“Debt Service Reserve Requirement” means, with respect to any Series Subaccount that has been established in the Debt Service Reserve Account, the amount specified in a Supplemental Indenture as being required to be on deposit in such Series Subaccount.

“Department” means the Department of Public Utilities of the City.

“Depository” means any bank or trust company selected by the City as a depository of moneys and securities held under the provisions of the Indenture and may include the Trustee.

“Director” means the Director of the Department, or in the event of his or her disability or absence, the Deputy Director of the Department or other person duly authorized to perform the duties of the Director.

“Engineer’s Certificate” means a certificate or opinion signed by a Qualified Engineer.

“Escrowed Interest” means amounts irrevocably deposited in escrow in accordance with the requirements of Section 11-27-3, Utah Code Annotated 1953, as amended, in connection with the issuance of Bonds or Cross-over Refunding Bonds secured by such Cross-over Refunding Bonds 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.

“Estimated Completion Date” means the estimated date upon which a Project will have been substantially completed in accordance with the plans and specifications applicable thereto as that date shall be set forth in a Written Certificate of the City.

“Estimated Net Revenues” means, for any Year, the estimated Net Revenues for such Year.

“Event of Default” has the meaning specified in the Indenture. See “EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS” below.

“Fiscal Year” means the annual accounting period of the City as from time to time in effect, initially a period commencing on July 1 of each Calendar Year and ending on the next succeeding June 30.

“Fitch” means Fitch Ratings, a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to another nationally recognized securities rating agency, if any, designated by the City.

“Fund” means one of the funds confirmed or established pursuant to the Indenture, including the Construction Fund, the Principal and Interest Fund, the Renewal and Replacement Fund and the Revenue Fund.

“Government Obligations” means:

- (i) Direct obligations of or obligations guaranteed by the United States of America;
- (ii) Any other evidences of an ownership interest in obligations or in specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in clause (i) above; and
- (iii) Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (a) which are not callable at the option of the obligor or otherwise prior to maturity or as to which irrevocable notice has been given by the obligor to call such bonds or obligations on the date specified in the notice, (b) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or bonds or other obligations of the character described in clause (i) or clause (ii) above, which fund may be applied only to the payment of interest when due, principal of and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (c) as to which the principal of and interest on the bonds and obligations of the character described in clause (i) or clause (ii) above, which have been deposited in such fund along with any cash on deposit in such fund is sufficient to pay interest when due, principal of and redemption premium, if any, on the bonds or other obligations described in this clause (iii) on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (iii), as appropriate.

“Indenture” means the Master Trust Indenture providing for the issuance of Public Utility Revenue Bonds, as from time to time amended or supplemented by Supplemental Indentures.

“Information Services” means Financial Information, Inc.’s “Daily Called Bond Service,” 30 Montgomery Street, 10th Floor, Jersey City, New Jersey 07302, Attention: Editor; Standard & Poor’s J. J. Kenny’s “Called Bond Service,” 55 Water Street, 45th Floor, New York, New York 10041; Mergent’s “Municipal and Government Manual,” 60 Madison Avenue, New York, New York 10010, Attention: Customer Service and the Municipal Securities Rulemaking Board, CDI, 1900 Duke Street, Alexandria, Virginia 22314, Attention: MSIL Dept.; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to called bonds, or no such services, as the City may designate in a certificate delivered to the Trustee.

“Interest Rate Swap” means an “interest rate contract” within the meaning of the State Money Management Act or other similar agreement related to Bonds of one or more Series, provided that such agreement satisfies the requirements of the State Money Management Act or other applicable provision of State law.

“2001 Interlocal Agreement” means the Interlocal Agreement Relating to Metropolitan Water District of Salt Lake & Sandy Capacity Capital Improvements and New Water Supply, dated as of May 1, 2001, by and among the Metropolitan Water District of Salt Lake & Sandy, the City and Sandy City, Utah, as from time to time amended and supplemented.

“Investment Securities” means any of the following securities, if and to the extent that the same are at the time legal for investment of City funds:

(i) any investment authorized from time to time by the provisions of the State Money Management Act, including without limitation the Treasurer’s Investment Fund;

(ii) The following investments fully insured by the Federal Deposit Insurance Corporation: (a) certificates of deposit, (b) savings accounts, (c) deposit accounts, or (d) depository receipts of a bank, savings and loan associations and mutual savings banks;

(iii) Certificates of deposit properly secured at all times by collateral security consisting of Government Obligations;

(iv) Government Obligations;

(v) Bonds, debentures or notes or other evidence of indebtedness issued by any one or a combination of any of the following federal agencies: 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; or the Public Housing Authority;

(vi) Repurchase agreements collateralized by Government Obligations or obligations described in clause (v) of this definition with any registered broker/dealer subject to Securities Investors’ Protection Corporation jurisdiction, which has an uninsured, unsecured and unguaranteed obligation rated “Prime-1” or “A3” or better by Moody’s and “A-1” or “A” or better by S&P Corporation, or any commercial bank with the above ratings, provided:

(a) a master repurchase agreement or specific written repurchase agreement governs the transaction,

(b) the securities are held free and clear of any lien by the Trustee or an independent third party acting solely as agent for the Trustee, and such third party is (1) a Federal Reserve Bank, (2) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$25,000,000, or (3) a bank approved in writing for such purpose by each Security Instrument Issuer which at the time has a Security Instrument outstanding on which there is no payment default, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee,

(c) a perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 CFR 306.1 et seq. or 31 CFR 350.0 et seq. (or similar successor provision of law) in such securities is created for the benefit of the Trustee,

(d) the repurchase agreement has a term of 30 days or less, or the Trustee will value the collateral securities no less frequently than monthly and will liquidate the

collateral securities if any deficiency in the required collateral percentage is not restored within two business day of such valuation,

(e) the repurchase agreement matures at least ten days (or other appropriate liquidation period) prior to the date when liquidation is required, and

(f) the fair market value of the securities in relation to the amount of the repurchase obligation is equal to at least 100%;

(vii) Money market funds rated AAA by Fitch or Aaa by Moody's or AAA by S&P, including such funds from which the Trustee or its affiliates derive a fee for investment advisory or other services to the fund;

(viii) Direct and general obligations of any state within the territorial United States of America, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, provided that at the time of their purchase under the Indenture, such obligations are rated in either of the two highest rating categories by a Rating Agency;

(ix) Commercial paper rated "first tier" by two Ratings Agencies, one of which must be Moody's or S&P, and having a remaining term to maturity of 270 days or less;

(x) Refunded municipal obligations rated at the time of purchase in the highest rating category by a Rating Agency; and

(xi) Investment agreements permitted by the State Money Management Act.

"Issue Date" means (i) the first day of any calendar month, or (ii) any other date, established in a Supplemental Indenture with respect to a Series of Bonds.

"Mayor" means the Mayor of the City, or in the event of his or her disability or absence, the Deputy Mayor or other person duly authorized to perform the duties of the Mayor.

"Moody's" means Moody's Investors Service Inc., its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to another nationally recognized securities rating agency, if any, designated by the City.

"Net Revenues" means, for any period, the Revenues during such period less the Operation and Maintenance Costs during such period.

"NRMSIRs" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system or any successor system.

"Operation and Maintenance Costs" means all actual operation and maintenance costs related to the System incurred by the City in any particular Fiscal Year or period to which said term is applicable or charges made therefor during such Fiscal Year or period.

Such Operation and Maintenance Costs include, but are not limited to, amounts paid by the City for improvement, repair, replacement or for the acquisition of any item of equipment related to the System; salaries and wages; employees' health, hospitalization, pension and retirement expenses; fees for services, materials and supplies; rents; administrative and general expenses; insurance expenses; Trustee, Paying Agent, legal, engineering, accounting and financial advisory fees and expenses and costs of other consulting and technical services; training of personnel; taxes, payments in lieu of taxes and other governmental charges (including franchise fees imposed by the City for the use of public streets and rights-of-way); fuel and electricity costs; payments for the purchase of water or the treatment or transmission of water for distribution in the System; payments for the treatment, transmission or disposal of sewage; payments pursuant to any Resource Purchase Agreement; and any other current expenses or obligations required to be paid by the City under the provisions of the Indenture or by law, all to the extent properly allocable to the System.

Operation and Maintenance Costs do not include depreciation or obsolescence charges or reserves therefor; amortization of intangibles or other bookkeeping entries of a similar nature; interest charges and charges for the payment of principal, or amortization, of bonded or other indebtedness of the City, or costs or charges made therefor; and losses from the sale, abandonment, reclassification, revaluation or other disposition of any properties.

"Opinion of Bond Counsel" means an Opinion of Counsel from counsel of nationally recognized standing in the field of law relating to municipal bonds.

"Opinion of Counsel" means a written opinion of counsel selected by the City and satisfactory to the Trustee. Any Opinion of Counsel may be based, insofar as it relates to factual matters, on information with respect to which is in the possession of the City, upon a Written Certificate of the City, unless such counsel knows, or in the exercise of reasonable care should have known, that such Written Certificate is erroneous.

"Outstanding" means with respect to the Bonds, as of any date of calculation (subject to the provisions of the Indenture), all Bonds which have been duly authenticated and delivered by the Trustee except: (a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation; (b) Bonds for the payment or redemption of which cash funds or Investment Securities shall have theretofore been deposited with the Trustee (whether upon or prior to the maturity or redemption date of any such Bonds), provided that, if such Bonds are to be redeemed, notice of such redemption has been duly given pursuant to the provisions of the Indenture or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee; (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated or delivered pursuant to the Indenture; and (d) the Principal amount of any Bond issued pursuant to a Supplemental Indenture authorizing partial payment without cancellation if payment is noted on a payment record attached to such Bond provided that such payment has been made and duly noted on the payment record attached to such Bond.

"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 and (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 City for the terms of such Bonds.

"Paying Agent" means any bank or trust company designated as paying agent for the Bonds of any Series, and its successor or successors hereinafter appointed in the manner provided in the Indenture.

"Pledged Bonds" means any Bonds that have been pledged or in which any interest has otherwise been granted to a Security Instrument Issuer as collateral security for Security Instrument Repayment Obligations.

"Principal" means (a) 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 (b) with respect to any Current Interest Bond, the principal amount of such Bond payable at maturity.

"Principal and Interest Fund" means the fund by that name established in the Indenture.

"Principal Installment" means, as of any date of calculation, (a) with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (1) the Principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (2) the unsatisfied balance (determined as provided in the definition of "Sinking Fund Installment" below) 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, or (3) if such future dates coincide as to different Bonds of such Series, the sum of such Principal amount of Bonds and of such unsatisfied balance of such Sinking Fund Installment due on such future date plus such applicable redemption premiums, if any, and (b) with respect to any Repayment Obligations, the principal amount of such Repayment Obligations due on a certain future date.

"Prior Lien Resolution" means Resolution No. 100 of 1981 adopted by the Council of the City on November 3, 1981, as supplemented and amended from time to time.

"Project" means the acquisition of additions, improvements and extensions to the public utility of the City comprising the System if and to the extent that the same shall be designated by the City as a Project in a Supplemental Indenture.

"Project Account" means the separate account for each Project in the Construction Fund pursuant to the Indenture.

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

“Qualified Engineer” means (a) the Public Utilities Chief Engineer of the City or (b) any registered or licensed engineer or architect and engineer or firm of such engineers or architects and engineers generally recognized to be well qualified in engineering matters relating to construction and maintenance of municipal water, sewer and stormwater systems and/or street lighting systems or other systems included in the definition of System hereunder, appointed by the City.

The Trustee shall be entitled to rely on the written statement of a registered or licensed engineer or architect and engineer or firm of such engineers or architects and engineers as to his or its compliance with the terms of this definition.

“Qualified Public Accountant” means (a) the Finance Administrator of the Department or (b) any certified public accountant or firm of such accountants appointed by the City.

The Trustee shall be entitled to rely on the written statement of a certified public accountant or firm of such accountants as to his or its compliance with the terms of this definition.

“Rate Covenant Requirement” has the meaning specified in the Indenture. See “COVENANTS OF THE CITY—Rates and Charges” below.

“Rating Agency” means Fitch, Moody’s or S&P.

“Rating Category” means 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.

“Rebate Fund” means any fund established with respect to a Series of Bonds issued under the Indenture to provide for the payment of arbitrage rebate pursuant to the Code.

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

“Redemption Price” means, with respect to any Bond, the Principal thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to any Supplemental Indenture.

“Refunded Debt” has the meaning set forth in the Indenture.

“Refunding Bonds” means all Bonds, whether issued in one or more Series, authenticated and delivered pursuant to the Indenture to provide the City with sufficient funds to accomplish the refunding of all or part of the Outstanding Bonds of one or more Series or all or part of any other

borrowing of the City payable in whole or in part from the Revenues, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor pursuant to the Indenture.

“Remarketing Agent” means a remarketing agent appointed by the City pursuant to the Indenture and its successors under the Indenture.

“Renewal and Replacement Fund” means the fund by that name established in the Indenture.

“Renewal and Replacement Fund Reserve Requirement” means the amount, if any, required to be on deposit in the Renewal and Replacement Fund from time to time by a Supplemental Indenture.

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

“Reserve Instrument” means an instrument or other device issued by a Reserve Instrument Issuer to satisfy all or any portion of the Debt Service Reserve Requirement, if any, for a Series of Bonds. The term “Reserve 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 other devices; provided, however, that no such device or instrument shall be a “Reserve Instrument” for purposes of the Indenture unless specifically so designated in the Supplemental Indenture authorizing the use of such device or instrument.

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

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

“Reserve Instrument Coverage” means, as of any date of calculation and with respect to any Reserve Instrument, the amount available to be paid under such Reserve Instrument into the related Series Subaccount in the Debt Service Reserve Account to satisfy all or any portion of the Debt Service Reserve Requirement.

“Reserve Instrument Issuer” 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 Limit” means, as of any date of calculation and with respect to any Reserve Instrument, the maximum amount available to be paid under such Reserve Instrument into

the related Series Subaccount in the Debt Service Reserve Account to satisfy all or any portion of the Debt Service Reserve Requirement, 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 on the corresponding Series of Bonds.

“Reserve Instrument Repayment Obligations” means, as of any date of calculation and with respect to any Reserve Instrument, any outstanding amounts payable by the City under the Reserve Instrument Agreement or the Supplemental Indenture authorizing the use of such Reserve Instrument to repay the Reserve Instrument Issuer 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 providing for the use of such Reserve Instrument shall specify any amounts payable under it which, when outstanding, shall constitute Reserve Instrument Repayment Obligations and shall specify the portions of any such amounts that are allocable as principal of and as interest on such Reserve Instrument Repayment Obligations.

“Resource Purchase Agreement” means (a) any agreement (i) for the treatment, transmission or supply of water to or for the City or (ii) for capacity in facilities for the treatment, transmission or supply of water to or for the City and (b) any agreement (i) for the treatment, transmission or disposal of sewerage for the City or (ii) for capacity in facilities for the treatment, transmission or disposal of sewerage to or for the City. The 2001 Interlocal Agreement constitutes a Resource Purchase Agreement.

“Revenue Fund” means the fund by that name established in the Indenture.

“Revenues” means all revenues, connection fees, income, rents and receipts derived by the City from or attributable to the System, including the proceeds of any insurance covering business interruption loss. “Revenues” also includes all interest, profits or other income derived from the investment of any moneys held pursuant to the Indenture and required to be paid into the Revenue Fund and the proceeds of any interest subsidy with respect to the Bonds paid for or for the account of the City by any governmental body or agency. Revenues shall not include: (a) proceeds received on insurance resulting from casualty damage to assets of the System; or (b) the proceeds of sale of Bonds, notes or other obligations issued for System purposes.

“S&P” means Standard & Poor’s Credit Market Services, a division of The McGraw-Hill Companies, Inc., its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to another nationally recognized securities rating agency, if any, designated by the City.

“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; provided, however, that no such device or instrument shall

be a “Security Instrument” for purposes of this 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 City 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, savings and loan association, savings bank, thrift institution, credit union, insurance company, surety company or other institution issuing a Security Instrument that is in full force and effect with respect to any Series of Bonds Outstanding.

“*Security Instrument Repayment Obligations*” means, as of any date of calculation and with respect to any Security Instrument, any outstanding amounts payable by the City 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 providing for 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.

“*Series*” means all of the Bonds designated as being of the same Series authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor pursuant to the Indenture.

“*Series Subaccount*” means the separate subaccount created for each Series of Bonds in the Bond Service Account or in the Debt Service Reserve Account, as appropriate, pursuant to the Indenture.

“*Sinking Fund Installment*” means an amount so designated which is established pursuant to the Indenture. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited pursuant to the Indenture toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

“*State*” means the State of Utah.

“State Money Management Act” means the State Money Management Act, Title 51, Chapter 7, Utah Code Annotated 1953, as amended, and any applicable regulations and rules promulgated thereunder.

“Subordinated Bond Anticipation Notes” means Bond Anticipation Notes, the Principal Installments on which have been subordinated pursuant to the Indenture.

“Supplemental Indenture” means any indenture supplemental to the Indenture or amendatory of the Indenture that is in full force and effect and has been duly executed and delivered by the City and the Trustee in accordance with the provisions of the Indenture.

“System” means the complete combined waterworks plant and system, sewerage collection, treatment and disposal plant and system, stormwater system and street lighting system of the City, including all improvements, extensions, and additions thereto which may be made while any of the Bonds remain Outstanding, and including all property, real, personal and mixed, of every nature now or hereafter owned by the City and used or useful in the operation of its waterworks, sewerage, stormwater or street lighting properties. The City may, without the consent of Bond Holders, further amend the definition of System by adding additional systems, properties and improvements and the revenues therefrom by Supplemental Indenture.

“Tax Certificate” means any agreement or certificate of the City that the City may execute in order to establish and maintain the excludability of interest on a Series of Bonds from gross income of the owners thereof for federal income tax purposes.

“Transfer Agent” means, as the agent of the City, the Trustee and each and every additional agent appointed from time to time as the agent of the City pursuant to the Indenture for the transfer and authentication of Bonds for so long as such appointment shall continue in effect.

“Treasurer’s Investment Fund” means the fund held by the Treasurer of the State and commonly known as the Utah State Public Treasurer’s Investment Fund.

“Trust Estate” has the meaning specified in the Granting Clause of the Indenture.

“Trustee” means the trustee identified in the preamble of the Indenture and appointed by the City pursuant to the Indenture, its successors and assigns, and any other corporation or association which may at any time be substituted in its place as provided in the Indenture.

“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 of a precise determination.

“Written Certificate of the City,” “Written Request of the City” and *“Written Statement of the City”* means an instrument in writing signed on behalf of the City by an Authorized Officer thereof. Any such instrument and any supporting opinions or certificates may, but need not, be combined in a single instrument with any other instrument, opinion or certificate, and the two or more so combined shall be read and construed so as to form a single instrument. Any such

instrument may be based, insofar as it relates to legal, accounting or engineering matters, upon the opinion or certificate of counsel, consultants, accountants or engineers, unless the Authorized Officer signing such Written Certificate or Request or Statement knows, or in the exercise of reasonable care should have known, that the opinion or certificate with respect to the matters upon which such Written Certificate or Request or Statement may be based, as aforesaid, is erroneous. The same Authorized Officer, or the same counsel, consultant, accountant or engineer, as the case may be, need not certify to all of the matters required to be certified under any provision of the Indenture, but different Authorized Officers, counsel, consultants, accountants or engineers may certify to different facts, respectively. Every Written Certificate or Request or Statement of the City, and every certificate or opinion of counsel, consultants, accountants or engineers provided for in the Indenture shall include:

(a) a statement that the person making such certificate, request, statement or opinion has read the pertinent provisions of the Indenture to which such certificate, request, statement or opinion relates;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the certificate, request, statement or opinion is based;

(c) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion with respect to the subject matter referred to in the instrument to which his signature is affixed; and

(d) with respect to any statement relating to compliance with any provision hereof, a statement whether or not, in the opinion of such person, such provision has been complied with.

“Year” means any period of twelve consecutive months.

PLEDGE OF REVENUES; USE OF FUNDS

THE PLEDGE EFFECTED BY THE INDENTURE

The Bonds and the Repayment Obligations are special obligations of the City payable from and secured by the Revenues, moneys, securities and funds pledged therefor. There are pledged by the Indenture for the payment of Principal, Redemption Price and interest on the Bonds and of Repayment Obligations in accordance with their terms and the provisions of the Indenture, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture, (1) the proceeds of sale of the Bonds, (2) the Revenues, and (3) the Construction Fund, Principal and Interest Fund, Renewal and Replacement Fund, Revenue Fund and any other Funds hereafter established or confirmed by the Indenture (except for any Rebate Fund) and pledged for the payment of Principal, Redemption Price and interest on the Bonds and of Repayment Obligations, including the investments, if any, thereof, subject to any required rebate of all or a portion of the earnings on such investments to the United States of America pursuant to the requirements of Section 148(f) of the Code.

Use of Construction Fund

(a) There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of the Indenture or any Supplemental Indenture.

(b) The Trustee shall establish within the Construction Fund a separate Project Account for each Project and may establish one or more subaccounts in each Project Account.

(c) The proceeds of insurance maintained in connection with a Project during the period of construction of such Project against physical loss of or damage to properties of the System, or of contractors' performance bonds with respect thereto, pertaining to the period of construction thereof, shall be paid into the appropriate Project Account in the Construction Fund.

(d) Amounts in each Project Account established for a Project shall be applied to pay the Cost of Construction of the Project. In the event and to the extent that proceeds of the sale of Bonds were deposited in a Project Account pursuant to the Indenture to provide for the payment of capitalized interest, the Trustee shall, during the period for which such interest was capitalized, transfer from such Project Account, to the appropriate Series Subaccount in the Bond Service Account, the amounts required to pay interest on the Bonds when due, subject to any limitations contained in the Supplemental Indenture authorizing such Bonds.

(e) Before any payment is made from any Project Account by the Trustee (except for transfers into Series Subaccounts in the Bond Service Account to pay interest on the Bonds as contemplated in (d) above), the City shall file with the Trustee a Written Request of the City, showing with respect to each payment to be made, the name of the person to whom payment is due and the amount to be paid with payment instructions, and stating that the obligation to be paid was incurred and is a proper charge against the Project Account. Each such Written Request shall be sufficient evidence to the Trustee: (A) that obligations in the stated amounts have been incurred by the City and that each item thereof is a proper charge against the applicable Project Account; and (B) that there has not been filed with or served upon the City notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named in such Written Request which has not been released or will not be released simultaneously with the payment of such obligation other than materialmen's or mechanics' liens accruing by mere operation of law.

(f) Upon receipt of each such Written Request, the Trustee shall pay the amounts set forth therein as directed by the terms thereof.

(g) The City shall maintain on file with the Trustee a schedule of dates on which the City estimates that money in each Project Account will be expended and the amounts estimated to be required on those dates. The City may revise such schedule at any time to reflect changes in the estimated dates and amounts. Amounts in the Construction Fund shall be invested and reinvested by the Trustee, in accordance with instructions received from an Authorized Officer of the City, to the fullest extent practicable in Investment Securities (or, to the extent permitted by a Supplemental Indenture executed and delivered pursuant to the Indenture, in other investments) maturing in such amounts and at such times as may be necessary to make funds available when needed. The Trustee may, and to the extent required for payments from the Construction Fund shall, sell any such Investment Securities at any time, and the proceeds of such sale, and of all

payments at maturity and upon redemption of such investments, shall be held in the applicable Project Account in the Construction Fund.

(h) Unless otherwise provided in a Supplemental Indenture authorizing a Series of Construction Bonds, all net income earned on any moneys or investments in the Project Account established in the Construction Fund for a Project shall be held in such Project Account and applied to pay Costs of Construction of the Project.

(i) The substantial completion of construction of each Project shall be evidenced by a Written Certificate of the City, which shall be filed with the Trustee stating (1) that such Project has been substantially completed in accordance with the plans and specifications applicable thereto, (2) the date of such substantial completion and (3) the amounts, if any, required in the opinion of the signer or signers for the payment of any remaining part of the Cost of Construction of such Project. Upon the filing of such Certificate, the balance in the Project Account in the Construction Fund in excess of the amount, if any, stated in such Certificate shall, to the extent permitted under applicable law and covenants, including any covenants contained in any Tax Certificate, regarding the use of proceeds of the Bonds, and as directed in such Written Certificate or in a Supplemental Indenture, be (i) used to purchase Bonds as provided in the Indenture, (ii) deposited into the Debt Service Reserve Account to fund any amounts required to be deposited therein, (iii) deposited into the Bond Service Account, (iv) transferred into another Project Account to pay Costs of Construction of a Project or (v) used for any other purpose for which proceeds of Bonds may be used under applicable law and covenants regarding the use of proceeds of Bonds. If subsequent to the filing of such Certificate, a supplemental Written Certificate of the City is filed with the Trustee stating that the balance of the money remaining in the Construction Fund is no longer needed to pay Costs of Construction of such Project, any remaining balance in the Project Account in the Construction Fund shall, to the extent permitted under applicable law and covenants, including any covenants contained in any Tax Certificate, regarding the use of proceeds of the Bonds and as directed in such supplemental Written Certificate or in a Supplemental Indenture, be (i) used to purchase Bonds as provided in the Indenture, (ii) deposited into the Debt Service Reserve Account to fund any amounts required to be deposited therein, (iii) deposited into the Bond Service Account, (iv) transferred into another Project Account to pay Costs of Construction of a Project or (v) used for any other purpose for which proceeds of Bonds may be used under applicable law and covenants regarding the use of proceeds of Bonds.

REVENUES; REVENUE FUND; PAYMENT OF OPERATION AND MAINTENANCE COSTS

(a) All Revenues shall be promptly deposited by the City to the credit of the Revenue Fund, except that the proceeds of any interest subsidy with respect to the Bonds received by the City from any governmental body or agency may be deposited directly into the Principal and Interest Fund for credit to the Bond Service Account. There shall also be deposited into the Revenue Fund all amounts required to be so deposited by the Indenture.

(b) The Operation and Maintenance Costs shall be paid by the City from time to time as they become due and payable as a first charge on the Revenue Fund.

(c) There shall be retained in the Revenue Fund, to the extent such amounts are not otherwise required to be transferred from the Revenue Fund pursuant to the provisions of the Indenture, the amount required to be deposited into the Principal and Interest Fund in the next succeeding month.

FLOW OF FUNDS

(a) On or before the fourth Business Day prior to the end of each month, after payment of unpaid Operation and Maintenance Costs then due, the City shall transfer from the Revenue Fund, to the extent of moneys available therein, and deposit, in the following order: Into the following Funds and Accounts, the amounts set forth below:

(A) Into the Principal and Interest Fund:

(i) for credit to the Bond Service Account, the amount, if any, required so that the balance in each of the Series Subaccounts in the Bond Service Account shall equal the Accrued Debt Service on the Series of Bonds and, to the extent required by the Supplemental Indenture creating such Series Subaccount, on any Security Instrument Obligations for which such Series Subaccount was established; provided that if there are not sufficient moneys to satisfy the requirements of this subsection (A) with respect to all Series Subaccounts in the Bond Service Account, all moneys available for distribution among such Series Subaccounts shall be deposited into the Bond Service Account and distributed on a pro rata basis to the deficient Series Subaccounts in the Bond Service Account, such distribution to be determined by multiplying the amount available for distribution by the proportion that the deficiency for each Series Subaccount bears to the total deficiency for all Series Subaccounts; and provided further, that in the event and to the extent moneys have been deposited in any Project Account pursuant to the Indenture to pay capitalized interest, such moneys shall be transferred from the appropriate Project Account and deposited into the appropriate Series Subaccount in the Bond Service Account in an amount sufficient to cause the balance in such Series Subaccount to equal the interest component of Accrued Debt Service on the Series of Bonds; and

(ii) for credit to the Debt Service Reserve Account, without priority or preference as between subsections (A) or (B):

(A) if, after the issuance of a Series of Bonds, an amount equal to the Debt Service Reserve Requirement is not on deposit in the Series Subaccount established in the Debt Service Reserve Account for such Series of Bonds because sufficient moneys for that purpose were not required by a Supplemental Indenture to be deposited into the Debt Service Reserve Account pursuant to the Indenture, such amount as shall be required by the Supplemental Indenture authorizing such Series of Bonds, in not to exceed sixty (60) approximately equal monthly installments commencing no later than the business day immediately preceding the first interest payment date of such Series of Bonds, computed as of the contemplated date of issuance of such Series of Bonds, necessary to cause the balance in such Series Subaccount to equal the Debt Service Reserve Requirement;

(B) if moneys shall ever have been paid out of any Series Subaccount in the Debt Service Reserve Account for the purpose specified in the Indenture or if for any other reason moneys in any Series Subaccount in the Debt Service Reserve Account shall have been removed and in either case if such moneys shall not have been replaced from any source, such amount as shall be necessary to cause either the amount so paid out of or removed from such Series Subaccount in the Debt Service Reserve Account to be replaced, or the amount to be on deposit in such Series Subaccount to be equal to the Debt Service Reserve Requirement attributable to the corresponding Series of Bonds, whichever is less; and

(C) with respect to a Series of Bonds for which a Debt Service Reserve Requirement has been established pursuant to a Supplemental Indenture and for which the Debt Service Reserve Requirement has been increased because of a decline in the amount by which Net Revenues exceeded Aggregate Debt Service, such amount, in monthly installments, as shall be required by the Supplemental Indenture authorizing such Series of Bonds to cause the balance in such Series Subaccount to equal the Debt Service Reserve Requirement then existing for such Series of Bonds;

provided that if there are not sufficient moneys in the Revenue Fund to satisfy the requirements of this subsection (ii), all moneys available for distribution among the Series Subaccounts in the Debt Service Reserve Account shall be deposited into the Debt Service Reserve Account and distributed pro rata based on the amount of the deficiencies to the deficient Series Subaccounts in the Debt Service Reserve Account.

(B) Into the Renewal and Replacement Fund:

(i) if the Renewal and Replacement Fund Reserve Requirement shall ever be increased in accordance with the Indenture, the amount specified in a Written Certificate of the City identifying a schedule of sixty (60) approximately equal monthly deposits into the Renewal and Replacement Fund sufficient to cause the balance in the Renewal and Replacement Fund to equal the increased Renewal and Replacement Fund Reserve Requirement as required in the Indenture; and

(ii) if moneys shall ever have been paid out of the Renewal and Replacement Fund and shall not have been replaced from any source, the amount of money necessary, in not to exceed one hundred twenty (120) approximately equal monthly installments, to cause the amount so paid out of the Renewal and Replacement Fund to be replaced, or to cause to be on deposit in the Renewal and Replacement Fund an amount equal to the Renewal and Replacement Fund Reserve Requirement, whichever is less;

provided, however, that so long as there shall be held in the Principal and Interest Fund, excluding any Reserve Instrument Coverage, an amount sufficient to pay in full all Outstanding Bonds and all outstanding Repayment Obligations in accordance with their terms (including Principal or applicable sinking fund Redemption Price and interest thereon), no deposits shall be required to be made into the Principal and Interest Fund.

(b) Amounts remaining in the Revenue Fund at the end of each month after payment of the amounts required by subsection (a) of this Section may be applied by the City, free and clear of the lien of the Indenture, to any one or more of the following, to the extent permitted by law: (1) the purchase or redemption of any Bonds and payment of expenses in connection therewith; (2) payments of principal or redemption price of and interest on any bonds, including general obligation or junior lien revenue bonds of the City, issued to acquire improvements or extensions to the System; (3) payments into any Project Account or Accounts established in the Construction Fund for application to the purposes of such Accounts; (4) payment of the costs of capital improvements to the System; and (5) any other lawful purpose of the City.

(c) Upon any purchase or redemption, pursuant to subsection (b) of this Section, of Bonds of any Series and maturity for which Sinking Fund Installments shall have been established, the principal amount of such Bonds shall be credited toward such Sinking Fund Installments in such order of their due dates as directed by the City, unless the City shall elect to have the Sinking Fund Installments next due credited as provided in the Indenture.

PRINCIPAL AND INTEREST FUND - BOND SERVICE ACCOUNT

(a) Each Supplemental Indenture providing for the issuance of a Series of Bonds shall establish a separate Series Subaccount in the Bond Service Account for each such Series of Bonds issued provided, however, that such a separate Series Subaccount need not be established in the Principal and Interest Fund for a Series of Bonds if such Series of Bonds is secured by Series Subaccount in the Debt Service Reserve Account that also secures one or more other Series of Bonds as contemplated by the Indenture (in which case the Supplemental Indenture may provide for the payment of principal and interest on such Series of Bonds from the same Series Subaccount in the Principal and Interest Fund as the principal and interest on such other Series of Bonds are payable from). There shall be deposited into each Series Subaccount the amounts required to be so deposited pursuant to the Indenture. Any payments made by a Security Instrument Issuer with respect to a Series of Bonds shall be deposited into the Series Subaccount in the Bond Service Account relating to such Series of Bonds, subject to the provisions of the Supplemental Indenture authorizing the issuance of such Series of Bonds.

(b) The Trustee shall pay out of the appropriate Series Subaccount in the Bond Service Account to the respective Paying Agent (1) on or before each interest payment date for each Series of Bonds, the amount required for the interest payable on such date; (2) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and (3) on or before any 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 appropriate Series Subaccount in the Bond Service Account 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. 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 City) and the Trustee shall keep its records accordingly.

(c) Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, amounts accumulated in any Series Subaccount in the Bond Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) shall, if so directed by the City in a Written Request not less than 30 days before the due date of such Sinking Fund Installment, be applied by the Trustee to (1) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, (2) the redemption at the applicable sinking fund Redemption Price of such Bonds, if then redeemable by their terms, or (3) any combination of (1) and (2). All purchases of any Bonds pursuant to this subsection (c) shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest, and such purchases shall be made in such manner as the City shall direct the Trustee. The applicable sinking fund Redemption Price (or Principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Service Account until such Sinking Fund Installment date for the purpose of calculating the amount of such Account. As soon as practicable after the 60th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption on such due date, by giving notice as required by the Indenture, Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the appropriate Series Subaccount in the Bond Service Account to the appropriate Paying Agents, on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Bonds shall be paid by the City as an Operation and Maintenance Cost.

PRINCIPAL AND INTEREST FUND - DEBT SERVICE RESERVE ACCOUNT

(a) Each Supplemental Indenture providing for the issuance of a Series of Bonds may establish in the Debt Service Reserve Account a separate Series Subaccount for each such Series of Bonds issued and, if established, shall specify the Debt Service Reserve Requirement to be on deposit in such Series Subaccount.

(b) If on the third Business Day prior to the end of any month, after the deposit of moneys required by the Indenture the amount in any Series Subaccount in the Bond Service Account shall be less than the amount required to be in such Series Subaccount, the Trustee shall (1) apply amounts from the corresponding Series Subaccount, if any, in the Debt Service Reserve Account to the extent necessary to make good the deficiency; and (2) to the extent that moneys and investments available in the corresponding Series Subaccount, if any, in the Debt Service Reserve Account are not sufficient to eliminate the deficiency in the Series Subaccount in the Bond Service Account and Reserve Instruments are in effect for the corresponding Series of Bonds, immediately make a demand for payment on all 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 in the appropriate Series Subaccount in the Bond Service Account.

(c) Whenever the moneys on deposit in a Series Subaccount in the Debt Service Reserve Account, including investment earnings and Reserve Instrument Coverage with respect thereto, shall exceed the Debt Service Reserve Requirement for such Series Subaccount, such excess shall be transferred by the Trustee to the corresponding Series Subaccount in the Bond Service Account and shall be used to pay Debt Service on the related Bonds, subject to any limitations contained in the Tax Certificate relating to such Bonds.

(d) Whenever the amount in a Series Subaccount in the Debt Service Reserve Account, excluding any Reserve Instrument Coverage, together with the amount in the corresponding Series Subaccount in the Bond Service Account for a Series of Bonds, is sufficient to pay in full all Outstanding Bonds of such Series and related Repayment Obligations in accordance with their terms (including Principal or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in such Series Subaccount in the Debt Service Reserve Account shall be transferred to the corresponding Series Subaccount in the Bond Service Account and no deposits shall be required to be made into such Series Subaccount in the Debt Service Reserve Account.

(e) Unless otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, in calculating the amount on deposit in a Series Subaccount in the Debt Service Reserve Account, the amount of the Reserve Instrument Coverage for the corresponding Series of Bonds will be treated as an amount on deposit in such Series Subaccount in the Debt Service Reserve Account. So long as any Series of Bonds rated by a Rating Agency is Outstanding, the City agrees that it will not invest moneys held in a Series Subaccount in the Debt Service Reserve Account in a Reserve Instrument without providing notice of such investment to such Rating Agency.

(f) Unless otherwise specified in the Supplemental Indenture authorizing a Series of Bonds, no Reserve Instrument for such Series of Bonds shall be allowed to expire unless and until cash has been deposited into the appropriate Series Subaccount in the Debt Service Reserve Account, or a new Reserve Instrument has been issued in place of the expiring Reserve Instrument, in an amount or to provide coverage at least equal to the Debt Service Reserve Requirement for the corresponding Series of Bonds.

RENEWAL AND REPLACEMENT FUND

(a) The amounts in the Renewal and Replacement Fund shall, from time to time, be applied by the City to the payment of extraordinary Operation and Maintenance Costs, and contingencies, including the prevention or correction of any unusual loss or damage to the System to the extent not covered by the proceeds of insurance or other moneys recoverable as a result thereof.

(b) If on the third Business Day prior to the end of any month the amount in any Series Subaccount in the Bond Service Account shall be less than the amount required to be in such Series Subaccount in the Bond Service Account pursuant to the Indenture, and there shall not be on deposit in the corresponding Series Subaccount in the Debt Service Reserve Account sufficient

moneys to cure such deficiency, the Trustee shall request that the City transfer from the Renewal and Replacement Fund and deposit into such Series Subaccount in the Bond Service Account the amount necessary (or all the moneys in the Renewal and Replacement Fund, if less than the amount necessary) to make up such deficiency; provided that to the extent that such deficiencies occur in more than one Series Subaccount in the Bond Service Account and there are insufficient moneys available in the Renewal and Replacement Fund to make up such deficiencies, the amount transferred and deposited from the Renewal and Replacement Fund shall be distributed on a pro rata basis to the deficient Series Subaccounts in the Bond Service Account based on the proportion that the total funds available to remedy the total deficiency bears to the deficiency for each Series of Bonds.

(c) At the end of each Fiscal Year any balance of moneys or Investment Securities in the Renewal and Replacement Fund in excess of the Renewal and Replacement Fund Reserve Requirement and not required to meet any deficiency in the Bond Service Account or needed for any of the purposes for which the Renewal and Replacement Fund was established, shall be transferred by the City and deposited into the Revenue Fund.

Purchase of Bonds

The City may, to the extent permitted under applicable law and covenants, including any covenants contained in any Tax Certificate, purchase Bonds of any Series from any available funds at public or private sale, as and when and at such prices as the City may in its discretion determine. All Bonds so purchased shall at such times as shall be selected by the City be delivered to and cancelled by the Trustee or any Registrar and shall thereafter be delivered to, or upon the order of, the City, and no Bonds shall be issued in place thereof. In the case of the purchase of Bonds of a Series and maturity for which Sinking Fund Installments shall have been established, the City shall, by a Written Request of the City delivered to the Trustee, elect the manner in which the Principal amount of such Bonds shall be credited toward Sinking Fund Installments, consistent with the procedures specified in the use of the Bond Service Account.

COVENANTS OF THE CITY

PUNCTUAL PAYMENT OF BONDS

The City will punctually pay or cause to be paid the Principal, Redemption Price and interest on the Bonds and any Repayment Obligations in strict conformity with the terms of the Bonds, any Security Instrument Agreement, any Reserve Instrument Agreement and the Indenture, and the City will punctually pay or cause to be paid all Sinking Fund Installments which may be established for any Series of Bonds.

CONSTRUCTION OF PROJECTS

If the City undertakes the acquisition or construction of a Project, the City shall cause the acquisition or construction to be accomplished in a sound and economic manner and as expeditiously as is practicable.

AGAINST ENCUMBRANCES

The City will not create, and will use its good faith efforts to prevent the creation of, any mortgage or lien upon the System or any property essential to the proper operation of the System or to the maintenance of the Revenues. The City will not create, or permit the creation of, any pledge, lien, charge or encumbrance upon the Revenues except only as provided in or permitted by the Indenture.

AGAINST SALE OR OTHER DISPOSITION OF PROPERTY EXCEPT UNDER CONDITIONS

The City will not sell or otherwise dispose of any property essential to the proper operation of the System or the maintenance of the Revenues, provided that this covenant shall not be construed to prevent the disposal by the City of property which in its judgment has become inexpedient to use in connection with the System when other property of equal value is substituted therefor. The City will not enter into any lease or other agreement which impairs or impedes the operation of the System or which impairs or impedes the rights of the Bondholders with respect to the Revenues. The Trustee shall have no responsibility with respect to any such leases or agreements entered into by the City.

OPERATION AND MAINTENANCE

The City will cause the System to be operated continuously, to the extent practicable under conditions as they may from time to time exist, in an efficient and economical manner, and will at all times cause to be maintained, preserved and kept, the System, including all parts thereof and appurtenances thereto, in good repair, working order and condition, and in such manner that the operating efficiency thereof will be of high character, and the City will from time to time cause to be made all necessary and proper repairs and replacements so that the rights and security of the Holders of the Bonds may be fully protected and preserved.

QUALIFIED ENGINEER

The City will at all times have under engagement a Qualified Engineer to assist it as appropriate, who shall advise the City concerning matters affecting the general operation of the System and make recommendations regarding said operations and construction of improvements and extensions thereto.

POWER TO OWN THE SYSTEM AND COLLECT RATES AND FEES

The City has, and will have so long as any Bonds are Outstanding or Repayment Obligations are outstanding, good, right and lawful power to own the System and to fix and collect rates, fees and other charges in connection with the System.

MAINTENANCE OF REVENUES

- (a) The City will at all times:

(1) faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State; and

(2) comply with all terms, covenants and provisions, express and implied, of all contracts and agreements entered into by it for System use and services and all other contracts or agreements affecting or involving the System or the business of the City with respect thereto.

The City shall promptly collect all charges due for System use and service supplied by it as the same become due, and shall at all times maintain and enforce its rights against any person who does not pay such charges. To the extent permitted by law the City will bill each customer receiving water, sewer, stormwater, street lighting and other public utilities services included in the System in a single bill, will refuse to accept payment for any of such services unless payment for the other services is also made, and if payment for any of such service is permitted to become delinquent and remain so for the period established by the City, will, if practicable, discontinue the service of water to any premises the owner, tenant or occupant of which shall be so delinquent, and will not recommence the supply of water to such premises until all delinquent charges with penalties shall have been paid in full. This paragraph shall not be construed as requiring the City to refuse partial payment of any bill for services of the System, so long as such payment is applied proportionately to charges for each of such services.

(b) The City will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further accounts, instruments and transfers as the Trustee may reasonably require for the better assuring, pledging and confirming to the Trustee all and singular the Revenues and the other amounts pledged hereby to the payment of the principal of, Redemption Price and interest on the Bonds. The City will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Revenues, except as otherwise permitted hereunder.

(c) Except under contractual arrangements in effect on the date of the execution and delivery of the Indenture, the City will not permit service to be supplied by the System to the City or any department thereof, or to any person, firm, corporation, public or private, or to any public agency or instrumentality without due consideration to be received in exchange. All payments so made shall be considered Revenues and shall be applied in the manner hereinabove provided for the application of the other Revenues.

(d) The City, so far as it legally may, covenants and agrees for the protection and security of the Bonds and the Bondholders from time to time that it will not grant a franchise for the operation of any competing System in the boundaries of the City until all the Bonds shall have been retired.

OBSERVANCE OF LAWS AND REGULATIONS

The City will well and truly keep, observe and perform all valid and lawful obligations or orders or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States of America or of the State, or by any officer, board or commission having jurisdiction

or control, as a condition of the continued enjoyment of any and every right, privilege, license or franchise now owned or hereafter acquired by the City, including its right to exist and carry on business, to the end that such rights, privileges, licenses and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired; provided, however, that the City shall not be required to comply with any such orders so long as the validity or application thereof shall be contested in good faith.

PAYMENT OF TAXES AND CLAIMS

The City will, from time to time, duly pay and discharge, or cause to be paid and discharged, any taxes, assessments or other governmental charges lawfully imposed upon any of the properties of the System or upon the Revenues, when the same shall become due, and will duly observe and conform to all valid requirements of any governmental authority relative to any such properties. The City will keep the System and all parts thereof free from judgments, mechanics' and materialmen's liens (except those arising by mere operation of law from the construction of any Project and other improvements of the System which are paid in due course) and free from all other liens, claims, demands and encumbrances of whatsoever prior nature or character, to the end that the priority of the lien of the Indenture on the Revenues may at all times be maintained and preserved, and be free from any claim or liability which might embarrass or hamper the City in conducting its business.

INSURANCE

Subject in each case to the condition that insurance is obtainable at reasonable rates and upon reasonable terms and conditions:

(a) The City will procure and maintain, or cause to be procured and maintained, at all times while any Bonds shall be Outstanding, insurance on the System and public liability insurance in such amounts and against such risks as are usually insurable in connection with similar facilities and are normally carried by municipalities engaged in the operation of similar properties, such insurance shall be maintained with responsible insurers or shall be self-insurance in the manner and to the extent authorized or permitted by law; and

(b) The City will secure and maintain adequate fidelity insurance or bonds on all officers and employees handling or responsible for funds of the City related to the System.

provided, however, that nothing in this Section shall be construed in such manner as to result in making the Bonds an indebtedness of the City, and if it shall ever be held by any court of competent jurisdiction that any or all of the provisions of this Section are invalid or that the enforcement of the provisions of this Section would make the Bonds invalid or unenforceable, said provisions of this Section shall be considered to be null and void.

The Trustee shall have no duty to verify the insurance or to determine if such insurance is sufficient for purposes of this Section.

ACCOUNTS AND REPORTS

(a) The City will at all times keep, or cause to be kept, proper books of record and accounts, separate and apart from all other records and accounts of the City, in which complete and accurate entries shall be made of all transactions relating to the System and the Revenues. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Trustee, any Security Instrument Issuer or the Holders of not less than five percent (5%) of the Bonds then Outstanding, or their representatives authorized in writing.

(b) The City will place on file with the Trustee and with any Security Instrument Issuer annually within two hundred ten (210) days after the close of each Fiscal Year, so long as any Bonds are Outstanding, a financial statement in reasonable detail for the preceding Fiscal Year showing the Revenues, all expenditures from the Revenues for Operation and Maintenance Costs and other expenditures from the Revenues applicable to the System and the resulting Net Revenues available for Debt Service, together with a balance sheet in reasonable detail reflecting the financial condition of the System, including the balances of all Funds relating to the System as of the end of each Fiscal Year, which financial statement and balance sheet shall be accompanied by an Accountant's Certificate. Each such audit, in addition to whatever matters may be thought proper by the Qualified Public Accountant to be included therein, shall include the following:

(1) Comments regarding the manner in which the City has carried out the requirements of this Indenture and recommendations for any change or improvement in the accounting operations of the System.

(2) A statement as to whether or not the Net Revenues for such Fiscal Year were equal to at least 1.25 times the aggregate Debt Service for such Fiscal Year.

Simultaneously with the filing of such financial statement, there shall be filed with the Trustee and with any Security Instrument Issuer whose Security Instrument is in full force and effect with respect to any Series of Bonds Outstanding a report of indenture compliance conducted by the firm of Qualified Public Accountants which signed the Accountants' Certificate attached to such financial statement.

(c) The reports, statements and other documents required to be furnished to the Trustee pursuant to any provisions of the Indenture shall be available for inspection by Bondholders at the principal corporate trust office of the Trustee and shall be mailed to each Bondholder, investment banker, security dealer or other person interested in the Bonds, at their cost, who shall file a Written request therefor with the City.

(d) The City shall file with the Trustee and with any Security Instrument Issuer: (i) forthwith upon becoming aware of any event of default under the Indenture or other default in the performance by the City of any covenant, agreement or condition contained in the Indenture, a Written Certificate of the City specifying such default; and (ii) not later than two hundred ten (210) days following the end of each Fiscal Year a Written Certificate of the City stating that, to the best of the knowledge and belief of the Authorized Officer of the City executing such Written Certificate, except for any default then existing which shall have been specified in the Written

Certificate of the City referred to in (i) above, the City has kept, observed, performed and fulfilled each and every one of its covenants and obligations contained in the Indenture and there does not exist at the date of such Written Certificate any default by the City under the Indenture or other event which, with the lapse of time specified in the Indenture, would become an event of default under the Indenture, or, if any such default or event of default under the Indenture or other event shall so exist, specifying the same and the nature and status thereof.

RATES AND CHARGES

(a) In order to assure full and continuous performance of the covenants contained in the Indenture with a margin for contingencies and temporary unanticipated reduction in Revenues, the City covenants and agrees to establish, fix, prescribe, continue and collect (directly or through leases, use agreements or other agreements, or licenses or ordinances) rates and charges for the sale or use of the System services furnished by the City which, together with other income, are reasonably expected to yield Net Revenues at least equal to the Rate Covenant Requirement for the forthcoming Fiscal Year. The term "Rate Covenant Requirement" shall mean an amount equal to at least (1) 125% of the Aggregate Debt Service excluding amounts payable on Repayment Obligations for the Fiscal Year, (2) 100% of the Repayment Obligations, if any, which will be due and payable during the forthcoming Fiscal Year and (3) 100% of the amounts, if any, then required by the Indenture to be deposited into the Debt Service Reserve Account during the forthcoming Fiscal Year.

(b) If the annual financial statement made in accordance with the Indenture relating to Revenues discloses that during the period covered by such financial statement the Net Revenues were not at least equal to the Rate Covenant Requirement, the City shall not be in default under this Section if, within 60 days after the date of such financial statement (1) the City obtains recommendations from a Qualified Engineer as to the revision of the rates, charges and fees necessary to produce Net Revenues at least equal to the Rate Covenant Requirement and (2) the City, on the basis of such recommendations, revises the schedule of rates, charges and fees insofar as is practicable and revises Operation and Maintenance Costs so as to produce Net Revenues at least equal to the Rate Covenant Requirement.

MAINTENANCE OF PAYING AGENTS

The City shall cause the Trustee to pay to the Paying Agents, to the extent of the moneys held by the Trustee for such payment, funds for the prompt payment of any Principal, Redemption Price and interest on the Bonds to be paid by such Paying Agents.

EMINENT DOMAIN

If all or any part of the System shall be taken by eminent domain proceedings or conveyance in lieu thereof, the net proceeds realized by the City therefrom shall be deposited with the Trustee in a special fund in trust and shall be applied and disbursed by the Trustee subject to the following conditions:

(a) If such funds are sufficient to provide for the payment of the entire amount of Principal due or to become due upon all of the Outstanding Bonds and outstanding Repayment Obligations, together with all of the interest due or to become due thereon and any redemption premiums thereon, so as to enable the City to retire all of the Bonds then Outstanding, either by call and redemption at the then current Redemption Prices or by payment at maturity or partly by redemption prior to maturity and partly by payment at maturity, and to pay all Repayment Obligations, the Trustee shall apply such moneys to such retirement or payment, as appropriate, and to the payment of such interest. Pending the application of such proceeds for such purpose, such moneys shall be invested by the Trustee, at the Written Request of the City, in Government Obligations. The balance of such moneys, if any, shall be transferred to the City.

(b) If such proceeds are insufficient to provide the moneys required for the purposes set forth in subsection (a) of this Section, the City shall file with the Trustee a Written Request of the City requesting the Trustee to apply such proceeds for one of the following purposes:

(1) If such Written Request requests the Trustee to apply such proceeds to the purchase, redemption or retirement of Bonds, the Trustee shall apply such proceeds to the purchase, redemption or retirement of Bonds then Outstanding and Repayment Obligations then outstanding. If more than one Series of Bonds is then Outstanding, such proceeds shall be applied pro rata among each such Series to the purchase, redemption or retirement of the Bonds of each such Series and the payment of Repayment Obligations in the proportion which the Principal amount of Bonds of each such Series then Outstanding and Repayment Obligations then outstanding bears to the aggregate Principal amount of all Bonds then Outstanding and Repayment Obligations then outstanding. Pending the application of such proceeds for such purpose, such moneys shall be invested by the Trustee, at the Written Request of the City, in Government Obligations.

(2) If such Written Request requests the Trustee to deliver such proceeds to the City to apply to the cost of additions, improvements or extensions to the System, the City shall also file with the Trustee an Engineer's Certificate showing the loss in annual Revenues if any, suffered, or to be suffered, by the City by reason of such eminent domain proceedings, together with a general description of the additions, improvements or extensions to the System then proposed to be acquired or constructed by the City from such proceeds. If, in the opinion of the City (evidenced by a Written Certificate of the City filed with the Trustee), which shall be final, the additional Revenues to be derived from such additions or improvements will sufficiently offset the loss of Revenues resulting from such eminent domain proceedings so that the ability of the City to meet its obligations hereunder will not be substantially impaired, the Trustee shall pay such proceeds to the City. The City, in reaching such determination, may rely upon the Engineer's Certificate. The City shall hold such proceeds in trust and apply them to the acquisition or construction of the additions, improvements or extensions substantially in accordance with such Engineer's Certificate. The City shall acquire or construct such additions or improvements in a sound and economic manner and as expeditiously as is practicable. Any balance of such proceeds not required by the City for such additions, improvements or extensions shall be deposited into the Revenue Fund.

(3) If such Written Request requests the Trustee to transfer such proceeds to the City for deposit into the Revenue Fund upon the basis that such eminent domain proceedings have had no effect, or at the most a relatively immaterial effect, upon the security of the Bonds, the City shall also file with the Trustee an Engineer's Certificate stating that such eminent domain proceedings have not substantially impaired or affected the operation of the System or the ability of the System to produce Net Revenues at least equal to the Rate Covenant Requirement. Upon receipt of such Written Request and such Engineer's Certificate, the Trustee shall transfer such proceeds to the City for deposit into the Revenue Fund.

RECONSTRUCTION OF THE SYSTEM; APPLICATION OF INSURANCE PROCEEDS

If any useful portion of the System shall be damaged or destroyed, the City shall, as expeditiously as is practicable, continuously and diligently prosecute or cause to be prosecuted the reconstruction or replacement thereof, unless the City shall file with the Trustee an Engineer's Certificate to the effect that such reconstruction or replacement is not in the interests of the City and the Bondholders. The proceeds of any insurance paid on account of such damage or destruction, other than business interruption loss insurance or public liability insurance, shall, if the appropriate Project Account in the Construction Fund has not been closed, be paid into the Construction Fund as provided in the Indenture, or if the Construction Fund has been closed, shall be held by the Trustee in a special account and made available for, and to the extent necessary applied to, the cost of such reconstruction or replacement, if any. Pending such application, which shall be made in accordance with the Indenture, such proceeds may be invested by the Trustee at the Written Request of the City in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed to pay such cost of reconstruction or replacement. Subject to the provisions of the Prior Lien Resolution, any balance of such proceeds of insurance not needed to pay such cost of reconstruction or replacement shall be applied in the same manner as provided in the Indenture.

COMPLIANCE WITH INDENTURE

The City will not issue, or permit to be issued, any Bonds in any manner other than in accordance with the provisions of the Indenture and will not suffer or permit any default to occur under the Indenture, but will faithfully observe and perform all the covenants, conditions and requirements of the Indenture. The City will make, execute and deliver any and all such further indentures, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Indenture, and for the better assuring and confirming unto the Holders of the Bonds, the Security Instrument Issuers and the Reserve Instrument Issuers of the rights, benefits and security provided in the Indenture. The City for itself, its successors and assigns, represents, covenants and agrees with the Holders of the Bonds, as a material inducement to the purchase of the Bonds, and with the Security Instrument Issuers and Reserve Instrument Issuers as a material inducement to the issuance of Security Instruments and Reserve Instruments, that it will faithfully perform all of the covenants and agreements contained in the Indenture and the Bonds.

POWER TO ISSUE BONDS AND PLEDGE REVENUES AND OTHER FUNDS

The City is duly authorized under all applicable laws to create and issue the Bonds and to execute and deliver the Indenture and to pledge the Revenues and other moneys, securities and funds purported to be pledged by the Indenture in the manner and to the extent provided in the Indenture. The Bonds and the provisions of the Indenture are and will be the valid and legally enforceable obligations of the City in accordance with their terms and the terms of the Indenture. The City shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues and other moneys, securities and Funds pledged under the Indenture and all the rights of the Bondholders, the Security Instrument Issuers and the Reserve Instrument Issuers under the Indenture against all claims and demands of all persons whomsoever.

EXISTENCE OF CITY

The City will maintain its corporate identity and shall make no attempt to cause its corporate existence to be abolished and shall resist all attempts by other municipalities to annex all or any part of the territory now or hereafter in the City.

GENERAL

(a) The City shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under the provisions of the Act and the Indenture.

(b) Upon the date of issuance and delivery of any of the Bonds, all acts, conditions and things required by law and the Indenture to exist, to have happened and to have been performed precedent to and in connection with the issuance of such Bonds shall exist, have happened and have been performed in regular and in due time, form and manner as required by law and the City will have duly and regularly complied with all applicable provisions of law and will be duly authorized to issue the Bonds under the Act in the manner and upon the terms as in the Indenture provided.

THE TRUSTEE

TRUSTEE

(a) The City appoints U.S. Bank Trust Company, National Association as the initial Trustee under the Indenture to act as the legal depositary of the City for the purpose of receiving all moneys which the City is required to pay to the Trustee under the Indenture and to hold, allocate, use and apply the same as provided in the Indenture. The Trustee accepts and agrees to execute the trusts created by the Indenture upon the terms set forth therein. The Trustee shall act as the legal depositary of the City for the purpose of receiving all moneys which the City is required to pay to the Trustee under the Indenture, and to hold, allocate, use and apply the same as provided in the Indenture. The Trustee shall also act as registrar and Transfer Agent for the Bonds, with the duties provided in the Indenture, and shall also act in accordance with the duties specified

elsewhere in the Indenture. In acting as registrar and Transfer Agent, the Trustee shall be the agent of the City.

(b) The Trustee may at any time resign or be discharged of its duties and obligations created by the Indenture by giving not less than 60 days' written notice to the City, specifying the date when such resignation shall take effect, and mailing notice thereof, to the Holders of all Bonds then Outstanding, and such resignation shall take effect on the day specified in such notice unless previously a successor shall have been appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor; provided, however, that such resignation of the Trustee shall in no event take effect until such successor shall have been appointed and accepted the duties of Trustee.

(c) The City may at any time remove the Trustee initially appointed or any successor thereto by a written direction providing for such removal, for the appointment of a successor, and for the effective date of the change of Trustee; provided, however, that such removal of the Trustee shall in no event take effect until such successor shall have been appointed and accepted the duties of Trustee by the execution of a Supplemental Indenture. A copy of such resolution shall be mailed by first class mail to the Trustee.

(d) Notice of the resignation or removal of the Trustee and the appointment of a successor shall be mailed by first class mail to the registered Holders of all Bonds then Outstanding, the Information Services, the NRMSIRs and to each Security Instrument Issuer and Reserve Instrument Issuer then having a Security Instrument or Reserve Instrument outstanding, within 30 days after adoption by the Council of the resolution providing for such appointment. Any successor Trustee appointed by resolution adopted subsequent to the issuance of the first Series of Bonds issued hereunder shall be a bank or trust company with a capital, undivided profits and surplus of not less than \$50,000,000.

(e) If no successor Trustee shall have been appointed and shall have accepted appointment within 45 days of giving notice of the resignation or removal of the Trustee as aforesaid, the Trustee or any Bondholder (on behalf of himself and all other Bondholders) 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 may deem proper, appoint such successor Trustee.

PAYING AGENTS; APPOINTMENT AND ACCEPTANCE OF DUTIES; REMOVAL

The City shall appoint Paying Agents for the Bonds of each Series pursuant to Supplemental Indentures. Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by the Indenture by executing and delivering to the City and to the Trustee a written acceptance thereof. The City may remove any Paying Agent and any successor thereto, and appoint a successor or successors thereto; provided, however, that any such Paying Agent designated by the City shall continue to be a Paying Agent of the City for the purpose of paying the Principal and Redemption Price of and interest on the Bonds until the designation of a successor as such Paying Agent. Each Paying Agent is authorized by the Indenture to redeem

Bonds when duly presented to it for payment or redemption, which Bonds shall thereafter be delivered to the Trustee for cancellation.

TERMS AND CONDITIONS OF THE TRUSTS

Notwithstanding any other provision of the Indenture to the contrary, the Trustee shall, prior to an Event of Default, and after the curing of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in the Indenture, and no implied covenants or obligations of the Trustee shall be read into the Indenture. Subject to the Indenture provisions described under the heading "EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS" and paragraph (1) below, the Trustee shall, during the existence of any Event of Default (which has not been cured), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs. The Trustee shall perform such duties, rights and powers only upon and subject to the following express terms and conditions:

(a) The Trustee shall perform such duties and only such duties as are specifically set forth in the Indenture. The duties and obligations of the Trustee shall be determined solely by the express provisions of the Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in the Indenture, and no implied covenants or obligations shall be read into the Indenture against the Trustee.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall not be answerable for the conduct of any of the same who have been selected by it with ordinary care in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters of trusts of the Indenture and the duties thereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts of the Indenture. The Trustee may act upon the opinion or advice of any attorney for the City or any other attorneys, if, in the case of such other attorneys, they are approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice. The Trustee shall not be liable for any error of judgment made in good faith by any of its officers or employees unless it shall be proved that the Trustee was negligent in ascertaining pertinent facts.

(c) The Trustee shall not be responsible for any recital in the Indenture, or in the Bonds (except in respect to the certificate of authentication of the Trustee endorsed on the Bonds), or for the sufficiency of the security for the Bonds issued under the Indenture or intended to be secured by the Indenture, and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the City set forth in the Indenture; but the Trustee may require of the City full information and advice as to the performance of the covenants, conditions and agreements aforesaid. The Trustee shall have no obligation to perform any of the duties of the City under the Indenture.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered under the Indenture. The Trustee may become the owner or pledgee of Bonds secured by the Indenture with the same rights which it would have if not Trustee. To the extent permitted by law, the Trustee may also receive tenders and purchase in good faith Bonds from itself, including any department, affiliate or subsidiary, with like effect as if it were not Trustee.

(e) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to the Indenture, upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof. The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in Principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under the Indenture.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a Written Certificate of the City as sufficient evidence of the facts therein contained and shall also be at liberty to accept a similar Written Certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the City Recorder to the effect that a resolution in the form therein set forth has been adopted by the City as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(g) The permissive right of the Trustee to do things enumerated in the Indenture shall not be construed as a duty and it shall not be answerable for other than its gross negligence or willful default.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any default under the Indenture except:

(1) Failure by the City to cause to be made any of the payments to the Trustee required to be made pursuant to the Indenture;

(2) Failure of the City to file with the Trustee any document required by the Indenture to be so filed prior to or subsequent to the issuance of the Bonds; or

(3) Any default with respect to a Security Instrument Agreement or a Reserve Instrument Agreement as to which any of the parties thereto has notified the Trustee in writing;

provided that the Trustee shall be required to take notice or be deemed to have notice of any default hereunder if specifically notified in writing of such default by the Holders of not less than 10% in

aggregate Principal amount of Bonds then Outstanding, by any Security Instrument Issuer or by any Reserve Instrument Issuer, and all notices or other instruments required by the Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee and in the absence of such notice, the Trustee may conclusively assume there is no default except as aforesaid.

(i) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all books, papers and records of the City pertaining to the System and the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything elsewhere in the Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds or any action whatsoever within the purview of the Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that required by the terms of the Indenture, as a condition of such action by the Trustee reasonably deemed desirable by it for the purpose of establishing the right of the City to the authentication of any Bonds or the taking of any other action by the Trustee.

(l) The Trustee shall be under no obligation to exercise any of the trusts or powers vested in it by the Indenture at the request, order or direction of any of the Bondholders, Security Instrument Issuers or Reserve Instrument Issuers pursuant to the provisions of the Indenture, unless such Bondholders, Security Instrument Issuers or Reserve Instrument Issuers shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred therein or thereby.

(m) All moneys received by the Trustee shall, until used or applied or invested as provided in the Indenture, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by mandatory provisions of law.

(n) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, appraisal, Bond or other paper or document, unless requested in writing to do so by (i) the Holders of not less than 25% in aggregate Principal amount of the Bonds then Outstanding, (ii) any Security Instrument Issuer of a Security Instrument then in full force and effect and not in default on a payment obligation or (iii) any Reserve Instrument Issuer of a Reserve Instrument then in full force and effect and not in default on a payment obligation; provided, that, if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee, not reasonably assured to the Trustee by the security afforded to it by the terms of the Indenture, the Trustee may require reasonable indemnity against such expenses or liabilities as a condition to so proceeding. The reasonable expense of every such inquiry or examination shall be paid by the City or, if paid by the Trustee, shall be repaid by the City.

(o) The Trustee shall not be liable for any action taken by it in good faith and reasonably believed by it to be authorized or within the discretion, rights or powers conferred upon it by the Indenture.

(p) None of the provisions contained in the Indenture shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to it.

(q) The Trustee shall not be obligated to take or omit to take any action under the Indenture if, upon the basis of advice of counsel selected by it, the Trustee determines it would be unlawful to take or omit to take such action.

(r) The Trustee shall have no responsibility with respect to any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to any Series of Bonds.

(s) The Trustee shall not be liable for actions taken at the direction of Bondholders or Security Instrument Issuer pursuant to the provisions relating to Events of Default and Remedies of Bondholders in the Indenture.

INTERVENTION BY THE TRUSTEE

In any judicial proceeding to which the City is a party and which in the opinion of the Trustee has a substantial bearing on the interests of Holders of the Bonds, the Trustee may intervene on behalf of Bondholders and shall do so if requested in writing by (i) the Holders of a majority of the aggregate Principal amount of Bonds then Outstanding or (ii) any Security Instrument Issuer of a Security Instrument then in full force and effect and not in default on a payment obligation. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

SUCCESSOR TRUSTEE

Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business or assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become a successor Trustee under the Indenture and vested with all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of the Trustee or the City, anything in the Indenture to the contrary notwithstanding.

CONCERNING ANY SUCCESSOR TRUSTEE

Every successor Trustee appointed under the Indenture shall execute, acknowledge and deliver to its or his predecessor and also to the City a Supplemental Indenture accepting such appointment and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the Written Request of the City, or of its successor, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor under the Indenture; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee under the Indenture to its or his successor. Should any instrument in writing from the City be required by any successor Trustee for more fully and certainly vesting in such successor the estates, properties, rights, powers, trusts, duties and obligations by the Indenture vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City. Any Trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such Trustee to secure any amounts then due it pursuant to the provisions of the Indenture.

COMPENSATION OF THE TRUSTEE AND ITS LIEN

The City covenants and agrees to pay to the Trustee from time to time and the Trustee shall be entitled to, reasonable compensation and, except as otherwise expressly provided, the City covenants and agrees to pay or reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of the Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ including but not limited to any Paying Agent, Transfer Agent or Depository) except any such expense, disbursement or advance as may arise from its negligence or bad faith. The City also covenants to indemnify the Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Trustee, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending itself against any claim of liability in the premises. The obligations of the City under this Section to compensate and indemnify the Trustee and to pay or reimburse the Trustee for expenses, disbursements and advances shall constitute additional indebtedness under the Indenture and shall survive the satisfaction and discharge of the Indenture. Such additional indebtedness shall be secured by a lien prior to that of the Bonds upon all property and funds held or collected by the Trustee as such, except funds held in trust for the benefit of the Holders of particular Bonds.

APPOINTMENT OF CO-TRUSTEE

It is the purpose of the Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in case of litigation under the Indenture, and in particular in case of the enforcement thereof on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies granted to the Trustee in the

Indenture or hold title to the properties, in trust, as granted in the Indenture, or take any action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee. The following provisions of this Section are adapted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by the Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Should any instrument in writing from the City be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such estates, properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City. In case any separate trustee or co-trustee, or a successor to either of them shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

APPOINTMENT, DUTIES AND TERM OF REMARKETING AGENT

The City may pursuant to a Supplemental Indenture appoint one or more Remarketing Agents from time to time to purchase or remarket Put Bonds.

APPOINTMENT, DUTIES AND TERM OF ADDITIONAL TRANSFER AGENTS

The City may appoint one or more Transfer Agents from time to time in addition to the Trustee to transfer and authenticate Bonds. Each appointment of a Transfer Agent other than the Trustee shall be made by a Supplemental Indenture which shall, among other things, specify the duties, qualifications and term of such Transfer Agent and the conditions under which such Transfer Agent may resign, be removed or be replaced. Each Transfer Agent other than the Trustee shall signify its acceptance of the duties imposed upon it pursuant to the Indenture by depositing with the City and the Trustee a written acceptance of such duties, together with a certificate stating that the Transfer Agent is duly qualified to perform such duties under the terms of the Indenture and under all applicable local, state and federal laws.

MODIFICATION OR AMENDMENT OF INDENTURE

AMENDMENTS PERMITTED

(a) The Indenture or any Supplemental Indenture and the rights and obligations of the City and of the Holders of the Bonds may be modified or amended at any time by a Supplemental Indenture and pursuant to the affirmative vote at a meeting of Bondholders, or with the written consent without a meeting, (1) of the Holders of at least a majority in Principal amount of the Bonds then Outstanding, and (2) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Holders of at least a majority in Principal amount of the Bonds of each Series so affected and then Outstanding, and (3) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Holders of at least a majority in Principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Installment and then Outstanding; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series remain Outstanding, the consent of the Holders of Bonds of such Series shall not be required and Bonds of such Series shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section.

(b) The Indenture or any Supplemental Indenture and the rights and obligations of the City, the Holders of the Bonds, the Security Instrument Issuers and the Reserve Instrument Issuers may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Bondholders for any of the following purposes:

(1) to add to the covenants and agreements of the City contained in the Indenture, to add other covenants and agreements thereafter to be observed, to pledge or provide additional security hereunder or to surrender any right or power reserved to or conferred upon the City by the Indenture;

(2) to make such provisions for the purpose of curing any ambiguity, or of curing or correcting any defective provision contained in the Indenture or in regard to questions arising under the Indenture, as the City may deem necessary or desirable, and which shall not adversely affect the interests of the Holders of the Bonds;

(3) to provide for the issuance of a Series of Bonds in accordance with the provisions of authorization and issuance of Bonds under the Indenture;

(4) 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, Chapter 7 of Title 15 of the Utah Code Annotated 1953, as amended, or any successor provision of law or to modify or eliminate the book-entry registration system for any of the Bonds;

(5) to confirm, as further assurance, any pledge of or lien on the Revenues or any other moneys, securities or funds subject or to be subjected to the lien of this Indenture and to further modify the definition of the "System" as provided therein;

(6) to comply with the requirements of the Trust Indenture Act of 1939, as from time to time amended;

(7) to modify, alter, amend or supplement the Indenture or any Supplemental Indenture in any other respect which in the judgment of the Trustee is not materially adverse to the Holders of the Bonds; provided, however, that any such modification, alteration, amendment or supplement pursuant to this Section shall not take effect until 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 thereunder shall have consented in writing to such modification, alteration, amendment or supplement; provided further that in determining whether any such modification, alteration, amendment or supplement is materially adverse to the Holders of the Bonds, the Trustee shall consider the effect on the Holders as if there were no Security Instrument with respect to the Bonds;

(8) to make any change which in the judgment of the Trustee shall not materially adversely affect the rights or interests of the Holders of any Outstanding Bonds 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 Issuer in order to insure or provide other security for any Bonds;

(9) 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 any successor provision of law) or interpretations thereof by the Internal Revenue Service, or (B) to comply with the provisions of Section 148(f) of the Code (or any successor provision of law), including provisions for the payment of all or a portion of the investment earnings of any of the Funds established hereunder to the United States of America;

(10) 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;

(11) 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;

(12) to the extent permitted by a Supplemental Indenture authorizing a Series of Construction Bonds (or Bond Anticipation Notes), the designation of additions, improvements and extensions to the System as a Project by such Supplemental Indenture may be modified or amended if the City delivers to the Trustee an (a) an Accountant's Certificate, (b) an Engineer's Certificate or (c) any combination of (a) and (b) to the effect that such modification or amendment will not adversely impact the City's ability to perform the covenants contained in the Indenture;

(13) to provide for the appointment of a successor Trustee, a Paying Agent, a separate or co-trustee pursuant to the Indenture, a Remarketing Agent or a Transfer Agent;

(14) to specify a schedule of monthly deposits into the Renewal and Replacement Fund pursuant to the Indenture;

(15) to provide for uncertificated Bonds or for the issuance of coupons and bearer Bonds or Bonds registered only as to principal, but only to the extent that such would not adversely affect the Tax-Exempt status of the Bonds;

(16) to provide the procedures required to permit any Holder to separate the right to receive interest on the Bonds from the right to receive principal thereof and to sell or dispose of such right as contemplated by Section 1286 of the Code; and

(17) to provide for the appointment or replacement of a Security Instrument Issuer or a Reserve Instrument Issuer or for an additional Security Instrument Issuer or an additional Reserve Instrument Issuer following the occurrence of an event of default under the respective Security Instrument or Reserve Instrument, as applicable, or to provide for an additional Security Instrument Issuer following the withdrawal or suspension or reduction below the Rating Category of AAA, Aaa or any equivalent rating by any rating agency of the long-term ratings of the Security Instrument Issuer provided that the Security Instrument provided by the replacement or additional Security Instrument Issuer would result in a long-term rating on the Bonds equal to the Rating Category of AAA, Aaa or any equivalent rating by any Rating Agency.

No modification or amendment shall be permitted pursuant to subparagraph (1), (7), (8), (10), (11), (12) or (16) unless the City delivers to the Trustee an Opinion of Counsel of nationally recognized standing in the field of law relating to municipal bonds to the effect that such modification or amendment will not adversely affect the tax-exempt status or validity of any Bonds affected by such modification or amendment.

(c) No modification or amendment permitted by this Section shall (1) extend the fixed maturity of any Bond, or reduce the Principal amount or Redemption Price thereof, or reduce the rate or extend the time of payment of interest thereon, without the consent of the Holder of each Bond so affected, or (2) reduce the aforesaid percentage of Bonds required for the affirmative vote or written consent to an amendment or modification of the Indenture, without the consent of the Holders of all of the Bonds then Outstanding, or (3) without its written consent thereto, modify any of the rights or obligations of the Trustee.

(d) Each Supplemental Indenture authorized by this Section shall become effective as of the date of its execution and delivery or such other date as shall be specified in such Supplemental Indenture.

(e) No amendment shall be permitted pursuant to the Indenture which shall affect (1) the rights or duties of a Security Instrument Issuer or Reserve Instrument Issuer of a Security Instrument or a Reserve Instrument as the case may be, then in full force and effect and not in

default on a payment obligation, or (2) the Series of Bonds for which a Security Instrument Issuer or Reserve Instrument Issuer provides security, without the consent of such Security Instrument Issuer or Reserve Instrument Issuer as the case may be.

(f) Notwithstanding any provisions of the Indenture to the contrary, a Supplemental Indenture providing for the issuance by a Security Instrument Issuer of a Security Instrument in connection with a Series of Bonds issued under the Indenture may provide, among other provisions, that the Security Instrument Issuer shall at all times, so long as the Series of Bonds remains Outstanding, be deemed to be the exclusive owner of all of the Bonds of such Series for the purpose of consenting to the execution and delivery of a Supplemental Indenture pursuant to the provisions of (a) above.

BONDHOLDERS' MEETINGS

(a) The Trustee may, and upon the Written Request of the City shall, at any time, call a meeting of the Holders of Bonds, to be held at such place as may be selected by the Trustee and specified in the notice calling such meeting. Written notice of such meeting, stating the time and place of the meeting and in general terms the business to be submitted, shall be mailed by the Trustee, postage prepaid, not less than 30 nor more than 60 days before such meeting, to any Security Instrument Issuer or Reserve Instrument Issuer that is in full force and effect with respect to any Series of Bonds Outstanding and to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the Bond register of the City. The cost and expense of the giving of such notice shall be borne by the City, and the Trustee shall be reimbursed by the City for any expense incurred by it.

(b) Prior to calling any meeting of the Holders of Bonds, the Trustee shall adopt regulations for the holding and conduct of such meeting, and copies of such regulations shall be filed at the principal corporate trust office of the Trustee and at the office of the City and shall be open to the inspection of all Bondholders. The regulations shall include such provisions as the Trustee may deem advisable for evidencing the ownership of Bonds, for voting in person or by proxy, for the selection of temporary and permanent officers to conduct the meeting and inspectors to tabulate and canvass the votes cast thereat, the adjournment of any meeting and the records to be kept of the proceedings of such meeting, including rules of order for the conduct of such meeting and such other regulations as, in the opinion of the Trustee, may be necessary or desirable.

(c) No resolution adopted by such meeting of Bondholders shall be binding unless and until a valid Supplemental Indenture has been executed and delivered containing the modifications or amendments authorized by the resolution adopted at such meeting. Such Supplemental Indenture shall become effective upon the filing with the Trustee of the resolution adopted at such meeting and such Supplemental Indenture.

AMENDMENT BY WRITTEN CONSENT

The City may at any time execute and deliver a valid Supplemental Indenture amending the provisions of the Bonds or of the Indenture or any Supplemental Indenture, to the extent that such an amendment is permitted by the Indenture, to become effective when and as approved by

written consent of the Bondholders, and any necessary Security Instrument Issuers and Reserve Instrument Issuers, and as provided in this Section. Such Supplemental Indenture shall not be effective unless there shall have been filed with the City or the Trustee the written consents of the necessary number of Holders of the Bonds then Outstanding and the consents of any necessary Security Instrument Issuers and Reserve Instrument Issuers, and a notice shall have been published as hereinafter in this Section provided. It shall not be necessary for any consent under this Section to approve the particular form of any proposed Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof. Each consent of a Bondholder shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by the Indenture. Any such consent shall be binding upon the Holder of the Bonds giving such consent and on any subsequent Holder thereof (whether or not such subsequent Holder has notice thereof) unless such consent is revoked in writing by the Holder of the Bonds giving such consent or a subsequent Holder thereof by filing such revocation with the City and the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed. Notice of the execution and delivery of such Supplemental Indenture shall be mailed by the City to Bondholders (but failure to mail copies of such notice shall not affect the validity of the Supplemental Indenture when assented to by the requisite percentage of the Holders of the Bonds as aforesaid) and to each Security Instrument Issuer and Reserve Instrument Issuer of a Security Instrument or a Reserve Instrument as the case may be, then in full force and effect and not in default in a payment obligation.

DISQUALIFIED BONDS

Bonds owned or held by or for the account of the City shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in the Indenture, and neither the City nor any owner or Holder of such Bonds shall be entitled to vote or consent to, or to take, any other action provided for in the Indenture. Any Pledged Bonds shall be deemed Outstanding and, for the purposes of any vote, shall be considered to be owned by the appropriate Security Instrument Issuer.

EFFECT OF MODIFICATION OR AMENDMENT

When any Supplemental Indenture modifying or amending the provisions of the Indenture or any Supplemental Indenture shall become effective, as provided in the Indenture, the Indenture or such Supplemental Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, duties and obligations under the Indenture or such Supplemental Indenture of the City, the Trustee, any Security Instrument Issuer, any Reserve Instrument Issuer, and all Holders of Bonds Outstanding hereunder shall thereafter be determined, exercised and enforced under the Indenture subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be and be deemed to be part of the terms and conditions of the Indenture or the modified or amended Supplemental Indenture for any and all purposes.

ENDORSEMENT OR REPLACEMENT OF BONDS ISSUED AFTER AMENDMENTS

The City or the Trustee may determine that Bonds executed and delivered after the effective date of a Supplemental Indenture executed and delivered as provided in the Indenture shall bear a notation, by endorsement or otherwise, in form approved by the City, as to the modification or amendment provided for by such Supplemental Indenture. In that case, upon demand of the Holder of any Bond Outstanding at such effective date and presentation of his Bond for the purpose at the principal corporate trust operations office of the Trustee or at such other office as the Trustee may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Supplemental Indenture, shall be prepared, executed and delivered. In that case, upon demand of the Holder of any Bond then Outstanding, such new Bonds shall be exchanged at the principal corporate trust operations office of the Trustee without cost to any Bondholder, for Bonds then Outstanding, upon surrender of such Bonds.

IRREVOCABLE CONSENT

Subject to the Indenture provisions relating to amendments by written consent, any consent pursuant to the provisions of the Indenture by any Holder of a Bond shall be irrevocable, and shall be conclusive and binding upon all future Holders of the same Bond delivered on transfer thereof or in exchange therefor or in replacement thereof.

EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS

EVENTS OF DEFAULT

The occurrence of one or more of the following events shall constitute an "Event of Default":

(a) failure by the City to make the due and punctual payment of the Principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption or otherwise;

(b) failure by the City to make the due and punctual payment of any installment of interest on any Bond or any Sinking Fund Installment when and as such interest installment or Sinking Fund Installment shall become due and payable;

(c) failure by the City to observe any of the covenants, agreements or conditions on its part contained in the Indenture or in the Bonds contained, and failure to remedy the same for a period of 30 days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given to the City by the Trustee, or to the City and the Trustee by the Holders of not less than 25% in aggregate principal amount of the Bonds at the time Outstanding;

(d) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, including without limitation proceedings under Chapter 9 of Title 11, United States Code (as the

same may from time to time be hereafter amended), or other proceedings for relief under any federal or state bankruptcy law or similar law for the relief of debtors are instituted by or against the City and, if instituted against the City, said proceedings are consented to or are not dismissed within 30 days after such institution; or

(e) any event specified in a Supplemental Indenture as constituting an Event of Default under the Indenture;

provided that any failure by the City to make payment as described in subparagraph (a) or (b) of this Section shall not constitute an Event of Default with respect to any Bond if the Supplemental Indenture authorizing the issuance of such Bond provides that due and punctual payment by a Security Instrument Issuer or a Reserve Instrument Issuer shall not give rise to an Event of Default and such payment is, in fact, duly and punctually made.

The Trustee shall give notice to any Security Instrument Issuer or Reserve Instrument Issuer of any Event of Default known to the Trustee within 30 days after it has knowledge thereof.

REMEDIES

(a) Upon the occurrence and continuance of an Event of Default:

(i) the Trustee may proceed, and

(ii) upon the written request of (x) the Holders of a majority of the Principal amount of the Outstanding Bonds, (y) 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 a majority in aggregate Principal amount of the Bonds then Outstanding, or (z) any combination of Bondholders and Security Instrument Issuers described under clauses (x) and (y) representing a majority in aggregate Principal amount of the Bonds at the time Outstanding, shall proceed,

to protect and enforce its rights and the rights under the Indenture of the Bondholders, the Security Instrument Issuers and the Reserve Instrument Issuers forthwith by any available remedy, including, without limitation, suit or suits in equity or at law, whether for the payment of any amount due under the Indenture or on the Bonds, or for the specific performance of any covenant contained in the Indenture, or in aid of the execution of any power granted in the Indenture or any remedy granted under the Act, or for an accounting against the City, as if the City were the trustee of an express trust, or in the enforcement of any other legal or equitable right, as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under the Indenture.

(b) All rights of action 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 proceeding relating thereto. Any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining any Holders or other parties as plaintiffs or defendants.

(c) No delay in exercising or omission to exercise any remedy, right or power accruing upon any Event of Default shall impair that remedy, right or power or shall be construed to be a waiver of any default or Event of Default or acquiescence therein. Every remedy, right and power may be exercised from time to time and as often as may be deemed to be expedient.

(d) In case the Trustee shall have proceeded to enforce any remedy, right or power under the Indenture in any suit, action or proceedings, and the suit, action or proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then the Issuer, the Trustee, the Bondholders, the Security Instruments Issuers and the Reserve Instrument Issuers shall be restored to their former positions and rights under the Indenture, respectively, and all rights, remedies and powers of the Trustee shall continue as if no suit, action or proceedings had been taken.

APPLICATION OF REVENUES AND OTHER MONEYS AFTER DEFAULT

(a) During the continuance of an Event of Default, the Trustee shall apply Revenues and such moneys, securities and funds and the income therefrom as follows and in the following order, provided that moneys held in any Series Subaccount in the Bond Service Account or in the Debt Service Reserve Account or received under any Security Instrument shall not be used for purposes other than payment of the interest and Principal or Redemption Price then due on the Series of Bonds corresponding to such Series Subaccount or such Security Instrument in accordance with paragraph (3) of this Section :

(1) to the payment of the reasonable and proper charges and expenses of the Trustee and the reasonable fees and disbursements of its counsel;

(2) to the payment of the Operation and Maintenance Costs, as certified by the City as due and payable;

(3) to the payment of the interest and Principal or Redemption Price then due on the Bonds and Security Instrument Repayment Obligations, as follows:

FIRST: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds and the Security Instrument Repayment Obligations in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the persons entitled thereto of the unpaid Principal or Redemption Price of any Bonds and Security Instrument Repayment Obligations which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Bonds and Security Instrument Repayment Obligations due on any date, then to the payment thereof ratably, according to the amounts of Principal, Redemption Price or Security

Instrument Repayment Obligations due on such date, to the persons entitled thereto, without any discrimination or preference; and

(4) to the payment of all obligations owed to all Reserve Instrument Issuers according to the amounts due without any discrimination or preference.

(b) If and whenever all overdue installments of interest on all Bonds and Repayment Obligations, together with the reasonable and proper charges and expenses of the Trustee, and all other sums payable by the City under the Indenture, including the Principal and Redemption Price of and accrued unpaid interest on all Bonds and Repayment Obligations which shall then be payable, shall either be paid by or for the account of the City, or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Indenture or the Bonds shall be made good or secured to the satisfaction of the Trustee and the Repayment Obligations shall be made good or secured to the satisfaction of the Security Instrument Issuers and the Reserve Instrument Issuers as appropriate, or provision deemed by the Trustee and, in the case of Repayment Obligations, to the Security Instrument Issuers and the Reserve Instrument Issuers, as appropriate, to be adequate shall be made therefor, the Trustee shall pay over to the City all such Revenues then remaining unexpended in the hands of the Trustee (except Revenues deposited or pledged, or required by the terms of the Indenture to be deposited or pledged, with the Trustee), and thereupon the City and the Trustee shall be restored, respectively, to their former positions and rights under the Indenture, and all Revenues shall thereafter be applied as provided in the Indenture. No such payment over to the City by the Trustee or resumption of the application of Revenues as provided in the Indenture shall extend to or affect any subsequent default under the Indenture or impair any right consequent thereon.

RIGHTS AND REMEDIES OF BONDHOLDERS

(a) No Holder of any Bond, any Security Instrument Issuer or any Reserve Instrument Issuer shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(1) such Holder, Security Instrument Issuer or Reserve Instrument Issuer has previously given written notice to the Trustee of a continuing Event of Default;

(2) either (x) the Holders of not less than 25% in aggregate Principal amount of the Outstanding Bonds, (y) 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 25% in aggregate Principal amount of the Bonds at the time Outstanding, or (z) any combination of Bondholders and Security Instrument Issuers described in clauses (x) and (y) representing not less than 25% in aggregate Principal amount of the Bonds at the time Outstanding, shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holders or Security Instrument Issuers have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceedings; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60 day period by (1) the Holders of a majority in Principal amount of the Outstanding Bonds, (2) 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 a majority in aggregate Principal amount of the Bonds then Outstanding, or (3) any combination of Bondholders and Security Instrument Issuers described in clauses (1) and (2) representing a majority in aggregate Principal amount of the Bonds at the time Outstanding;

it being understood and intended that no one or more Holders of Bonds, Security Instrument Issuers or Reserve Instrument Issuers shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other such parties, or to obtain or to seek to obtain priority or preference over any other such parties or to enforce any right under the Indenture, except in the manner provided in the Indenture and for the equal and ratable benefit of all such parties in accordance with the provisions of the Indenture.

(b) Notwithstanding any other provision in the Indenture, the Holder of any Bond shall have the right which is absolute and unconditional to receive payment of the Principal of, Redemption Price and interest on such Bond on the respective stated maturities expressed in such Bond (or, in the case of redemption, on the redemption date of such Bond) and to institute suit for the enforcement of any such payment, subject only to any conditions of any Security Instrument Issuer providing a Security Instrument securing such Bond. Such right to receive payment shall not be impaired without the consent of such Holder.

(c) (i) The Holders of a majority of the Principal amount of the Outstanding Bonds, (ii) 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 a majority in aggregate Principal amount of the Bonds then Outstanding, or (iii) any combination of Bondholders and Security Instrument Issuers described under clauses (i) and (ii) representing a majority in aggregate Principal amount of the Bonds at the time Outstanding, shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee, provided that:

(1) such direction shall not be in conflict with any rule of law or the Indenture,

(2) the Trustee shall not determine that the action so directed would be unjustly prejudicial to the Holders and Security Instrument Issuers not taking part in such direction, and

(3) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

APPOINTMENT OF RECEIVER

Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders, the Security Instrument Issuers and the Reserve Instrument Issuers, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the trust estate created by the Indenture, including, without limitation, the proceeds of the sale of the Bonds, the Revenues and the Funds, including the investments, if any, thereof, pending such proceedings, with such powers as a court making such appointments shall confer.

NON-WAIVER

Nothing in the Indenture or in the Bonds shall affect or impair the obligation of the City, which is absolute and unconditional, to pay the Principal and Redemption Price of and interest on the Bonds and the Repayment Obligations to the respective Holders of the Bonds, the Security Instrument Issuers and the Reserve Instrument Issuers, as appropriate, at the respective dates of maturity, or upon call for redemption, as provided in the Indenture, out of the Revenues, Funds and other moneys, securities and funds pledged in the Indenture for such payment, or affect or impair the right of action, which is also absolute and unconditional, of such Holders, Security Instrument Issuers or Reserve Instrument Issuers, as appropriate, to institute suit to enforce such payment by virtue of the contract embodied in the Bonds and Repayment Obligations. No delay or omission of the Trustee or of any Holder of the Bonds or, with respect to Repayment Obligations, of any Security Instrument Issuer or Reserve Instrument Issuer as appropriate, to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, and every power and remedy given by the Indenture to the Trustee or to the Holders of Bonds or, with respect to Repayment Obligations, to Security Instrument Issuers and Reserve Instrument Issuers, as appropriate, may be exercised from time to time and as often as shall be deemed expedient by the Trustee, the Holders of the Bonds, the Security Instrument Issuers and the Reserve Instrument Issuers.

REMEDIES NOT EXCLUSIVE

No remedy in the Indenture conferred upon or reserved to the Trustee or to the Holders of Bonds or, with respect to Repayment Obligations, to Security Instrument Issuers and Reserve Instrument Issuers, as appropriate, is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Indenture or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by the Trustee, the Holder of any one or more of the Bonds or, with respect to Repayment Obligations, by Security Instrument Issuers and Reserve Instrument Issuers, as appropriate. Nothing contained in the Indenture shall permit the levy of any attachment or execution upon any of the properties of the

City, nor shall any properties of the City be subject to forfeiture by reason of any default under the Indenture, it being expressly understood and agreed by each and every Bondholder by the acceptance of any Bond and by each and every Security Instrument Issuer and Reserve Instrument Issuer by entering into Security Instrument Agreements and Reserve Instrument Agreements, as appropriate, that the rights of all such Bondholders, Security Instrument Issuers and Reserve Instrument Issuers are limited and restricted to the use and application of Revenues, Funds and other moneys, securities and funds pledged under the Indenture in accordance with the terms of the Indenture.

WAIVERS OF EVENTS OF DEFAULT

The Trustee may waive, and upon the written direction of (x) the Holders of a majority of the Principal amount of the Outstanding Bonds, (y) 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 a majority in aggregate Principal amount of the Bonds then Outstanding, or (z) any combination of Bondholders and Security Instrument Issuers described under clauses (x) and (y) representing a majority in aggregate Principal amount of the Bonds at the time Outstanding, shall waive, any Event of Default hereunder and its consequences; provided, however, that (x) there shall not be waived any Event of Default specified under (a) or (b) of "Events of Default" above unless prior to such waiver the City shall have caused to be deposited with the Trustee a sum sufficient to pay all matured installments of interest upon all Bonds and the Principal of any and all Bonds which shall have become due (with interest upon such Principal and, to the extent permissible by law, on overdue installments of interest, at the rate per annum specified in the Bonds) and (y) no Event of Default shall be waived unless (in addition to the applicable conditions as aforesaid) there shall have been deposited with the Trustee such amounts as shall be sufficient to cover reasonable compensation and reimbursement of expenses payable to the Trustee. No such waiver shall extend to or shall affect any subsequent default or Event of Default or shall impair any remedy, right or power consequent thereon.

INVESTMENT FUNDS

INVESTMENT OF FUNDS

(a) Moneys held in any Fund or account shall be invested and reinvested by the City or the Trustee to the fullest extent practicable in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Fund or account, subject to the following:

(1) the Trustee shall make such investments only in accordance with written instructions received from an Authorized Officer of the City;

(2) any Supplemental Indenture authorizing a Series of Bonds may impose additional restrictions on moneys held in any Fund or account; and

(3) any Supplemental Indenture authorizing a Series of Bonds may authorize the investment of moneys to be held in any Project Account, Series Subaccount in the Bond Service Account or Series Subaccount in the Debt Service Account created by such Supplemental Indenture and relating to such Series of Bonds in such other investments as may be specified by the Supplemental Indenture.

(b) Subject to any required rebate of earnings on investments in any Fund or account to the United States of America pursuant to Section 148(f) of the Code and except as otherwise provided in a Supplemental Indenture establishing a Project Account or a Series Subaccount: (i) all moneys earned as an investment of moneys in the Construction Fund shall be retained therein; (ii) net income earned on any moneys or investments in the Revenue Fund , the Bond Service Account and the Renewal and Replacement Fund shall remain in or be transferred to the Revenue Fund; (iii) whenever a Series Subaccount in the Debt Service Reserve Account is in its full required amount, net income earned on any moneys or investments in such Series Subaccount shall be transferred to the corresponding Series Subaccount in the Bond Service Account as provided in the Indenture, otherwise, to be retained therein.

(c) The Trustee shall have no liability or responsibility for any loss or for failure to maximize earnings resulting from any investment made in accordance with the provisions of this Section. The Trustee shall be entitled to assume, absent receipt by the Trustee of written notice to the contrary, that any investment, which at the time of purchase is an Investment Security, remains an Investment Security thereafter.

(d) The Trustee may make any and all investments permitted by the provisions of the Indenture through its own investment department or that of its affiliates. As and when any amount invested pursuant to the Indenture may be needed for disbursement, the Trustee may cause a sufficient amount of such investments to be sold and reduced to cash to the credit of such funds. The City acknowledges that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory agency grant the City the right to receive brokerage confirmations of security transactions, the City waives receipt of such confirmations. The Trustee shall furnish to the City periodic statements, which include detail of all investment transactions, made by the Trustee.

ARBITRAGE COVENANT

The City covenants that moneys on deposit in any Fund, whether or not such moneys were derived from proceeds of sales of Bonds or from any other sources, will not be used in a manner which will cause any Bonds, the interest on which is to be exempt from federal income taxation under the Code, to be "arbitrage bonds" within the meaning of Section 148 of the Code; provided, however, that this covenant shall not prevent the issuance of a Series of Bonds the interest on which is subject to Federal income taxation under the Code.

DEFEASANCE

DISCHARGE OF INDEBTEDNESS

If the City shall pay or cause to be paid, or there shall otherwise be paid, subject to any limitations contained in a Supplemental Indenture with respect to a Series of Bonds, to the Holders of all Bonds the Principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture and if all Repayment Obligations owed to Security Instrument Issuers and Reserve Instrument Issuers shall have been paid in full, then the pledge of any Revenues and other moneys, securities and Funds pledged under the Indenture and all covenants, agreements and other obligations of the City to the Bondholders, Security Instrument Issuers and Reserve Instrument Issuers shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the City to be prepared and filed with the City and, upon the request of the City, shall execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction, and the Agents shall pay over or deliver to the City all moneys or securities held by them pursuant to the Indenture which are not required for the payment of Principal or Redemption Price, if applicable, and interest on Bonds not theretofore surrendered for such payment or redemption. If the City shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of any Outstanding Bonds the Principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under the Indenture, and all covenants, agreements and obligations of the City to the Holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit by the City of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section, unless otherwise provided in a Supplemental Indenture with respect to a Series of Bonds. Subject to any further conditions in a Supplemental Indenture with respect to a Series of Bonds, all Outstanding Bonds of any Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section if (1) in case any of said Bonds are to be redeemed on any date prior to their maturity, the City shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail as provided in the Indenture notice of redemption of such Bonds on said date, (2) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or noncallable Government Obligations (including any Government Obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America) the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the Principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (3) in the event said Bonds are not by their terms subject to redemption within the next succeeding 60 days, the City shall have given the Trustee in form satisfactory to it irrevocable instructions to mail, first

class postage prepaid, a notice to the Holders of such Bonds that the deposit required by (2) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section and stating such 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. Neither Government Obligations nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Government Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Principal or Redemption Price, if applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Government Obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the Principal or Redemption Price, if applicable, and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the City, as received by the Trustee, free and clear of any trust, lien or pledge.

UNCLAIMED MONEYS

Anything in the Indenture to the contrary notwithstanding, any moneys held by an Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for four years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Agent at such date, or for four years after the date of deposit of such moneys if deposited with the Agent after the said date when such Bonds become due and payable, shall, at the Written Request of the City, be repaid by the Agent to the City, as its absolute property and free from trust, and the Agent shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the City for the payment of such Bonds.

APPENDIX C

DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY

POPULATION

<u>YEAR</u>	<u>THE CITY</u>	<u>% INCREASE FROM PRIOR PERIOD</u>	<u>SALT LAKE COUNTY</u>	<u>% INCREASE FROM PRIOR PERIOD</u>	<u>THE STATE</u>	<u>% INCREASE FROM PRIOR PERIOD</u>
2023 Estimate	209,593	2.41%	1,185,813	(0.04)%	3,417,734	1.09%
2022 Estimate	204,657	2.08	1,186,257	(0.01)	3,380,800	1.28
2021 Estimate	200,478	0.38	1,186,421	0.10	3,337,975	2.03
2020 Census	199,723	7.12	1,185,238	15.11	3,271,616	18.37
2010 Census	186,440	2.58	1,029,655	14.61	2,763,885	23.77
2000 Census	181,743	13.63	898,387	23.75	2,233,169	29.62

(Source: U.S. Census Bureau, as revised and subject to periodic revision.)

PROPERTY VALUE OF PRE-AUTHORIZED CONSTRUCTION IN THE CITY {TO BE UPDATED.}

<u>Year</u>	<u>NEW</u>		<u>ADDITIONS, ALTERATIONS AND REPAIRS</u>		<u>TOTAL CONSTRUCTION</u>		<u>% Change from Prior Period</u>
	<u>Number Dwelling Units</u>	<u>Residential Value (\$000)</u>	<u>Non- residential Value (\$000)</u>	<u>Residential Value (\$000)</u>	<u>Non- residential Value (\$000)</u>	<u>Value (\$000)</u>	
2022*	1,671	\$343,153.0	\$430,957.4	\$ 23,194.1	\$207,594.5	\$1,004,898.9	NA
2021	4,131	765,117.5	467,325.4	48,870.3	717,998.4	1,999,311.7	37.6%
2020	2,282	309,034.0	418,296.0	105,562.2	620,532.8	1,453,425.0	2.6
2019	3,894	589,888.3	458,798.9	40,935.1	326,724.3	1,416,346.6	72.1
2018	877	126,957.6	430,249.0	37,989.0	227,906.7	823,102.3	(2.4)
2017	648	99,053.9	428,214.5	35,050.7	280,826.6	843,145.8	(43.1)

* 2nd Quarter of 2022.

(Source: Kem C. Gardner Policy Institute, University of Utah—Ivory-Boyer Construction Database.)

SALES AND BUILDING IN SALT LAKE COUNTY {TO BE UPDATED.}

<u>SALES AND BUILDING</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Gross Taxable Sales	\$37,173,705,449	\$31,377,749,196	\$30,078,010,973	\$28,855,616,566	\$27,084,520,651
Permit Authorized Construction	NA	\$4,043,270.6	\$3,838,632.5	\$3,015,289.6	\$2,899,665.5
New Dwelling Units	NA	10,553	9,798	8,150	6,602
New Residential Value	NA	\$1,929,212.7	\$1,804,752.7	\$1,470,556.5	\$1,288,967.8

(Source: Utah Department of Workforce Services and Kem C. Gardner Policy Institute, University of Utah—Ivory-Boyer Construction Database.)

INCOME AND WAGES IN SALT LAKE COUNTY {TO BE UPDATED.}

<u>INCOME AND WAGES</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Personal Income (\$000)	NA	NA	\$68,854,783	\$64,279,705	\$59,895,272
Per Capita Income	NA	NA	\$59,077	\$55,481	\$52,130
Median Household Income Estimates	NA	NA	\$77,128	\$79,941	\$73,619
Average Monthly Nonfarm Wage	NA	\$5,470	\$5,154	\$4,722	\$4,512

(Source: Utah Department of Workforce Services.)

BUSINESS AND INDUSTRY

TAXABLE SALES AND LOCAL OPTION SALES TAX ALLOCATION — THE CITY {TO BE UPDATED.}

<u>YEAR ENDED JUNE 30</u>	<u>GROSS TAXABLE SALES*</u>	<u>% CHANGE OVER PRIOR YEAR</u>	<u>LOCAL OPTION SALES TAXES RECEIVED</u>	<u>% CHANGE OVER PRIOR YEAR</u>
2020	\$8,866,974,472	(3.4)%	\$66,363,398	2.3%
2019	9,178,096,008	3.6	64,897,442	4.9
2018	8,862,086,472	7.7	61,864,444	8.3
2017	8,229,084,282	8.0	57,119,114	6.4
2016	7,615,725,610	--	53,668,768	--

* Source: Utah State Tax Commission.

HISTORICAL CITY TAX RATES {TO BE UPDATED.}

<u>PURPOSE</u>	<u>TAX RATE</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
General Purposes			0.002584	0.002854	0.002942
Interest & Sinking Fund			0.000460	0.000556	0.000583
Library			0.000618	0.000652	0.000683
Tort Liability			0.000100	0.000000	0.000000
Judgment Recovery			<u>0.000014</u>	<u>0.000014</u>	<u>0.000015</u>
Total Levy			0.003776	0.004076	0.004223

COMPARATIVE PROPERTY TAX RATES WITHIN SALT LAKE COUNTY {TO BE UPDATED.}

Tax Levying Entity	TAX RATE				
	2024	2023	2022	2021	2020
Alta Town		0.001043	0.000682	0.000760	0.001260
Bluffdale City		0.000976	0.001161	0.001519	0.001695
Cottonwood Heights City		0.001422	0.001442	0.001740	0.001898
Draper City		0.000896	0.000927	0.001141	0.001227
Herriman City		0.000194	0.000194	0.001997	0.000280
Holladay (City of)		0.001322	0.001330	0.001605	0.001169
Midvale City		0.000892	0.000870	0.000987	0.001043
Millcreek City		0.001431	0.001453	0.001699	0.001841
Murray City		0.001844	0.001855	0.002026	0.002128
Riverton City		0.000000	0.000000	0.000000	0.000000
Salt Lake City		0.003012	0.003158	0.003424	0.003540
Sandy City		0.001057	0.000942	0.001174	0.001279
South Jordan City		0.001425	0.001440	0.001628	0.001738
South Salt Lake City		0.002381	0.002565	0.001536	0.001597
Taylorsville (City of)		0.000731	0.000741	0.000825	0.000904
West Jordan City		0.001499	0.001476	0.001788	0.001899
West Valley City		0.002758	0.002800	0.002995	0.003263

(Source: Property Tax Division, Utah State Tax Commission.)

TAXABLE AND FAIR MARKET VALUE OF PROPERTY {2023 will be updated when final numbers released.}

Excluding Fee-In-Lieu/Age Based Valuation

YEAR	TAXABLE VALUE	% CHANGE OVER PRIOR YEAR	FAIR MARKET VALUE	% CHANGE OVER PRIOR YEAR
2023	\$	%	\$	%
2022	45,473,564,309	21.32	61,263,585,394	22.93
2021	37,481,061,604	7.81	49,835,269,718	8.57
2020	34,767,046,397	10.24	45,901,481,982	10.62
2019	31,537,760,702	11.06	41,493,433,320	11.37

Including Fee-In-Lieu/Age Based Valuation

YEAR	TAXABLE VALUE	% CHANGE OVER PRIOR YEAR	FAIR MARKET VALUE	% CHANGE OVER PRIOR YEAR
2023	\$	%	\$	%
2022	45,759,266,797	21.18	61,549,287,882	20.41
2021	37,760,823,363	7.84	50,115,031,477	10.75
2020	35,017,043,338	10.02	46,151,478,923	10.45
2019	31,827,671,801	10.91	41,783,344,419	11.26

Source: Property Tax Division, Utah State Tax Commission.

HISTORICAL SUMMARIES OF TAXABLE VALUES OF PROPERTY {2023 will be updated when final numbers released.}

	2023*		2022	2021	2020	2019
	TAXABLE VALUE	% OF T.V.	TAXABLE VALUE	TAXABLE VALUE	TAXABLE VALUE	TAXABLE VALUE
<i>Set by State Tax Commission— Centrally Assessed</i>						
Total centrally assessed.....			\$ 2,411,081,642	\$ 2,419,066,942	\$ 2,422,315,180	\$ 2,175,533,785
<i>Set by County Assessor—Locally Assessed</i>						
Real property:						
Primary residential.....			19,296,323,875	15,096,889,577	13,605,944,285	12,165,153,807
Secondary residential.....			324,325,220	253,010,810	233,713,080	205,015,920
Commercial and industrial.....			19,788,465,340	16,263,210,490	15,289,711,240	13,909,955,600
Unimproved Non-FAA-Vacant ..			331,330	2,662,640	2,529,190	2,252,380
Agricultural			179,140	179,140	157,940	80,200
Total real property.....			<u>39,409,625,805</u>	31,615,952,657	29,132,055,735	26,282,457,907
Personal property:						
Primary mobile homes			2,590,784	2,698,118	2,810,319	2,890,504
Secondary mobile homes			8,641,732	6,997,215	7,231,872	7,231,515
Other business personal property			3,641,551,973	3,436,311,697	3,201,589,833	3,068,613,703
SCME ⁽¹⁾			<u>72,373</u>	<u>34,975</u>	<u>1,043,458</u>	<u>1,033,288</u>
Total personal property			<u>3,652,856,862</u>	3,446,042,005	3,212,675,482	3,079,769,010
Fee in lieu/age based property ⁽²⁾			<u>285,702,488</u>	<u>279,761,759</u>	<u>249,996,942</u>	<u>289,911,099</u>
Total locally assessed.....			<u>43,348,185,155</u>	<u>35,341,756,421</u>	<u>32,594,728,158</u>	<u>29,652,138,016</u>
Total taxable value			<u>\$45,759,266,797</u>	<u>\$37,760,823,363</u>	<u>\$35,017,043,338</u>	<u>\$31,827,671,801</u>
Total taxable value (less fee in lieu/age based property) ..			<u>\$45,473,564,309</u>	<u>\$37,481,061,604</u>	<u>\$34,767,046,397</u>	<u>\$31,537,760,702</u>

(1) Semiconductor Manufacturing Equipment.

(2) See "FINANCIAL INFORMATION REGARDING SALT LAKE CITY, UTAH — Property Tax Matters."

(Source: Property Tax Division, Utah State Tax Commission.)

TAX COLLECTION RECORD

FISCAL YEAR ENDED JUNE 30	TOTAL TAX LEVY FOR FISCAL YEAR (\$000)	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY ⁽¹⁾		COLLECTION IN SUBSEQUENT YEARS (\$000)	TOTAL COLLECTIONS TO DATE	
		AMOUNT (\$000)	PERCENTAGE OF LEVY		AMOUNT (\$000)	PERCENTAGE OF LEVY
2024	\$	\$	%	\$ -	\$	%
2023	144,867	141,598	97.74	-	141,598	97.74
2022	133,935	131,026	97.83	1,729	131,026	97.83
2021	124,272	121,630	97.87	1,817	123,446	99.34
2020	122,801	120,693	98.28	1,812	122,505	99.76
2019	113,989	111,402	97.73	2,466	113,867	99.89

* Amounts expressed in thousands.

(1) Payments are not considered delinquent until after November 30.

(Source: Salt Lake City Corporation Annual Comprehensive Financial Report for the year ended June 30, 2024.)

RATE OF UNEMPLOYMENT — ANNUAL AVERAGE

YEAR	SALT LAKE COUNTY	THE STATE	UNITED STATES
2024*	3.4%	3.3%	4.2%
2023	2.9	2.8	3.7
2022	2.5	2.4	3.5
2021	2.3	2.3	3.9
2020	3.6	4.7	8.1
2019	2.5	2.6	3.7

* As of August 2024 (seasonally adjusted).

(Source: Utah Department of Workforce Services; U.S. Department of Labor.)

LABOR MARKET DATA OF SALT LAKE COUNTY {To be updated when new information released.}

	2022	2021	2020	2019	2018
Civilian Labor Force	688,614	661,892	645,460	643,881	619,718
Employed	671,279	641,430	618,265	623,366	605,747
Unemployed	17,335	16,097	28,931	18,010	18,746
Agriculture, forestry, fishing and hunting	505	435	349	291	250
Mining	3,101	2,711	2,703	2,645	2,852
Utilities	2,618	2,540	2,612	2,738	2,732
Construction	52,215	49,404	46,120	43,016	40,261
Manufacturing	61,223	58,412	56,514	57,838	56,668
Wholesale trade	36,878	34,833	33,593	32,920	32,075
Retail trade	75,693	75,853	71,781	74,294	74,279
Transportation and warehousing	48,484	46,712	45,470	44,363	42,578
Information	24,653	21,586	20,493	20,914	20,392
Finance and insurance	51,590	51,570	50,358	48,967	48,266
Real estate and rental and leasing	12,325	11,968	11,550	11,606	11,120
Professional scientific & technical services	73,763	67,689	62,215	60,548	56,727
Management of companies and enterprises	16,335	16,041	16,533	16,177	15,878
Admin., support, waste mgmt., remediation	52,530	50,730	50,478	53,398	53,376
Education services	65,266	64,248	63,778	67,741	66,021
Health care and social assistance	86,237	83,910	81,226	81,701	79,742
Arts, entertainment, and recreation	11,292	9,694	8,177	10,932	10,667
Accommodation and food services	53,953	48,400	44,588	53,040	51,317
Other services (except Public Administration)	22,748	22,266	21,223	23,030	22,535
Public Administration	31,989	31,155	30,797	31,265	30,823
Unclassified establishments	79	82	16	107	57

(Source: Utah Department of Workforce Services. As of October 2023.)

MAJOR EMPLOYERS IN SALT LAKE COUNTY

The following is a list of some of the largest employers in Salt Lake County.

RANK	COMPANY	INDUSTRY	ANNUAL AVERAGE EMPLOYMENT
1	University Of Utah	Higher Education	20000+
2	Intermountain Health Care	Health Care	15,000-19,999
3	State Of Utah	State Government	15,000-19,999
4	Granite School District	Public Education	10,000-14,999
5	Wal-Mart Associates	Warehouse Clubs and Supercenters	10,000-14,999
6	Jordan School District	Public Education	7,000-9,999
7	Smiths Food and Drug	Grocery Stores	7,000-9,999
8	Zions Bancorporation, N.A.	Financial Services	7,000-9,999
9	United Parcel Service	Couriers	5,000-6,999
10	Salt Lake County	Local Government	5,000-6,999
11	U.S. Postal Service	Postal Service	5,000-6,999
12	Amazon	Couriers	5,000-6,999
13	Delta Air Lines	Air Transportation	5,000-6,999
14	The Canyons School District	Public Education	5,000-6,999
15	ARUP Laboratories	Medical Laboratories	4,000-4,999
16	Department Of Veterans Affairs	Health Care	3,000-3,999
17	Salt Lake City	Local Government	3,000-3,999
18	Biofire Diagnostics LLC	Medical Research	3,000-3,999
19	Salt Lake City School District	Public Education	3,000-3,999
20	Discover Products	Financial Services	2,000-2,999
21	L3 Technologies	Manufacturing	2,000-2,999
22	Salt Lake Community College	Higher Education	2,000-2,999
23	SkyWest Airlines	Air Transportation	2,000-2,999
24	Costco Wholesale	Warehouse Clubs and Supercenters	2,000-2,999
25	Harmons	Grocery Stores	2,000-2,999
26	Utah Transit Authority	Public Transportation	2,000-2,999
27	Kennecott Utah Copper	Mining	2,000-2,999
28	Wells Fargo Bank	Financial Services	2,000-2,999
29	Department of Defense	Federal Government	2,000-2,999

(Source: Utah Department of Workforce Services. As of October 2023.)

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon the delivery of the Bonds, Chapman and Cutler LLP, Bond Counsel, proposes to issue their final approving opinion in substantially the following form:

[To come.]

APPENDIX E

PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Series 2025 Bonds. The Series 2025 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 certificate will be issued for each maturity of the Series 2025 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 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 2025 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 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025 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 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 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 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2025 Bonds 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 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI 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 2025 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 2025 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 2025 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, 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, 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.

APPENDIX F

PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE AGREEMENT

FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER PARAGRAPH (b)(5) OF RULE 15c2-12

[DATED THE CLOSING DATE]

This Continuing Disclosure Undertaking (the or this “*Agreement*”), by Salt Lake City, Utah (the “*City*”), is executed in connection with the issuance by the City of its \$_____ Public Utilities Revenue Bonds, Series 2025 (the “*Series 2025 Bonds*”). The Series 2025 Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended; (ii) a resolution adopted by the City Council of the City on November 19, 2024, which provides for the issuance and sale of the Series 2025 Bonds; and (iii) a Master Trust Indenture, dated as of January 1, 2004, as heretofore amended and supplemented, and as further amended and supplemented by a [Thirteenth] Supplemental Trust Indenture, dated as of February 1, 2025 (collectively, the “*Indenture*”), each between the City and U.S. Bank Trust Company, National Association (formerly known as U.S. Bank National Association), as trustee (the “*Trustee*”).

In consideration of the issuance of the Series 2025 Bonds by the City and the purchase of such Series 2025 Bonds by the beneficial owners thereof, the City covenants and agrees as follows:

1. PURPOSE OF THIS AGREEMENT. This Agreement is executed and delivered by the City as of the date set forth below, for the benefit of the beneficial owners of the Series 2025 Bonds and in order to assist the Participating Underwriter in complying with the requirements of the Rule (defined below). The City represents that it will be the only obligated person with respect to the Series 2025 Bonds at the time the Series 2025 Bonds are delivered to the Participating Underwriter and that no other person is expected to become so committed at any time after issuance of the Series 2025 Bonds.

2. DEFINITIONS. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

“*Annual Financial Information*” means the financial information and operating data described in *Exhibit I*.

“*Annual Financial Information Disclosure*” means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

“Audited Financial Statements” means (1) the annual financial statements of the City’s Water, Sewer, Stormwater, and Street Lighting Utilities (the *“System”*) and (2) the audited financial statements of the City prepared pursuant to the standards and as described in *Exhibit I*.

“Commission” means the Securities and Exchange Commission.

“Dissemination Agent” means any agent designated as such in writing by the City and which has filed with the City a written acceptance of such designation, and such agent’s successors and assigns.

“EMMA” means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Financial Obligation” means (a) a debt obligation, (b) a 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) a 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.

“MSRB” means the Municipal Securities Rulemaking Board.

“Participating Underwriter” means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Series 2025B Bonds.

“Reportable Event” means the occurrence of any of the Events with respect to a series of the Series 2025 Bonds set forth in *Exhibit II*.

“Reportable Events Disclosure” means dissemination of a notice of a Reportable Event as set forth in Section 5.

“Rule” means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

“State” means the State of Utah.

“Undertaking” means the obligations of the City pursuant to Sections 4 and 5.

3. CUSIP NUMBER/FINAL OFFICIAL STATEMENT. The CUSIP Numbers of the Series 2025 Bonds are as follows:

YEAR OF MATURITY (FEBRUARY 1)	CUSIP NUMBER	YEAR OF MATURITY (FEBRUARY 1)	CUSIP NUMBER
2033	79560T FG2	2038	79560T FM9
2034	79560T FH0	2039	79560T FN7
2035	79560T FJ6	2040	79560T FP2
2036	79560T FK3	2041	79560T FQ0
2037	79560T FL1	2042	79560T FR8

The Final Official Statement relating to the Series 2025 Bonds is dated _____, 2025 (the “Final Official Statement”).

4. **ANNUAL FINANCIAL INFORMATION DISCLOSURE.** Subject to Section 8 of this Agreement, the City hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the City will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided to EMMA) shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

5. **REPORTABLE EVENTS DISCLOSURE.** Subject to Section 8 of this Agreement, the City hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure with respect to the applicable series of the Series 2025 Bonds to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Series 2025 Bonds or defeasance of any Series 2025 Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Indenture.

6. CONSEQUENCES OF FAILURE OF THE CITY TO PROVIDE INFORMATION. The City shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the City to comply with any provision of this Agreement, the beneficial owner of any Series 2025 Bond may seek mandamus or specific performance by court order, to cause the City to comply with its obligations under this Agreement. The beneficial owners of 25% or more in principal amount of the applicable series of the Series 2025 Bonds outstanding may challenge the adequacy of the information provided under this Agreement and seek specific performance by court order to cause the City to provide the information as required by this Agreement. A default under this Agreement shall not be deemed a default under the Indenture, and the sole remedy under this Agreement in the event of any failure of the City to comply with this Agreement shall be an action to compel performance.

7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the City by resolution or ordinance authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the City, or type of business conducted; or

(ii) this Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) the amendment or waiver does not materially impair the interests of the beneficial owners of the Series 2025 Bonds, as determined by parties unaffiliated with the City (such as bond counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the City shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. TERMINATION OF UNDERTAKING. The Undertaking of the City with respect to the Series 2025 Bonds shall be terminated hereunder if the City shall no longer have any legal liability for any obligation on or relating to repayment of the applicable Series 2025 Bonds under the Indenture. The City shall give notice in a timely manner if this Section is applicable.

9. 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 Agreement, and may

discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

10. **ADDITIONAL INFORMATION.** Nothing in this Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the City chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the City shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

11. **BENEFICIARIES.** This Agreement has been executed in order to assist the Participating Underwriter in complying with the Rule; however, this Agreement shall inure solely to the benefit of the City, the Dissemination Agent, if any, and the beneficial owners of the Series 2025 Bonds, and shall create no rights in any other person or entity.

12. **RECORDKEEPING.** The City shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

13. **ASSIGNMENT.** The City shall not transfer its obligations under the Indenture unless the transferee agrees to assume all obligations of the City under this Agreement or to execute an Undertaking under the Rule.

14. **GOVERNING LAW.** This Agreement shall be governed by the laws of the State.

DATED as of the day and year first above written.

SALT LAKE CITY, UTAH

By _____
Mayor

Address: 451 South State Street
Salt Lake City, Utah 84111

ATTEST AND COUNTERSIGN:

City Recorder

[SEAL]

APPROVED AS TO FORM:

By _____
Senior City Attorney

EXHIBIT I

ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

“Annual Financial Information” means financial information and operating data of the type contained in the Official Statement under the following captions: “THE SYSTEM—Five-Year Summary of Water Deliveries,” “—City Water Consumption,” “—Water Rates,” “—Sewer Rates,” “—Stormwater Rates,” and “HISTORICAL AND PROJECTED SUMMARY OF THE DEPARTMENT’S REVENUES AND EXPENSES (as the same become historically available),” exclusive of Audited Financial Statements.

All or a portion of the Annual Financial Information may be provided from the City’s Comprehensive Annual Financial Report or the Audited Financial Statements.

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA; the Final Official Statement need not be available from the Commission. The City shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be provided to EMMA, within 210 days after the last day of the City’s fiscal year, beginning with the fiscal year ending June 30, 2025. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included.

Audited Financial Statements will be prepared pursuant to generally accepted accounting principles applicable to governmental units in general and Utah cities in particular. Audited Financial Statements will be provided to EMMA within 30 days after availability to City.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the City will disseminate a notice of such change as required by Section 4.

EXHIBIT II

EVENTS WITH RESPECT TO THE SERIES 2025 BONDS FOR WHICH MATERIAL EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, 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 security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the City*
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material
15. Incurrence of a Financial Obligation of the City, if material, 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, if material
16. 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

* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

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[THIRTEENTH] SUPPLEMENTAL TRUST INDENTURE

BETWEEN

SALT LAKE CITY, UTAH

AND

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
AS TRUSTEE**

DATED AS OF FEBRUARY 1, 2025

**\$ _____
SALT LAKE CITY, UTAH
PUBLIC UTILITIES REVENUE BONDS
SERIES 2025**

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[THIRTEENTH] SUPPLEMENTAL TRUST INDENTURE

THIS [THIRTEENTH] SUPPLEMENTAL TRUST INDENTURE (the “[*Thirteenth*] *Supplemental Indenture*”), dated as of February 1, 2025, between Salt Lake City, Utah, a municipal corporation and political subdivision of the State of Utah (the “*City*” or “*Issuer*”), and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, a national banking association duly organized and qualified under the laws of the United States of America, authorized by law to accept and execute trusts and having an office in Salt Lake City, Utah (the “*Trustee*”):

WITNESSETH

WHEREAS, the City has entered into a Master Trust Indenture, dated as of January 1, 2004, as amended and supplemented to the date hereof (the “*Master Indenture*” and, together with the [Thirteenth] Supplemental Indenture, the “*Indenture*”), with the Trustee;

WHEREAS, the City considers it necessary and desirable and for the benefit of the City and the users of the System to issue revenue bonds pursuant to the Indenture and as hereinafter provided for the purpose of financing part of the costs of acquiring a project consisting of the acquisition, improvement or extension of improvements, facilities and property that will be a part of the System pursuant to authority contained in the Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended;

WHEREAS, the Series 2025 Bonds will be authorized, issued and secured under the Indenture on a parity with all other Bonds issued and outstanding from time to time thereunder;

WHEREAS, the execution and delivery of the Series 2025 Bonds and of this [Thirteenth] Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2025 Bonds, when executed by the City and authenticated by the Trustee, the valid and binding legal obligations of the City and to make this [Thirteenth] Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS [THIRTEENTH] SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the mutual covenants herein contained and of the purchase of the Series 2025 Bonds by the Bondholders thereof from time to time, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the City has executed and delivered this [Thirteenth] Supplemental Indenture, and by these presents does confirm the pledge provided for in the Master Indenture and to further secure the payment of the Series 2025 Bonds and all other Bonds now or hereafter Outstanding under the Indenture does hereby sell, assign, transfer, set over and pledge unto U.S. Bank Trust Company, National Association, as Trustee, its successors and trusts and its assigns forever, all right, title and interest of the City in and to (a) the proceeds of the sale of the Series 2025 Bonds, (b) the Revenues, (c) all moneys held by Trustee in funds and accounts established hereunder, including the investments, if any, thereof (except for any Rebate Fund), and (d) all other rights hereinafter granted for the

future securing of such Series 2025 Bonds subject to the permitted applications thereof as provided in the Master Indenture.

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

IN TRUST, NEVERTHELESS, FIRST, for the equal and ratable benefit and security of all present and future Bondholders and Security Instrument Issuers without preference, priority, or distinction as to security or otherwise (except as otherwise specifically provided), of any of the Bonds or Security Instrument Repayment Obligations over any of the others by reason of time of issuance, sale, delivery, maturity or expiration thereof or otherwise for any cause whatsoever; and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Issuers without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided) of any Reserve Instrument Provider over any other Reserve Instrument Provider by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever.

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. (a) Except as provided in subparagraph (b) of this Section and as the same may be amended hereby, all defined terms contained in the Master Indenture when used in this [Thirteenth] Supplemental Indenture shall have the same meanings as set forth in the Master Indenture.

(b) As used in this [Thirteenth] Supplemental Indenture, unless the context shall otherwise require, the following terms shall have the following meanings:

“*Cede*” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2025 Bonds pursuant to Section 2.11 hereof.

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

“*Continuing Disclosure Undertaking*” means the Continuing Disclosure Undertaking of the City entered into to satisfy the City’s obligations pursuant to Rule 15c2-12(b)(5) adopted by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934 with respect to the Series 2025 Bonds.

“*DTC*” means The Depository Trust Company, New York, New York, and its successors and assigns.

“*Indenture*” means the Master Indenture as amended and supplemented by this [Thirteenth] Supplemental Indenture and as from time to time hereafter amended and supplemented by Supplemental Indentures.

“Letter of Representations” means the Blanket Issuer Letter of Representations, dated October 16, 2019, between the City and DTC, relating to a book-entry system for the Bonds and other obligations of the City.

“Master Indenture” means the Master Trust Indenture, dated as of January 1, 2004, as heretofore amended and supplemented, between the City and the Trustee, providing for the issuance of public utility revenue bonds.

“Outstanding Bonds” means, as of the date of execution and delivery of the Series 2025 Bonds, the City’s (i) Taxable Water and Sewer Bonds, Series 2009, (ii) Water and Sewer Revenue Bonds, Series 2010, (iii) Water and Sewer Revenue Bonds, Series 2011, (iv) Water and Sewer Improvement and Refunding Revenue Bonds, Series 2012, (v) Public Utilities Revenue and Refunding Bonds, Series 2017, (vi) Public Utilities Revenue Bonds, Series 2020, (vii) Public Utilities Revenue Bond (WIFIA Loan), Series 2020B, (viii) Public Utilities Revenue Bonds, Series 2022 and (ix) Public Utilities Revenue Bonds, Series [2024A].

“Participant” means those broker-dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository.

“Purchase Contract” means the Bond Purchase Contract, dated _____, 2025, between the City and the Underwriter[s], pursuant to which the Series 2025 Bonds are to be sold by the City.

“Record Date” means the fifteenth day of the month next preceding any interest payment date.

“Regulations” means the Treasury Regulations issued or proposed under Sections 103, 148 or 149 of the Code (26 CFR Part 2) or other Sections of the Code relating to “arbitrage bonds” or rebate, including without limitation Sections 1.103-13, 1.103-14, 1.103-15 and 1.103-15AT, and includes amendments thereto or successor provisions.

“Renewal and Replacement Fund Reserve Requirement” means an amount equal to \$-0-.

“Series 2025 Bonds” means the City’s Public Utilities Revenue Bonds, Series 2025, issued pursuant to this [Thirteenth] Supplemental Indenture.

“Series 2025 Bond Service Subaccount” means the Series Subaccount in the Bond Service Account established in Section 3.5.

“Series 2025 Debt Service Reserve Requirement” means an amount equal to \$-0-.

“Series 2025 Project” means improvements to the City’s water and sewer systems.

“Series 2025 Project Account” means the Project Account in the Construction Fund established in Section 3.4.

“*[Thirteenth] Supplemental Indenture*” means this [Thirteenth] Supplemental Trust Indenture, dated as of February 1, 2025, between the City and the Trustee.

“*Underwriter[s]*” means[, collectively,] _____, as the underwriter[s] of the Series 2025 Bonds pursuant to the Purchase Contract.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms as used in this [Thirteenth] Supplemental Indenture, refer to this [Thirteenth] Supplemental Indenture.

Section 1.2 Authority for [Thirteenth] Supplemental Indenture. This [Thirteenth] Supplemental Indenture is executed pursuant to the provisions of the Act and the Indenture.

ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF SERIES 2025 BONDS

Section 2.1 Authorization of Bonds, Principal Amount, Designation and Series. In order to provide sufficient funds, together with other available moneys of the City, if any, for the (a) financing of a portion of the Cost of Construction of the Series 2025 Project and (b) paying all expenses properly incidental thereto and to the issuance of the Series 2025 Bonds and in accordance with and subject to the terms, conditions and limitations established in the Indenture, a Series of the City’s Public Utilities Revenue Bonds is hereby authorized to be issued in the aggregate principal amount of \$_____ and designated “*Public Utilities Revenue Bonds, Series 2025.*”

Section 2.2 Finding and Purpose. The Series 2025 Bonds are hereby authorized to be issued for the purpose of paying part of the Cost of Construction of the Series 2025 Project pursuant to Section 2.03 of the Master Indenture. Except for the City’s Outstanding Bonds and the Series 2025 Bonds authorized by this [Thirteenth] Supplemental Indenture, the City has no outstanding bonds, notes or other obligations issued pursuant to the Indenture.

Issue Date.

Section 2.3 Issue Date. The Series 2025 Bonds shall be dated as of the date of delivery thereof.

Section 2.4 Series 2025 Bonds. (a) The Series 2025 Bonds shall mature on the dates and in the principal amounts and shall bear interest from the date of delivery thereof (calculated on the basis of a 360-day year consisting of twelve 30-day months), payable semi-annually thereafter on February 1 and August 1 in each year, beginning August 1, 2025 at the rates shown below:

MATURITY DATE (FEBRUARY 1)	PRINCIPAL AMOUNT	INTEREST RATE
	\$	%

(b) Each Series 2025 Bond shall bear interest from the interest payment date next preceding the date of registration and authentication thereof unless it is registered as of an interest payment date, in which event it shall bear interest from the date thereof, or unless it is registered prior to the first interest payment date, in which event it shall bear interest from its date, or unless, as shown by the records of the Trustee, interest on the Series 2025 Bonds shall be in default, in which event it shall bear interest from the date to which interest has been paid in full.

(c) Interest on the Series 2025 Bonds will be paid on each Interest Payment Date to the registered owner thereof (initially DTC) who is the registered owner at the close of business on the Record Date for such interest, which shall be the fifteenth day of the month next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner of any Series 2025 Bonds on such Regular Record Date, and may be paid to the registered owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such registered owner not less than ten days prior to such Special Record Date. The principal of and premium, if any, on the Series 2025 Bonds are payable upon presentation and surrender thereof at the principal corporate trust office of the Trustee. Interest shall be paid by check or draft mailed on each Interest Payment Date to the registered owner (initially DTC) of each of the Series 2025 Bonds as the name and address of such registered owner appear on the record date in the Register.

Section 2.5 Registered Bonds; Denomination and Numbers. The Series 2025 Bonds shall be issued solely as fully registered Bonds, without coupons, in the denomination of \$5,000 or any integral multiple thereof; provided that no individual Series 2025 Bond shall represent more than one maturity of Series 2025 Bonds. The Series 2025 Bonds shall be numbered from one (1) consecutively upwards with the prefix "R" preceding each number.

Section 2.6 Paying Agent. U.S. Bank Trust Company, National Association, of Salt Lake City, Utah, is hereby appointed the Paying Agent for the Series 2025 Bonds, pursuant and subject to Section 7.02 of the Master Indenture. Principal of the Series 2025 Bonds when due shall be payable at the principal corporate trust operations office of the Trustee, or of its successor as Paying Agent. Payment of interest on the Series 2025 Bonds shall be made to the registered owner thereof and shall be paid by check or draft mailed on the payment date to the person who is the registered owner of record as of the close of business on the Record Date at his address as it appears on the registration books of the Trustee or at such other address as is furnished in writing by such registered owner to the Trustee prior to the Record Date. In the written acceptance of each Paying Agent referred to in Section 7.02 of the Master Indenture, such Paying Agent shall agree to take all action necessary for all representations of the City in the Letter of Representations with respect to the Paying Agent to at all times be complied with.

Section 2.7 Optional Redemption; Redemption Price. (a) The Series 2025 Bonds maturing on or after February 1, 203_ are subject to redemption, in whole or in part, at the election of the City, on any date on or after _____ 1, 203_ (if in part, such Series 2025 Bonds to be redeemed shall be selected from such maturities as shall be determined by the City in its discretion and within each maturity as selected by the Trustee), upon notice as provided in Section 4.03 of the Master Indenture, and at a Redemption Price equal to the principal amount thereof plus accrued interest to the redemption date.

(b) With respect to any notice of optional redemption of Series 2025 Bonds, unless upon the giving of such notice such Series 2025 Bonds shall be deemed to have been paid within the meaning of Article XI of the Indenture, such notice may state that such redemption shall be conditioned upon the receipt by the Trustee on or prior to the date fixed for such redemption of money sufficient to pay the Redemption Price of and interest on the Series 2025 Bonds to be redeemed, and that if such money shall not have been so received said notice shall be of no force and effect, and the City shall not be required to redeem such Series 2025 Bonds. In the event that such notice of redemption contains such a condition and such money is not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such money was not so received and that such redemption was not made.

(c) In addition to the notice described in Section 4.03 of the Master Indenture, further notice of any redemption of the Series 2025 Bonds shall be given by the Trustee to the Municipal Securities Rule Making Board's EMMA website, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as described in Section 4.03 of the Master Indenture.

(d) Upon the payment of the redemption price of the Series 2025 Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Series 2025 Bonds being redeemed with the proceeds of such check or other transfer.

Section 2.8 [Mandatory Sinking Fund Redemption. (a) The Series 2025 Bonds maturing on February 1, 20__ and bearing interest at the rate of ____% (“*Term Bond 1*”) are subject to mandatory redemption from Sinking Fund Installments, by lot in such manner as the Trustee may determine, at a price equal to one hundred percent (100%) of the Principal amount thereof plus accrued interest to the redemption date, on the dates and in the principal amounts as follows:

REDEMPTION DATE (FEBRUARY 1)	PRINCIPAL AMOUNT
	\$

*

* Final Maturity

(b) The Series 2025 Bonds maturing on February 1, 20__ and bearing interest at the rate of ____% (“*Term Bond 2*”) are subject to mandatory redemption from Sinking Fund Installments, by lot in such manner as the Trustee may determine, at a price equal to one hundred percent (100%) of the Principal amount thereof plus accrued interest to the redemption date, on the dates and in the principal amounts as follows:

REDEMPTION DATE (FEBRUARY 1)	PRINCIPAL AMOUNT
	\$

*

* Final Maturity

(c) Upon redemption of any portion of Term Bond 1 or Term Bond 2, other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited toward a part or all of any one or more of such mandatory sinking fund redemption amounts for Term Bond 1 or Term Bond 2, respectively, in such order of mandatory sinking fund date as shall be directed by the City.

Section 2.9 Execution of Series 2025 Bonds. The Series 2025 Bonds shall be executed on behalf of the City by the Mayor by his or her manual or facsimile signature, and attested and countersigned by the City Recorder by his or her manual or facsimile signature, and the City’s seal shall be affixed or a facsimile thereof shall be imprinted upon the Series 2025 Bonds. The Series 2025 Bonds shall then be delivered to the Trustee and manually authenticated by it.

Section 2.10 Delivery of Series 2025 Bonds. The Series 2025 Bonds shall be delivered to the Underwriter[s], upon compliance with the provisions of Section 3.02 of the Master Indenture, at such time and place as provided in, and subject to, the provisions of the Purchase Contract.

Section 2.11 Book-Entry System. (a) Except as provided in paragraph (b) of this Section 2.11 the Registered Owner of all Series 2025 Bonds shall be, and the Series 2025 Bonds shall be registered in the name of, Cede, as nominee of DTC (together with any substitute securities depository appointed pursuant to paragraph (b)(ii) of this Section 2.11). Payment of the interest on any Series 2025 Bond shall be made in accordance with the provisions of this [Thirteenth] Supplemental Indenture to the account of Cede on the Interest Payment Dates for the Bonds at the address indicated for Cede in the registration books of the Bond Registrar.

(b) The Series 2025 Bonds shall be initially issued in the form of a separate single fully registered Bond in the amount of each separate stated maturity of the Series 2025 Bonds. Upon initial issuance, the ownership of each such Series 2025 Bond shall be registered in the registration books of the Issuer kept by the Bond Registrar, in the name of Cede, as nominee of DTC. With respect to Series 2025 Bonds so registered in the name of Cede, the Issuer, the Bond Registrar and any Paying Agent shall have no responsibility or obligation to any DTC participant or to any beneficial owner of any of such Series 2025 Bonds. Without limiting the immediately preceding sentence, the Issuer, the Bond Registrar and any Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant with respect to any beneficial ownership interest in the Series 2025 Bonds, (ii) the delivery to any DTC participant, beneficial owner or other person, other than DTC, of any notice with respect to the Series 2025 Bonds, including any notice of redemption, or (iii) the payment to any DTC participant, beneficial owner or other person, other than DTC, of any amount with respect to the principal or redemption price of, or interest on, any of the Series 2025 Bonds. The Issuer, the Bond Registrar and any Paying Agent may treat DTC as, and deem DTC to be, absolute owner of each Series 2025 Bond for all purposes whatsoever, including (but not limited to) (1) payment of the principal or redemption price of, and interest on, each Series 2025 Bond, (2) giving notices of redemption and other matters with respect to such Series 2025 Bonds and (3) registering transfers with respect to such Bonds. So long as the Series 2025 Bonds are registered in the name of Cede, the Paying Agent shall pay the principal or redemption price of, and interest on, all Series 2025 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge the Issuer's obligations with respect to such principal or redemption price, and interest, to the extent of the sum or sums so paid. Except as provided in paragraph (b) of this Section 2.11, no person other than DTC shall receive a Series 2025 Bond evidencing the obligation of the Issuer to make payments of principal or redemption price of, and interest on, any such Bond pursuant to this [Thirteenth] Supplemental Indenture. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of this [Thirteenth] Supplemental Indenture, the word "Cede" in this [Thirteenth] Supplemental Indenture shall refer to such new nominee of DTC.

Except as provided in paragraph (b)(iii) of this Section 2.11, and notwithstanding any other provisions of this [Thirteenth] Supplemental Indenture, the Series 2025 Bonds may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

(c) (i) DTC may determine to discontinue providing its services with respect to the Series 2025 Bonds at any time by giving written notice to the City, the Trustee, and the Paying Agent, which notice shall certify that DTC has discharged its responsibilities with respect to the Series 2025 Bonds under applicable law.

(ii) The City, in its sole discretion and without the consent of any other person, may, by notice to the Trustee, terminate the services of DTC with respect to the Series 2025 Bonds if the City determines that the continuation of the system of book- entry-only transfers through DTC is not in the best interests of the beneficial owners of the Series 2025 Bonds or the City; and the City shall, by notice to the Trustee, terminate the services of DTC with respect to the Series 2025 Bonds upon receipt by the City, the Trustee, and the Paying Agent of written notice from DTC to the effect that DTC has received written notice from DTC participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then Outstanding Series 2025 Bonds to the effect that: (1) DTC is unable to discharge its responsibilities with respect to the Series 2025 Bonds; or (2) a continuation of the requirement that all of the Outstanding Series 2025 Bonds be registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC, is not in the best interests of the beneficial owners of the Series 2025 Bonds.

(iii) Upon the termination of the services of DTC with respect to the Series 2025 Bonds pursuant to subsection (c)(ii)(2) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2025 Bonds pursuant to subsection (c)(i) or subsection (c)(ii)(1) hereof the City may within 90 days thereafter appoint a substitute securities depository which, in the opinion of the City, is willing and able to undertake the functions of DTC hereunder upon reasonable and customary terms. If no such successor can be found within such period, the Series 2025 Bonds shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC. In such event, the City shall execute and the Trustee shall authenticate Series 2025 Bond certificates as requested by DTC of like principal amount, maturity and Series, in authorized denominations to the identifiable beneficial owners in replacement of such beneficial owners' beneficial interest in the Series 2025 Bonds.

(iv) Notwithstanding any other provision of this [Thirteenth] Supplemental Indenture to the contrary, so long as any Series 2025 Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or redemption price of, and interest on, such Series 2025 Bond and all notices with respect to such Series 2025 Bond shall be made and given, respectively, to DTC.

(v) In connection with any notice or other communication to be provided to Holders of Series 2025 Bonds registered in the name of Cede pursuant to this [Thirteenth] Supplemental Indenture by the Issuer or the Bond Registrar with respect to any consent or other action to be taken by such Holders, the Issuer shall establish a record date for such consent or other action by such Holders and give DTC notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

ARTICLE III

APPLICATION OF SERIES 2025 BOND PROCEEDS AND OTHER MONEYS; ESTABLISHMENT AND OPERATION OF ACCOUNTS AND SUBACCOUNTS

Section 3.1 Interest During Construction. The amount to be deposited from the proceeds of the Series 2025 Bonds into the Construction Fund to pay interest on the Series 2025 Bonds estimated to fall due during the period of construction of the Series 2025 Project, as set forth in the Written Certificate of the City estimating the cost of construction of the Series 2025 Projects and the estimated date of completion thereof as required by Section 2.03(c)(1) of the Master Indenture is \$-0-.

Section 3.2 Debt Service Reserve Account. The amount to be deposited from the proceeds of the Series 2025 Bonds into the Debt Service Reserve Account is \$-0-.

Section 3.3 Renewal and Replacement Fund. The amount to be deposited from the proceeds of the Series 2025 Bonds into the Renewal and Replacement Fund is \$-0-.

Section 3.4 Establishment of Series 2025 Project Account. There is hereby established a Project Account in the Construction Fund designated as the "Series 2025 Project Account." Moneys in the Series 2025 Project Account shall be used for the purposes and as authorized by Section 5.03 of the Master Indenture to pay the Cost of Construction of the Series 2025 Project. Within the Series 2025 Project Account, there are hereby created two subaccounts, namely: the Series 2025 Water Subaccount and the Series 2025 Sewer Subaccount. Costs of issuance of the Series 2025 Bonds will be paid by the Trustee proportionately from the two subaccounts upon receipt from the City of an executed Cost of Issuance Disbursement Request.

Section 3.5 Establishment of Series 2025 Bond Service Subaccount. Pursuant to Section 5.06(a) of the Master Indenture, there is hereby established a separate Series Subaccount in the Bond Service Account in the Principal and Interest Fund designated as the "Series 2025 Bond Service Subaccount." Moneys shall be deposited into and paid from the Series 2025 Bond Service Subaccount in accordance with Section 5.06 of the Master Indenture to pay Principal of and interest on the Series 2025 Bonds.

Section 3.6 No Series 2025 Debt Service Reserve Subaccount. No Series Subaccount in the Debt Service Reserve Account shall be established for the Series 2025 Bonds and no Debt Service Reserve Requirement is required for the Series 2025 Bonds.

Section 3.7 Application of Proceeds of Series 2025 Bonds and Certain Other Moneys. Proceeds of the Series 2025 Bonds in the amount of \$_____ (being the principal amount of the Series 2025 Bonds plus \$_____ of premium less \$_____ of Underwriter[s]’[s] discount) shall be paid to the Trustee for deposit as follows:

- (a) Into the Series 2025 Water Subaccount of the Series 2025 Project Account the amount of \$_____, plus \$_____ for costs of issuance for a total of \$_____; and

(b) Into the Series 2025 Sewer Subaccount of the Series 2025 Project Account the amount of \$_____, plus \$_____ for costs of issuance for a total of \$_____.

ARTICLE IV

FORM OF SERIES 2025 BONDS

Subject to the provisions of the Indenture, each Series 2025 Bond shall be in substantially the following form, with such insertions or variations as to any redemption or amortization provisions and such other insertions or omissions, endorsements and variations as may be required or permitted by the Indenture:

FORM OF BOND

Unless this certificate is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

REGISTERED

REGISTERED

UNITED STATES OF AMERICA

SALT LAKE CITY, UTAH

PUBLIC UTILITIES REVENUE BONDS
SERIES 2025

No. R- _____ \$ _____

INTEREST RATE

MATURITY DATE

DATED DATE

CUSIP

_____%

February 1, _____

_____, 2025

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ----- DOLLARS -----

KNOW ALL MEN BY THESE PRESENTS that Salt Lake City, Utah (the "City"), a duly organized and existing municipal corporation and political subdivision of the State of Utah, located in Salt Lake County, Utah, acknowledges itself indebted and for value received hereby promises to pay, in the manner and from the source hereinafter provided, to the registered owner identified above, or registered assigns, on the maturity date identified above, upon presentation and surrender hereof, the principal amount identified above, and to pay, in the manner and from the source hereinafter provided, the registered owner hereof interest on the balance of said principal amount from time to time remaining unpaid from the interest payment date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated as of an interest payment date, in which event this Bond shall bear interest from such interest payment date, or unless this Bond is registered and authenticated prior to the first interest payment date, in which event this Bond shall bear interest from the dated date specified above, or unless, as shown by the records of the hereinafter referred to Trustee, interest on the hereinafter referred to Series 2025 Bonds shall be in default, in which event this Bond shall bear interest from the date to which interest has been paid in full, at the rate per annum specified above (calculated on the basis of a year of 360 days comprised of twelve 30-day months), payable in each year on February 1 and

August 1, beginning August 1, 2025, until payment in full of such principal amount, except as the provisions hereinafter set forth with respect to redemption prior to maturity may become applicable hereto. This Bond, as to principal when due, will be payable at the principal corporate trust operations office of U.S. Bank Trust Company, National Association, in St. Paul, Minnesota, as paying agent of the City, or its successor as such paying agent. Payment of the interest hereon shall be made to the registered owner hereof and shall be paid by check or draft mailed to the person who is the registered owner of record as of the close of business on the fifteenth day of the month next preceding each interest payment date (the "*Record Date*") at his or her address as it appears on the registration books of the Trustee or at such other address as is furnished in writing by such registered owner to the Trustee prior to the Record Date. Principal and interest are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

The Bonds are special limited obligations of the City, payable solely from the Net Revenues, moneys, securities, and funds pledged therefor in the Indenture. Neither the credit nor the taxing power of the City, the State or any agency, instrumentality, or political subdivision thereof is pledged for the payment of the principal of, premium, if any, or interest on the Bonds. The Bonds are not general obligations of the City or the State or any agency, instrumentality, or political subdivision thereof. The issuance of the 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 taxation therefor or to make any appropriation for the payment of the Bonds.

THE CITY IS OBLIGATED TO PAY PRINCIPAL OF, REDEMPTION PRICE OF, AND INTEREST ON THIS BOND SOLELY FROM THE REVENUES (AFTER PAYMENT OF OPERATION AND MAINTENANCE COSTS) AND OTHER FUNDS OF THE CITY PLEDGED THEREFOR UNDER THE TERMS OF THE INDENTURE (AS DEFINED BELOW). THIS BOND IS NOT A DEBT OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATIONS OF INDEBTEDNESS OR PROVISIONS THEREFOR. PURSUANT TO THE INDENTURE, SUFFICIENT REVENUES HAVE BEEN PLEDGED AND WILL BE SET ASIDE INTO SPECIAL FUNDS BY THE CITY TO PROVIDE FOR THE PROMPT PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND AND ALL BONDS OF THE SERIES OF WHICH IT IS A PART.

This Bond and the issue of Bonds of which it is a part are issued in conformity with and after full compliance with the Constitution of the State of Utah and pursuant to the provisions of the Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended (the "*Act*"), and all other laws applicable thereto.

This Bond is a special obligation of the City and is one of the public utilities revenue bonds of the City (the "*Bonds*") issued under and by virtue of the Act and under and pursuant to a Master Trust Indenture, dated as of January 1, 2004, and heretofore amended and supplemented (the "*Master Indenture*"), between the City and U.S. Bank Trust Company, National Association, as trustee (said trustee and any successor thereto under the Master Indenture being herein referred to as the "*Trustee*"), as further amended and supplemented by an [Thirteenth] Supplemental Trust Indenture, dated as of February 1, 2025 (the "[*Thirteenth*] Supplemental Indenture"), between the City and the Trustee (such Master Indenture, as amended and supplemented by the [Thirteenth] Supplemental Indenture and as hereafter amended and supplemented, being herein referred to as

the “*Indenture*”), for the purpose of (a) paying part of the costs of acquiring and constructing projects consisting of improvements and extensions to the water and sewer systems of the City, together with all necessary appurtenant facilities and (b) paying of all expenses incident thereto and to the issuance of the Series 2025 Bonds described below.

As provided in the Indenture, Bonds may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates, and may otherwise vary as provided in the Indenture, and the aggregate principal amount of Bonds which may be issued is not limited. All Bonds issued and to be issued under the Indenture are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Indenture.

This Bond is one of a Series of Bonds designated as “Public Utilities Revenue Bonds, Series 2025” (the “*Series 2025 Bonds*”), limited to the aggregate principal amount of \$_____, dated as of the dated date identified above, and duly issued under and by virtue of the Act and under and pursuant to the Indenture and a Resolution of the City Council of the City adopted on [November 19], 2024. Copies of the Indenture are on file at the office of the City Recorder in Salt Lake City, Utah, and at the principal corporate trust office of the Trustee, in Salt Lake City, Utah, and reference to the Indenture and the Act is made for a description of the pledge and covenants securing the Series 2025 Bonds, the nature, manner and extent of enforcement of such pledge and covenants, the terms and conditions upon which the Series 2025 Bonds are issued and additional Bonds may be issued thereunder, and a statement of the rights, duties, immunities and obligations of the City and of the Trustee. Such pledge and other obligations of the City under the Indenture may be discharged at or prior to the maturity or redemption of the Series 2025 Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Indenture. Pursuant to the Indenture, the definition of the System is subject to including additional systems of the City by Supplemental Indenture, without the consent of the holders of Outstanding Bonds.

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

This Bond is transferable, as provided in the Indenture, only upon the books of the City kept for that purpose at the principal corporate trust office of the Trustee, by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or such duly authorized attorney, and thereupon the City shall issue in the name of the transferee a new registered Bond or Bonds of the same aggregate principal amount and series, designation, maturity and interest rate as the surrendered Bond, all as provided in the Indenture and upon the payment of the charges therein prescribed. The City and the Trustee may treat and consider the person in whose name this Bond is registered as the holder and absolute owner hereof for the

purpose of receiving payment of, or on account of, the principal hereof and interest due hereon and for all other purposes whatsoever.

The Series 2025 Bonds are issuable solely in the form of fully registered Bonds, without coupons, in the denomination of \$5,000, or any integral multiple of \$5,000.

The Series 2025 Bonds are subject to redemption prior to maturity at the times, in the amounts and with notice, all as provided in the Indenture.

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

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Utah or by the Act, or the Indenture to exist, to have happened or to have been performed precedent to or in the issuance of this Bond exist, have happened and have been performed and that the issue of Bonds, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution and statutes.

This Bond shall not be valid until the Certificate of Authentication hereon shall have been signed by the Trustee.

(Signature page follows.)

IN WITNESS WHEREOF, SALT LAKE CITY, UTAH, has caused this Bond to be signed in its name and on its behalf by the signature of its Mayor (or her designee), and its corporate seal to be impressed or imprinted hereon, and attested and countersigned by the signature of its City Recorder (the signatures of said Mayor and City Recorder being by facsimile or manual signature), all as of the dated date specified above.

SALT LAKE CITY, UTAH

By _____
Mayor

[SEAL]

ATTEST AND COUNTERSIGN:

By _____
City Recorder

APPROVED AS TO FORM:

By _____
Senior City Attorney

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Bonds described in the within mentioned Indenture and is one of the Public Utilities Revenue Bonds, Series 2025 of Salt Lake City, Utah.

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Trustee

By _____
Authorized Officer

Date of registration and authentication: _____.

[FORM OF ASSIGNMENT]

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	—	as tenants in common	UNIF TRAN MIN ACT—
TEN ENT	—	as tenants by the entirety	_____ Custodian _____
JT TEN	—	as joint tenants with right of survivorship and not as tenants in common	(Cust) (Minor) under Uniform Transfers to Minors Act of _____ (State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

Insert Social Security or Other
Identifying Number of Assignee

(Please Print or Typewrite Name and Address of Assignee)

the within Bond of SALT LAKE CITY, UTAH, and hereby irrevocably constitutes and appoints _____ attorney to register the transfer of the Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

SIGNATURE: _____

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Bond Registrar, which requirements include membership or participation in STAMP or such other “signature guarantee program” as may be determined by the Bond Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities and Exchange Act of 1934, as amended.

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

ARTICLE V

MISCELLANEOUS

Section 5.1 Arbitrage Covenant; Covenant to Maintain Tax-Exemption. (a) The City covenants and certifies to and for the benefit of the purchasers and Holders from time to time of the Series 2025 Bonds that no use will be made of the proceeds of the issue and sale of the Series 2025 Bonds, or any funds or accounts of the City which may be deemed to be proceeds of the Series 2025 Bonds, pursuant to Section 148 of the Code and applicable Regulations proposed or promulgated thereunder, if such use, had it been reasonably expected on the date of issuance of the Series 2025 Bonds, would have caused the Series 2025 Bonds to be classified as “arbitrage bonds” within the meaning of Section 148 of the Code. Pursuant to this covenant, the City obligates itself to comply throughout the term of the Series 2025 Bonds with the requirements of Section 148 of the Code and the Regulations proposed or promulgated thereunder.

(b) The City further covenants and agrees to and for the benefit of the purchasers and Holders from time to time of the Series 2025 Bonds that the City (i) will not take any action that would cause interest on the Series 2025 Bonds to be or to become ineligible for the exclusion from gross income of the Holders of the Series 2025 Bonds as provided in Section 103 of the Code, (ii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause interest on the Series 2025 Bonds to be or to become ineligible for the exclusion from gross income of the Holders of the Series 2025 Bonds as provided in Section 103 of the Code and (iii) without limiting the generality of the foregoing, (A) will not take any action which would cause the Series 2025 Bonds, or any Series 2025 Bond, to be a “private activity bond” within the meaning of Section 141 of the Code or to fail to meet any applicable requirement of Section 149 of the Code and (B) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the Series 2025 Bonds, or any Series 2025 Bond, to be a “private activity bond” or to fail to meet any applicable requirement of Section 149 of the Code.

(c) The City covenants and certifies to and for the benefit of the purchasers and Holders from time to time of the Series 2025 Bonds that: (i) the City will at all times comply with the provisions of any Tax Certificates and the rebate requirements contained in Section 148(f) of the Code, including, without limitation, entering into any necessary rebate calculation agreement to provide for the calculations of amounts required to be rebated to the United States, the keeping of records necessary to enable such calculations to be made and the timely payment to the United States of all amounts, including any applicable penalties and interest, required to be rebated except to the extent that the Series 2025 Bonds are exempt from such arbitrage rebate requirements as provided in the Code; and (ii) no bonds or other evidences of indebtedness of the City have been or will be issued, sold or delivered within a period beginning 15 days prior to the sale of the Series 2025 Bonds and ending 15 days following the date of delivery of and payment for the Series 2025 Bonds pursuant to a common plan of financing with the plan for the issuance of the Series 2025 Bonds and payable out of substantially the same source of revenues.

(d) The City hereby covenants to adopt, make, execute and enter into (and to take such actions, if any, as may be necessary to enable it to do so) any Indenture or Tax Certificate necessary to comply with any changes in law or regulations in order to preserve the excludability of interest

on the Series 2025 Bonds from gross income of the Holders thereof for federal income tax purposes to the extent that it may lawfully do so. The City further covenants to (i) impose such limitations on the investment or use of moneys or investments related to the Series 2025 Bonds, (ii) make such payments to the United States Treasury, (iii) maintain such records, (iv) perform such calculations and (v) perform such other acts as may be necessary to preserve the excludability of interest on the Series 2025 Bonds from gross income of the Holders thereof for federal income tax purposes to the extent that the City may lawfully do so.

(e) Pursuant to these covenants, the City obligates itself to comply throughout the term of the issue of the Series 2025 Bonds with the requirements of Section 103 of the Code and the Regulations proposed or promulgated thereunder.

Section 5.2 System of Registration. The Indenture shall constitute a system of registration within the meaning and for all purposes of the Registered Public Obligations Act, Chapter 7 of Title 15, Utah Code Annotated 1953, as amended.

Section 5.3 Article and Section Headings. The headings or titles of the several articles and sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this [Thirteenth] Supplemental Indenture.

Section 5.4 Partial Invalidity. In any one or more of the covenants or agreements, or portions thereof, provided in this [Thirteenth] Supplemental Indenture to be performed shall be contrary to law (other than the provisions of the Indenture limiting the liability of the City to make payments on the Bonds solely from Revenues and other amounts pledged therefor by the Indenture), then such covenant or covenants, such agreement or agreements, or such portions thereof, shall be null and void and shall be deemed separable from the remaining covenants and agreements or portions thereof and shall in no way affect the validity of this [Thirteenth] Supplemental Indenture or of the Series 2025 Bonds; but the Holders of the Series 2025 Bonds and any other Security Instrument Issuer and any Reserve Instrument Issuer shall retain all the rights and benefits accorded to them under the Act or any other applicable provisions of law.

Section 5.5 Counterparts. This [Thirteenth] Supplemental Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

Section 5.6 Electronic Signatures. Pursuant to the Uniform Electronic Transactions Act, Title 46, Chapter 4 of the Utah Code Annotated 1953, as amended, all parties, including the Trustee, have agreed and consented to the use of electronic signatures in connection with all documents executed in connection with the Series 2025 Bonds, including this [Thirteenth] Supplemental Indenture.

Section 5.7 Effective Date. This [Thirteenth] Supplemental Indenture shall take effect immediately.

Section 5.8 Confirmation of Master Indenture. As supplemented and amended by this [Thirteenth] Supplemental Indenture, and except as provided herein, the Master Indenture is in all respects ratified and confirmed, and the Master Indenture and this [Thirteenth] Supplemental Indenture shall be read, taken and construed as one and the same instrument so that all of the rights, remedies, terms, conditions, covenants and agreements of the Master Indenture shall apply and remain in full force and effect with respect to this [Thirteenth] Supplemental Indenture and to any revenues, receipts and moneys to be derived therefrom.

Section 5.9 Representation Regarding Ethical Standards for City Officers and Employees and Former City Officers and Employees. The Trustee represents that it has not: (a) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, or brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (c) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

IN WITNESS WHEREOF, the City has caused this [Thirteenth] Supplemental Indenture to be executed by the Mayor (or her designee) and countersigned by the City Recorder, and its official seal to be hereunto affixed and attested by the City Recorder, and to evidence its acceptance of the trusts hereby created, U.S. Bank Trust Company, National Association has caused this [Thirteenth] Supplemental Indenture to be executed by its Vice President, all as of the date hereof.

SALT LAKE CITY, UTAH

By _____
Mayor

[SEAL]

ATTEST AND COUNTERSIGN:

By _____
City Recorder

APPROVED AS TO FORM:

By _____
Senior City Attorney

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Trustee

By _____
Vice President

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