

AMENDED NOTICE OF BONDS TO BE ISSUED AND PUBLIC HEARING

NOTICE IS HEREBY GIVEN pursuant to the provisions of Sections 11-14-316 and 11-14-318, Utah Code Annotated 1953, as amended, that on October 17, 2019, the Board of Trustees (the “Board”) of the South Davis Sewer District, Utah (the “District”), adopted a resolution (the “Resolution”) providing for the issuance of the District’s Combined Utility System Revenue Bonds (the “Bonds”) in one or more series, on a taxable or tax-exempt basis and in the maximum aggregate principal amount of \$58,000,000. The Bonds are to bear interest at a rate of not to exceed 7.50% per annum and are to mature over a period not to exceed 25 years from their date or dates. The Bonds are to be sold at a discount from par, expressed as a percentage of principal amount, of not to exceed 2.00%.

The proceeds of sale of the Bonds are to be used for the purpose of obtaining funds to finance a portion of the costs of acquiring and constructing various improvements and upgrades of the the District’s South Plant, North Plant and administrative offices (the “Project”), to provide necessary reserves and to pay all costs incident to the issuance of the Bonds.

The Bonds are to be issued and sold by the District pursuant to the Resolution, including as part of the Resolution (i) a copy of that certain Master Resolution No. 163 providing for the issuance of combined utility system revenue bonds of the District (the “Master Resolution”), adopted by the Board on April 20, 2017 and (ii) a substantially final form of a supplemental resolution providing specifically for the issuance of the Bonds (the “Supplemental Resolution”). The form of the Supplemental Resolution was attached to the Resolution and was before the Board at the time of the adoption of the Resolution. The Supplemental Resolution will be adopted by the Board at a future date prior to the issuance of the Bonds, in substantially the form attached to the Resolution, with such changes thereto as shall be approved by the Board upon the adoption thereof; *provided* that the principal amount, interest rate or rates, maturity and discount pertaining to the Bonds will not exceed the maximums set forth above.

The District proposes to pledge to the payment of the Bonds all revenues, fees, income, rents and receipts derived by the District from or attributable to its sewer system and any additional facilities designated as part of the combined utility system (the “Revenues”). No taxes are proposed to be pledged to the repayment of the Bonds.

The District currently has \$21,195,000 par amount of bonds or notes currently outstanding that are secured by the Revenues. More detailed information relating to the District’s outstanding bonds can be found in the District’s most recent Comprehensive Annual Financial Report that is available on the Office of the Utah State Auditor’s website (www.auditor.utah.gov).

Assuming a final maturity for the Bonds of approximately 21 years from the date hereof and that the Bonds are issued in an aggregate principal amount of \$43.5 million and are held until maturity, based on the District’s currently expected financing structure and interest rates in effect around the time of publication of this notice, the estimated total cost to the District of the proposed Bonds is \$67.1 million.

A copy of the Resolution (including a copy of the Master Resolution and the form of the Supplemental Resolution) is on file in the office of the Clerk of the District, 1800 West 1200 North, in West Bountiful, Utah, where it may be examined during regular business hours of the District from 8:00 a.m. to 5:00 p.m. The Resolution shall be so available for inspection for a period of at least thirty (30) days from and after the date of the publication of this Notice.

NOTICE IS FURTHER GIVEN that, pursuant to law, for a period of thirty (30) days from and after the date of the publication of this notice, any person in interest shall have the right to contest the legality of the above-described Resolution (including the Supplemental Resolution) or the Bonds or any provisions made for the security and payment of the Bonds. After such time, no person shall have any cause of action to contest the regularity, formality or legality thereof for any cause.

The District will hold a public hearing during its regular Board meeting which begins at 5:00 p.m. on November 21, 2019. The public hearing will be held at the regular meeting place of the Board, 1800 West 1200 North, West Bountiful, Utah. The purpose of the hearing is to receive input from the public with respect to the issuance of the Bonds and the potential economic impact that the Project will have on the private sector. All members of the public are invited to attend and participate in the public hearing. Written comments may be submitted to the District, to the attention of the Clerk, prior to the public hearing.

DATED this 30th day of October, 2019.

/s/ Mark Katter, Clerk
Mark Katter, Clerk,
South Davis Sewer District, Utah