

STATE OF UTAH



OFFICE OF THE LIEUTENANT GOVERNOR

CERTIFICATE OF CREATION

I, Deidre M. Henderson, Lieutenant Governor of the State of Utah, hereby certify that there has been filed in my office a notice of creation for the FIREFLY PUBLIC INFRASTRUCTURE DISTRICT NO. 5, located in EAGLE MOUNTAIN CITY, dated JULY 13, 2023, complying with Section §17B-1-215, Utah Code Annotated, 1953, as amended.

Now, therefore, notice is hereby given to all whom it may concern that the attached is a true and correct copy of the notice of creation, referred to above, on file with the Office of the Lieutenant Governor pertaining to the FIREFLY PUBLIC INFRASTRUCTURE DISTRICT NO. 5, located in UTAH COUNTY, State of Utah.



IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed the Great Seal of the State of Utah this 26th day of July, 2023 at Salt Lake City, Utah.

A handwritten signature in black ink, reading "Deidre M. Henderson".

DEIDRE M. HENDERSON
Lieutenant Governor

NOTICE OF IMPENDING BOUNDARY ACTION
(Firefly Public Infrastructure District No. 5)

TO: The Lieutenant Governor, State of Utah

NOTICE IS HEREBY GIVEN that the City Council of Eagle Mountain, Utah (the "Council") acting in its capacity as the creating entity for the Firefly Public Infrastructure District No. 5 (the "District"), at a special meeting of the Council duly convened on the 5th day of July, 2023, pursuant to proper public notice and adopted a *Resolution Providing for the Creation of a Public Infrastructure District* (the "Creation Resolution"), a true and correct copy of which is attached hereto as Exhibit "A" and which is incorporated herein by this reference.

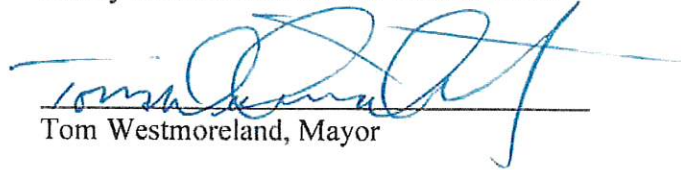
A copy of the Final Local Entity Plat (the "FLEP") satisfying the applicable legal requirements as set forth in the Utah Code Ann. § 17-23-20, approved as a final local entity plat by the Surveyor of Utah County is attached hereto as Exhibit "B" and incorporated herein by this reference. The Council hereby certifies that all requirements applicable to the creation of the District, as more particularly described in the Creation Resolution, have been met. The District is not anticipated to result in the employment of personnel.

WHEREFORE, the Council hereby respectfully submits this Notice of Impending Boundary Action and a copy of the FLEP pursuant to and in conformance with the provisions of Utah Code Ann. § 17B-1-215 and requests that you issue a certificate of incorporation pursuant to Utah Code Ann. § 67-1a-6.5.

DATED this 10 day of July, 2023.

EAGLE MOUNTAIN CITY

Acting in its capacity as the creating entity for the
Firefly Public Infrastructure District No. 5

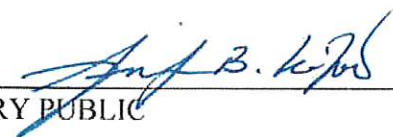


Tom Westmoreland, Mayor

STATE OF UTAH)
 :SS
COUNTY OF UTAH)

On the 10 day of July, 2023, personally appeared before me TOM WESTMORELAND, who being by me duly sworn, did say that he is the MAYOR OF EAGLE MOUNTAIN CITY, a political subdivision of the State of Utah, and that the foregoing instrument was signed on behalf of the City by authority of its City Council and said Mayor acknowledged to me that the City executed the same.





NOTARY PUBLIC

EXHIBIT "A"

TO NOTICE OF IMPENDING BOUNDARY ACTION (FIREFLY PUBLIC INFRASTRUCTURE DISTRICT NO. 5)

*For the Certified Creation Resolution, see the Notice of Impending Boundary Action for Firefly
Public Improvement District No. 1*

EXHIBIT "B"

TO NOTICE OF IMPENDING BOUNDARY ACTION

*Final Local Entity Plat Map
for
Firefly Public Infrastructure District No. 5*

RESOLUTION NO. R- 16 -2023

A RESOLUTION OF EAGLE MOUNTAIN CITY, UTAH, PROVIDING FOR THE CREATION OF THE FIREFLY PUBLIC INFRASTRUCTURE DISTRICTS NUMBERS 1 THROUGH 10 AS INDEPENDENT DISTRICTS; AUTHORIZING AND APPROVING A GOVERNING DOCUMENT AND INTERLOCAL AGREEMENT; APPROVING OF AN ANNEXATION AREA; APPOINTING BOARD OF TRUSTEES; AUTHORIZING OTHER DOCUMENTS IN CONNECTION THEREWITH; AND RELATED MATTERS

WHEREAS, a petition (the "Petition") was filed with Eagle Mountain City (the "City") requesting adoption by resolution the approval of the creation of ten separate public infrastructure districts pursuant to the Public Infrastructure District Act, Title 17D, Chapter 4, Utah Code Annotated (the "PID Act") and relevant portions of the Limited Purpose Local Government Entities – Special Districts, Title 17B Utah Code Annotated (together with the PID Act the "Act") within the boundaries of the City and approve an annexation area (the "Annexation Area") which the Firefly Public Infrastructure Districts Numbers 1 through 10 (the "Districts") may annex into or withdraw therefrom without further approval or hearings of the City or the Council, as further described in the Governing Documents attached hereto as Exhibit "A" (the "Governing Documents") for the purpose of financing public infrastructure costs; and

WHEREAS, pursuant to the terms of the Act, the City may create one or more public infrastructure districts by adoption of a resolution of the Council and with consent of 100% of all surface property owners proposed to be included in the Districts (the "Property Owners"); and

WHEREAS, the Petition, containing the consent of such Property Owners, has been certified by the Recorder of the City pursuant to the Act and it is in the best interests of the Property Owners that the creation of the Districts be authorized in the manner and for the purposes hereinafter set forth; and

WHEREAS, the City, prior to consideration of this Resolution, caused public hearings to be held after 6:00 p.m. to receive input from the public regarding the creation of the Districts and the Property Owners have waived the 60-day protest period pursuant to Utah Code Ann. § 17D-4-201; and

WHEREAS, the hearing on the Petition was held at the City Hall because there is no reasonable place to hold a public hearing within the Districts' boundaries, and the hearing at the City Hall was held as close to the applicable area as reasonably possible; and

WHEREAS, the City mailed or caused to be mailed prior notice of the hearing to each of the Property Owners in compliance with Utah Code Ann. § 17B-1-211(1)(b); and

WHEREAS, none of the Property Owners submitted a withdrawal of consent to the creation of the District before the public hearing on the Petition; and

by officers of the Council directed toward the creation and establishment of the Districts, are hereby ratified, approved, and confirmed.

2. The Districts are hereby created, effective as of the Effective Date, as separate entities from the City in accordance with the Governing Document and the Act. The boundaries of the Districts shall be as set forth in the Governing Documents and the Plats.

3. Pursuant to the terms of the PID Act, the Council does hereby approve the annexation of any area within the Annexation Area Boundaries into any of the Districts without any further action of the Council or the City and further approves withdrawal of any area within the Initial District Boundaries (as defined in the Governing Documents) or Annexation Area Boundaries from any of the Districts without any further action, hearings, or resolutions of the Council or the City, upon compliance with the terms of the PID Act and Governing Documents.

4. The Council does hereby authorize the District to provide services relating to the financing and construction of public infrastructure within the Annexation Area upon annexation thereof into the Districts without further request of the Districts to the City to provide such service under Utah Code Ann. § 17B-1-407 or resolution of the City under Utah Code Ann. § 17B-1-408.

5. It is hereby found and determined by the Council that the creation of the Districts are appropriate to the general welfare, order, and security of the City, and the organization of the Districts pursuant to the PID Act are hereby approved.

6. The Governing Documents and the Interlocal Agreements in the form presented to this meeting and attached hereto as Exhibit "A" and Governing Documents Exhibit "D" are hereby authorized and approved and the Districts shall be governed by the terms thereof and applicable law.

7. The Boards of the Districts are hereby appointed as follows:

a. Firefly Public Infrastructure District No. 1:

- i. Trustee #1: Bryan Flamm for an initial four-year term.
- ii. Trustee #2: Jared Westhoff for an initial six-year term.
- iii. Trustee #3: Nate Shipp for an initial six-year term.

b. Firefly Public Infrastructure District No. 2:

- i. Trustee #1: Bryan Flamm for an initial four-year term.
- ii. Trustee #2: Jared Westhoff for an initial six-year term.
- iii. Trustee #3: Nate Shipp for an initial six-year term.

c. Firefly Public Infrastructure District No. 3:

i. Firefly Public Infrastructure District No. 9:

- i. Trustee #1: Bryan Flamm for an initial four-year term.
- ii. Trustee #2: Jared Westhoff for an initial six-year term.
- iii. Trustee #3: Nate Shipp for an initial six-year term.

j. Firefly Public Infrastructure District No. 10:

- i. Trustee #1: Bryan Flamm for an initial four-year term.
- ii. Trustee #2: Jared Westhoff for an initial six-year term.
- iii. Trustee #3: Nate Shipp for an initial six-year term.

- k. The terms of the trustees for each of the Districts shall commence on the latter of (1) the date of issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah; or (2) the Effective Date.

8. The Council hereby authorizes the Mayor or a Council Member to execute the Boundary Notices in substantially the form attached hereto as Exhibit "B" and such other documents as shall be required to accomplish the actions contemplated herein (including the Final Local Entity Plat Maps) on behalf of the Council for submission to the Office of the Lieutenant Governor of the State of Utah.

9. Prior to recordation of a certification of the creation for the Districts, the Council does hereby authorize the Mayor, the City Administrator, or the City Attorney to make any corrections, deletions, or additions to the Governing Documents, the Interlocal Agreement, the Plats, and/or the Boundary Notice or any other document herein authorized and approved (including, but not limited to, correction to the property description therein contained) which may be necessary to conform the same to the intent hereof, 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.

10. The Board of Trustees of the Districts (collectively the "District Boards") are hereby authorized and directed to record such Governing Documents with the recorder of the City within 30 days of the issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah.

11. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

12. All acts, orders, and resolutions, and parts thereof in conflict with this Resolution be, and the same are hereby, rescinded.

CERTIFICATION

The above resolution was adopted by the City Council of Eagle Mountain City on the 5th day of July, 2023.

Those voting yes:

Donna Burnham

Colby Curtis

Jared Gray

Carolyn Love

Brett Wright

Those voting no:

Donna Burnham

Colby Curtis

Jared Gray

Carolyn Love

Brett Wright

Those excused:

Donna Burnham

Colby Curtis

Jared Gray

Carolyn Love

Brett Wright

Those abstaining:

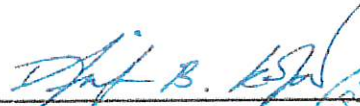
Donna Burnham

Colby Curtis

Jared Gray

Carolyn Love

Brett Wright


Fionnuak B. Kofoed, MMC
City Recorder



GOVERNING DOCUMENT
FOR
FIREFLY PUBLIC INFRASTRUCTURE DISTRICT NO. 5
EAGLE MOUNTAIN CITY, UTAH

Approved: July 5, 2023

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**GOVERNING DOCUMENT FOR
FIREFLY PUBLIC IMPROVEMENT DISTRICT NO. 5**

**ARTICLE I
INTRODUCTION**

Section 1.01 Purpose and Intent. The District is an independent unit of local government, separate and distinct from the City, and, except as may otherwise be provided for by State or local law or this Governing Document, its activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Governing Document. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements. The District is not being created to provide any ongoing operations and maintenance services.

Section 1.02 Need for the District. There are currently no other governmental entities, including the City, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

Section 1.03 Objective of the City Regarding District's Governing Document.

(a) The City's objective in approving the Governing Document for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation, and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term for residential properties and at a tax mill levy no higher than the Maximum Debt Mill Levy for commercial and residential properties, and/or repaid by Assessments. Debt that is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

(b) This Governing Document is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs.

(c) It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of all Debt.

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

ARTICLE II DEFINITIONS

Section 2.01 Definitions. Unless the context otherwise requires, the terms in this Section defined shall, for all purposes of the Governing Document and of any other document herein mentioned, have the meanings herein specified.

“Annexation Area Boundaries” means the boundaries of the area described in the legal description included in *Exhibit A* that have been approved by the City for annexation into the District upon the meeting of certain requirements.

“Annexation Area Boundary Map” means the map attached hereto as *Exhibit C*, describing the property proposed for annexation within the District.

“Approved Development Plan” means a final development site plan or other process established by the City for identifying, among other things, Public Improvements necessary for facilitating development for property within the District Area as approved by the City pursuant to the City Code, as amended from time to time. The Approved Development Plan shall also contain (or shall be separately approved by the City) a plan of finance demonstrating that the Bonds and other sources of funding are sufficient to construct the Public Improvements. For purposes of this Governing Document, the Amended and Restated Master Development Agreement for the Firefly Development, dated July 5, 2023, as may subsequently be amended or restated, shall constitute an Approved Development Plan.

“Assessment” means assessments levied in an assessment area created within the District.

“Board” means the Board of Trustees of the District.

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

“City” means Eagle Mountain City, Utah.

“City Code” means the City Code of the City.

“City Council” means the City Council of Eagle Mountain City, Utah.

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

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

“C-PACE Assessments” means assessments levied under the C-PACE Act.

“District” means the Firefly Public Infrastructure District No. 5.

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

“Districts” means collectively, the District, Firefly Public Infrastructure District No. 1, Firefly Public Infrastructure District No. 2, Firefly Public Infrastructure District No. 3, Firefly Public Infrastructure District No. 4, Firefly Public Infrastructure District No. 6, Firefly Public Infrastructure District No. 7,

Firefly Public Infrastructure District No. 8, Firefly Public Infrastructure District No. 9 and Firefly Public Infrastructure District No. 10, contemplated to be created contemporaneously with one another and overlapping on certain properties.

“End User” means any owner, or tenant of any owner, of any taxable improvement within the District, who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a commercial property owner or commercial tenant obligated to pay property taxes pursuant to the terms of their lease is an End User. The business entity that constructs homes or commercial structures is not an End User.

“Fees” means any fee imposed by the District for administrative services provided by the District.

“Financial Plan” means the Financial Plan described in Article VII that describes (i) the potential means whereby the Public Improvements may be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

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

“Governing Document” means this Governing Document for the District approved by the City Council.

“Governing Document Amendment” means an amendment to the Governing Document approved by the City Council in accordance with the City’s ordinance and the applicable state law and approved by the Board in accordance with applicable state law.

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

“Initial District Boundary Map” means the map attached hereto as Exhibit C, describing the District’s initial boundaries.

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

“Special District Act” means Title 17B of the Utah Code, as amended from time to time.

“Maximum Debt Mill Levy” means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section 7.02 below.

“Maximum Debt Mill Levy Imposition Term” means the maximum term for imposition of a mill levy for any given series of bonds as set forth in Section 7.01 below.

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

“Project” means the development or property commonly referred to as the Firefly Development.

“*PID Act*” means Title 17D, Chapter 4 of the Utah Code, as amended from time to time.

“*Public Improvements*” means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the Special District Act, except as specifically limited in Section 5.02 below to serve the future taxpayers and inhabitants of the District Area as determined by the Board.

“*Regional Improvements*” means Public Improvements and facilities that benefit the District Area and that are to be financed pursuant to Section 5.01 below.

“*State*” means the State of Utah.

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

“*Trustee*” means a member of the Board.

“*Utah Code*” means the Utah Code Annotated 1953, as amended.

ARTICLE III BOUNDARIES AND ANNEXATION

Section 3.01 ***Boundaries***. The area of the Initial District Boundaries includes approximately 0.10 acres and the total area proposed to be included in the Annexation Area Boundaries is approximately 2,668 acres. A legal description of the Initial District Boundaries and the Annexation Area Boundaries is attached hereto as Exhibit A. A vicinity map is attached hereto as Exhibit B. A map of the Initial District Boundaries and a map of the Annexation Area Boundaries is attached hereto as Exhibit C. It is anticipated that the District’s boundaries may change from time to time as it undergoes annexations and withdrawals pursuant to Section 17D-4-201, Utah Code, subject to Section 3.02 below.

Section 3.02 ***Annexation and Withdrawal***.

(a) The District shall not include within any of their boundaries any property outside the District Area without the prior written consent of the City. The City, by resolution, has consented to the annexation of any area within the Annexation Area Boundaries into the District. Such area may be annexed upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be annexed and the passage of a resolution of the Board approving such annexation.

(b) The City, by resolution, has consented to the withdrawal of any area within the District Boundaries from the District. An area within the District Boundaries may only be withdrawn from the District upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be withdrawn and the passage of a resolution of the Board approving such withdrawal. Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.

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

(d) Annexation or withdrawal of any area in accordance with this Section 3.02 shall not constitute an amendment of this Governing Document.

**ARTICLE IV
DISTRICT PROPERTIES**

Section 4.01 Land Use and Population. The District Area is expected to consist of residential and commercial/industrial land. The population of the District at build-out is estimated to be approximately 38,236 people.

Section 4.02 Land Use. The current assessed valuation of the District Area is \$55,408,400 for purposes of this Governing Document and, at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan.

Section 4.03 No Approval of Development. Approval of this Governing Document by the City does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

**ARTICLE V
POWERS, IMPROVEMENTS, AND SERVICES**

Section 5.01 Powers of the District.

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

(b) The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined in an Approved Development Plan. An estimate of the costs of the Public Improvements that may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the District Area and is approximately \$300,000,000. All construction cost estimates are based on the assumption that construction conforms to applicable local, State, or Federal requirements.

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

Section 5.02 Limitations.

(a) **Operation and Maintenance Limitation.** The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop, and finance the Public Improvements. The District shall dedicate the Public Improvements to the City or other appropriate public entity or owners' association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. Trails that are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

(b) Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction and shall be in accordance with the requirements of the Approved Development Plan. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

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

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

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

(d) Overlap Limitation. The Districts shall not impose aggregate mill levy for payment of Debt that exceeds the Maximum Debt Mill Levy of the District. The District shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area that will overlap the boundaries of the District unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the District.

(e) Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Development Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any Assessments used for the purpose of repayment of Debt.

(f) Total Debt Issuance Limitation. The Districts shall not issue Debt in excess of an aggregate amount of \$500,000,000. This amount excludes any portion of bonds issued to refund a prior issuance of debt by any of the Districts. The Total Debt Issuance Limitation does not apply to the Districts' pledge of its property tax revenues to the Debt of one of the other Districts. In addition, any C-PACE Bonds do not count against the foregoing limitation and there is no limit to the amount of C-PACE Bonds the District may issue so long as such issuances are in accordance with the provisions of the C-PACE Act.

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

- (i) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and
- (ii) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral

approval necessary under applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

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

Section 5.03 Procurement. The District shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, the District may acquire completed or partially completed improvements for fair market value as reasonably determined by a third-party surveyor or engineer and approved by the City Engineer or their designee.

ARTICLE VI BOARD OF TRUSTEES

Section 6.01 Board Composition.

(a) The Board shall be composed of three Trustees who shall be appointed by the City Council pursuant to the PID Act. Trustees 1, 2, and 3 shall be at-large seats. Trustee terms shall be staggered with initial terms as follows: Trustee 1 shall serve an initial term of four years; Trustees 2 and 3 shall serve an initial term of six years. In accordance with the PID Act, appointed Trustees shall not be required to be residents of the District.

(b) The initial Trustees shall be:

- (i) Trustee 1: Bryan Flamm
- (ii) Trustee 2: Jared Westhoff
- (iii) Trustee 3: Nate Shipp

Section 6.02 Transition to Elected Board.

(a) For a District anticipated to include residential property, at the time of annexation of property into a District, such District shall estimate the total number of residential units within the District at full buildout of the property within the District (the “Anticipated Units”). Upon any annexation or withdrawal in accordance with this Governing Document, any affected District may adjust its Anticipated Units to reflect such boundary change. Respective board seats shall transition from appointed to elected seats according to the following milestones:

- (i) Trustee 1 shall transition to an elected seat upon certificates of occupancy being issued for 50% of the Anticipated Units.
- (ii) Trustee 2 shall transition to an elected seat upon certificates of occupancy being issued for 75% of the Anticipated Units.
- (iii) Trustee 3 shall transition to an elected seat upon certificates of occupancy being issued for 90% of the Anticipated Units.

(b) For any District which is not anticipated to include any residential property, the Board shall continue to be appointed by the City Council and comprised of owners of land or agents and officers of an owner of land within the boundaries of the District. Any property owner owning at least 1/3 of the taxable

value of the property within such District shall be entitled to nominate one trustee seat for each 1/3 value (provided that the City retains discretion to reject any nominee and request a new nominee from such property owner).

(c) No transition pursuant to this Section shall become effective until the next scheduled regular election of the District immediately preceding the end of a full term.

Section 6.03 **Reelection and Reappointment; Vacancy.**

(a) Upon the expiration of a Trustee's respective term, any seat that has not transitioned to an elected seat shall be appointed by the City Council pursuant to the PID Act and any seat that has transitioned to an elected seat shall be elected pursuant to an election held for such purpose; provided, however, any Trustee appointed by the City Council shall be an owner of land or an agent or officer of the owner of land within the boundaries of the District. In the event that no qualified candidate files to be considered for appointment or files a declaration of candidacy for a seat, such seat may be filled in accordance with the Special District Act.

(b) Any vacancy on the Board shall be filled pursuant to the Special District Act.

Section 6.04 **Compensation.** Only Trustees who are residents of the District may be compensated for services as Trustee. Such compensation shall be in accordance with State Law.

Section 6.05 **Conflicts of Interest.** Trustees shall disclose all conflicts of interest. Any Trustee who discloses such conflicts in accordance with Sections 17D-4-202 and 67-16-9, Utah Code, shall be entitled to vote on such matters.

ARTICLE VII
FINANCIAL PLAN

Section 7.01 **General.**

(a) The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy, Assessments, and other legally available revenues. The Districts shall not issue Debt in excess of the amount set forth in Section 5.02(f).

(b) The total Debt shall be permitted to be issued on a schedule and in such year or years as the District determines shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. All bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including general ad valorem taxes to be imposed upon all Taxable Property within the District and Assessments. The District will also rely upon various other revenue sources authorized by law. These will include the power to assess Fees, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time.

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

(d) Each bond issued by the District shall mature within 31 years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding 40 years from the date of issuance of such bond (the “*Maximum Debt Mill Levy Imposition Term*”).

(e) All Assessments (other than C-PACE Assessments) imposed by any District on a parcel zoned for residential uses shall be payable at or before the time a building permit is issued with respect to such parcel. Any C-PACE Assessments may be repayable in accordance with the provisions of such act.

Section 7.02 Mill Levy. The “*Maximum Debt Mill Levy*” shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt. The Maximum Debt Mill Levy for a District shall be as follows:

(a) For a District anticipated at the time of issuance of Debt to contain no residential property, the Maximum Debt Mill Levy shall be six (6) mills.

(b) For a District anticipated at the time of issuance of Debt to contain residential property, the Maximum Debt Mill Levy shall be the lesser of (i) six (6) mills or (ii) a rate which, based upon an independent market study (or similar report) conducted in connection with, and prior to the issuance of Debt would result in a projected annual weighted average tax of not more than \$780 for residential units (based upon the projected number and product type of residences anticipated to be located within the District and assuming all residences qualify for the primary residential exemption). The annual \$780 initial tax limit described in 7.02(b)(ii) is stated in 2023 dollars and is subject to inflation in subsequent years as estimated in the market study. Further, any Maximum Debt Mill Levy established pursuant to this 7.02(b)(ii) at the time of issuance of Debt may be held constant after issuance and shall not be decreased as a result of increased valuations based on the assessed valuations of taxable property by the county assessor subsequent to the issuance of Debt.

(c) Determination of a Maximum Debt Mill Levy by a District in accordance with (b) above is binding and final.

(d) The Maximum Debt Mill Levy shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code.

(e) The Districts may not overlap to impose mill levies that aggregate in excess of the applicable Maximum Debt Mill Levy as set forth herein.

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

Section 7.03 Debt Repayment Sources.

(a) The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service, subject to Section 7.02. The District may also rely upon various other revenue sources authorized by law. At the District’s discretion, these may include the power to assess Assessments, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. Except as otherwise provided in this Governing Document, the debt service mill levy in the District shall not exceed the Maximum Debt Mill Levy or, the Maximum Debt Mill Levy Imposition Term, except for repayment of General Obligation Debt or pursuant to an Interlocal Agreement between the District and the City for Regional Improvements.

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

Section 7.04 Debt Instrument Disclosure Requirement. In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

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

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

Section 7.05 Security for Debt. The District shall not pledge any revenue or property of the City as security for the indebtedness set forth in this Governing Document. Approval of this Governing Document shall not be construed as a guarantee by the City of payment of any of the District's obligations; nor shall anything in the Governing Document be construed so as to create any responsibility or liability on the part of the City in the event of default by the District in the payment of any such obligation.

Section 7.06 Disclosure to Purchasers.

(a) Within thirty (30) days of the issuance of a Certificate of Creation by the Office of the Lt. Governor of the State creating the District, the Board shall record a notice with the recorder of Utah County. Such notice shall (i) contain a description of the boundaries of the District, (ii) state that a copy of this Governing Document is on file at the office of the City, (iii) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (iv) state the Maximum Debt Mill Levy of the District; and (v) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filed with the City.

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

- (i) All of the information set forth in Section 7.06(a);
- (ii) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under its current plan of finance, the District expects to levy a property tax in the amount of 6 mills (approximately \$330 annually for every \$100,000 of assessed value on a primary residence and \$600 annually for every \$100,000 of assessed value on a business property) for the duration of the District's Bonds.”

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

Section 7.07 District's Operating Costs. The estimated cost of acquiring land, engineering services, legal services, and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be \$1,000,000, which will be eligible for reimbursement from Debt proceeds. In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed. The first year's operating budget is estimated to be approximately \$50,000 which is anticipated to be derived from property taxes and other revenues.

ARTICLE VIII MISCELLANEOUS

Section 8.01 Annual Report.

(a) The District shall be responsible for submitting an annual report to the City Recorder no later than 210 days following the end of such District's fiscal year following the year in which the District was created.

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

- (i) Boundary changes made or proposed to the District's boundary as of December 31 of the prior year;
- (ii) List of current interlocal agreements, if changed (to be delivered to the City upon request);
- (iii) Names and terms of Board members and officers and progress towards milestones required for transition to elected Board;
- (iv) District office contact information;
- (v) Rules and regulations of the District regarding bidding, conflict of interest, contracting, and other governance matters, if changed;
- (vi) A summary of any litigation that involves the District Public Improvements as of December 31 of the prior year;
- (vii) Status of the District's construction of the Public Improvements as of December 31 of the prior year and listing all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year;
- (viii) A table summarizing total debt authorized and total debt issued by the District as well as any presently planned debt issuances;
- (ix) Official statements of current outstanding bonded indebtedness, if not previously provided to the City;
- (x) The assessed valuation of the District for the current year;

- (xi) Current year budget including a description of the Public Improvements to be constructed in such year;
- (xii) The District's financial statements, for the previous fiscal year, such statements shall be audited if required pursuant to State law or relevant bond documents (such statements shall be submitted within 30 days of completion if completed after March 31);
- (xiii) Notice of any uncured events of default by the District that continue beyond a 90-day period, under any Debt instrument; and
- (xiv) Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, that continue beyond a 90-day period.

Section 8.02 ***Amendments.***

(a) This Governing Document has been designed with sufficient flexibility to enable the District to provide required facilities under evolving circumstances without the need for numerous amendments. Actions of the District that violate the limitations set forth in Section 5.02 above or in Article VII shall be deemed to be material modifications to this Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

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

Section 8.03 ***Dissolution.*** Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

Section 8.04 ***Interlocal Agreement.*** The form of the Interlocal Agreement relating to the limitations imposed on the District's activities is attached hereto as *Exhibit D*. The District shall approve the Interlocal Agreement in the form attached as *Exhibit D* at its first Board meeting after its organizational election. In the event of any conflict between the terms of this Governing Document and the Interlocal Agreement, this Governing Document shall control. Failure of the District to execute the Interlocal Agreement as required herein shall constitute a material modification and shall require a Governing Document Amendment. The City Council shall approve the Interlocal Agreement in the form attached as *Exhibit D* at the public hearing approving the Governing Document.

Section 8.05 ***Tax Increment.*** The City covenants that it will not enter into any agreement which would require the District to share or remit any portion of the District's property tax revenues with a community reinvestment agency, housing, and transit reinvestment zone, or any related or successor agency or authority.

EXHIBIT A
Legal Descriptions

FIREFLY PUBLIC INFRASTRUCTURE DISTRICT NO. 5

A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE & MERIDIAN AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT LOCATED ALONG THE NORTH LINE OF 2500 NORTH STREET DESCRIBED IN DEED ENTRY NO. 98519:2008, SAID POINT BEING LOCATED N00°38'46"W ALONG THE QUARTER SECTION LINE 670.57 FEET AND WEST 176.00 FEET FROM SOUTH QUARTER CORNER OF SECTION 21, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE & MERIDIAN; THENCE N88°31'22"W ALONG SAID NORTH LINE 43.56 FEET; THENCE N01°29'42"E 100.00 FEET; THENCE S88°31'22"E 43.56 FEET; THENCE S01°29'42"W 100.00 FEET TO THE POINT OF BEGINNING.

Contains: +/- 0.10 Acres
+/- 4,356 Sq. Ft.

ANNEXATION AREA

PARCEL 1

A PARCEL OF LAND SITUATE WITHIN THE SOUTHWEST QUARTER OF SECTION 08, SECTION 18, SOUTHWEST QUARTER OF SECTION 17, NORTH HALF OF SECTION 19, TOWNSHIP 6 SOUTH, RANGE 2 WEST AND THE EAST HALF OF SECTION 13, TOWNSHIP 6 SOUTH, RANGE 3 WEST, SALT LAKE BASE AND MERIDIAN, LOCATED IN EAGLE MOUNTAIN CITY, COUNTY OF SALT LAKE, STATE OF UTAH, SAID PARCEL BEING THE POLE CANYON DEVELOPMENT AREA WEST OF S.R.-73 AND BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE UTAH COUNTY BRASS CAP MONUMENT MARKING THE SECTION CORNER COMMON TO SECTIONS 7, 8, 17, & 18, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE N 00° 25' 27" E, ALONG THE SECTION LINE COMMON TO SAID SECTIONS 7 & 8, A DISTANCE OF 142.86 FEET; THENCE EAST, ALONG THE SOUTH LINE OF QUESTAR GAS COMPANY PARCEL 59:040:0014, A DISTANCE OF 35.65 FEET TO A POINT ON THE WEST LINE OF S.R.-73; THENCE S 08° 42' 32" E, ALONG SAID WEST LINE, A DISTANCE OF 320.38 FEET, TO THE NORTH LINE OF THE WILSON PARCEL: 59-049-0042; THENCE S 81° 17' 56" W, ALONG SAID NORTH LINE, A DISTANCE OF 217.69 FEET TO THE NORTHWEST CORNER THEREOF; THENCE S 08° 42' 04" E, ALONG THE WEST LINE OF SAID WILSON PARCEL, A DISTANCE OF 703.72 FEET TO THE NORTH LINE OF THE EAGLE MOUNTAIN CITY PARCEL: 59:050:0051; THENCE S 86° 35' 16" W, ALONG SAID NORTH LINE, A DISTANCE OF 93.49 FEET TO THE NORTHWEST CORNER THEREOF; THENCE S 00° 00' 15" E, ALONG THE WEST LINE OF SAID EAGLE MOUNTAIN CITY PARCEL, A DISTANCE OF 109.06 FEET, TO THE NORTHEAST CORNER OF WHITE HILLS SUBDIVISION PLAT 'C'; THENCE S 89° 59' 45" W, ALONG THE NORTH LINE OF SAID WHITE HILLS SUBDIVISION PLAT 'C', A DISTANCE OF 65.85 FEET, TO THE EAST LINE OF POLE CANYON NPA-11 SUBDIVISION; THENCE ALONG THE LINES OF SAID SUBDIVISION, THE FOLLOWING FOUR (4) COURSES: (1) N 00° 05' 01" W, A DISTANCE OF 110.00 FEET; (2) S 89° 59' 45" W, A DISTANCE OF 938.00 FEET; (3) S 00° 00' 15" E, A DISTANCE OF 870.00 FEET; (4) S 89° 59' 45" W, A DISTANCE OF 276.00 FEET; THENCE S 00° 00' 15" E, ALONG THE WEST LINE OF SAID POLE CANYON NPA-11 SUBDIVISION AND THE WEST LINE OF WHITE HILLS SUBDIVISION, A DISTANCE OF 573.52 FEET; THENCE S 89° 59' 45" W, 143.00 FEET THENCE S 00° 00' 15" E, 90.80 FEET, TO THE NORTHEAST CORNER OF THE EAGLE MOUNTAIN CITY PARCEL: 59:050:0047; THENCE ALONG THE LINES OF SAID EAGLE MOUNTAIN CITY PARCELS 59:050:0047 & 59:050:0049, THE FOLLOWING FOUR (4) COURSES: (1) S 89° 59' 45" W, 173.78 FEET; (2) S 00° 00' 15" E, 213.50 FEET; (3) S 39° 52' 19" E, 124.33; (4) N 50° 07' 40" E, 122.58 FEET, TO THE SOUTHWEST CORNER OF SAID WHITE HILLS SUBDIVISION PLAT "A"; THENCE ALONG THE SOUTH LINE OF SAID WHITE HILLS SUBDIVISION PLAT "A", THE FOLLOWING TWO (2) COURSES: (1) S 89° 30' 22" E, 851.84 FEET; (2) S 31° 29' 33" W, 117.29 FEET; THENCE S 89° 30' 21" E, A DISTANCE OF 209.45 FEET, TO THE SOUTHEAST CORNER OF LOT 111, SAID WHITE HILLS PLAT 'A', THENCE N 00° 00' 15" W, ALONG THE EAST LINE OF SAID LOT 111, A DISTANCE OF 66.13 FEET, TO A POINT IN THE SOUTH LINE OF WILSON AVENUE, SAID POINT ALSO BEING A POINT IN THE ARC OF A NON-TANGENTIAL CURVE; THENCE SOUTHEASTERLY ALONG THE ARC OF A 742.11 FOOT RADIUS CURVE TO THE LEFT, THROUGH AN ANGLE OF 21° 06' 36", A DISTANCE OF 273.42, THE LONG CHORD OF WHICH BEARS S 79° 00' 02" E, A DISTANCE OF 271.88 FEET TO A POINT OF TANGENCY TO SAID CURVE; THENCE SOUTH 89°34'58" EAST, ALONG SAID SOUTH LINE, A DISTANCE OF 756.09 FEET, MORE OR LESS TO THE AFORESAID WEST LINE OF S.R.-73 THENCE S 08° 42' 32" E, ALONG SAID WEST LINE, A DISTANCE OF 730.45 FEET, TO THE NORTH LINE OF LEWISTON ROAD; THENCE

ALONG THE LINES OF SAID LEWISTON ROAD THE FOLLOWING FIVE (5) COURSES: (1) N 89° 52' 16" W, 1540.39 FEET; (2) N 57° 57' 02" W, 220.80 FEET; (3) S 31° 19' 38" W, 66.01 FEET; (4) S 57° 57' 02" E, 238.84 FEET; (5) S 89° 52' 16" E, 937.55 FEET, TO THE NORTHWEST CORNER OF WHITE HILLS COUNTRY ESTATES, SAID CORNER BEING MARKED BY A BRASS MONUMENT STAMPED L.S. 2763; THENCE S 00° 29' 12" W, ALONG AFORESAID QUARTER SECTION LINE COMMON TO SECTIONS 17 & 18 AND THE WEST LINE OF SAID WHITE HILLS COUNTRY ESTATES, A DISTANCE OF 1779.74 FEET, TO THE SECTION CORNER COMMON TO SECTIONS 17, 18, 19, & 20; THENCE S 00° 30' 42" W, CONTINUING ALONG SAID WEST LINE OF WHITE HILLS COUNTY ESTATES, A DISTANCE OF 353.88 FEET TO THE NORTHEAST CORNER OF J & J RANCHES SUBDIVISION; THENCE N 89° 27' 13" W, ALONG SAID NORTH LINE, A DISTANCE OF 600.00 FEET TO THE NORTHWEST CORNER THEREOF; THENCE S 00° 30' 42" W, ALONG THE WEST LINE OF SAID SUBDIVISION, AND THE PROJECTION THEREOF, A DISTANCE OF 977.96 FEET TO THE NORTHEAST CORNER OF THE RANCH AT POLE CANYON, LLC. PARCEL: 59:051:0026, SAID CORNER BEING MARKED BY A 5/8" REBAR AND CAP STAMPED L.S.356548; THENCE N 89° 40' 33" W, ALONG THE NORTH LINE OF SAID PARCEL, A DISTANCE OF 733.66 FEET TO THE NORTHWEST CORNER THEREOF; THENCE S 00° 22' 47" W, ALONG THE WEST LINE OF SAID PARCEL AND THE WEST LINE OF THE 2 B INVESTMENTS, LLC. PARCEL: 59:051:0027, A DISTANCE OF 1334.90 FEET, TO A POINT IN THE EAST-WEST CENTER QUARTER LINE OF SAID SECTION 19; THENCE N 89° 54' 04" W, ALONG SAID EAST-WEST CENTER QUARTER LINE, A DISTANCE OF 2669.96 FEET TO THE CENTER-WEST SIXTEENTH (C-W 1/16TH) CORNER; THENCE N 00° 21' 12" E, ALONG THE NORTH-SOUTH SIXTEENTH LINE, OF THE NORTHWEST QUARTER OF SAID SECTION 19, A DISTANCE OF 2690.52 FEET, TO THE WEST SIXTEENTH (W-1/16TH) CORNER COMMON TO SECTIONS 18 & 19, MARKED BY A 5/8" REBAR AND RED NYLON CAP STAMPED "MCNEIL ENG."; THENCE N 89° 26' 42" W, ALONG THE QUARTER SECTION LINE COMMON TO SAID SECTIONS 18 & 19, A DISTANCE OF 1334.45 FEET, TO THE SECTION CORNER COMMON TO SECTIONS 18 & 19, TOWNSHIP 6 SOUTH, RANGE 2 WEST AND SECTIONS 13 & 24, TOWNSHIP 6 SOUTH, RANGE 3 WEST, SALT LAKE BASE AND MERIDIAN; THENCE N 89° 26' 40" W, ALONG THE QUARTER SECTION LINE COMMON TO SAID SECTIONS 13 & 24, A DISTANCE OF 2701.42 FEET, TO THE QUARTER CORNER COMMON TO SAID SECTION 13 & 24; THENCE N 00° 42' 42" E, ALONG THE NORTH-SOUTH CENTER QUARTER LINE OF SAID SECTION 13, A DISTANCE OF 2669.35 FEET TO THE CENTER QUARTER CORNER (NOT MONUMENTED) THENCE N 00° 42' 42" E, CONTINUING ALONG SAID NORTH-SOUTH CENTER QUARTER LINE, A DISTANCE OF 270.32 FEET, TO THE SOUTHWEST CORNER OF THE CROSSROADS OF THE WEST COUNCIL, INC. BOY SCOUTS OF AMERICA PARCEL: 59:074:0010, SAID CORNER BEING MARKED BY A 5/8" REBAR AND CAP STAMPED "MCNEIL ENG."; THENCE ALONG THE LINES OF SAID BOY SCOUTS OF AMERICA PARCEL, THE FOLLOWING SEVEN (7) COURSES: (1) S 89° 05' 10" E, 1006.30 FEET; (2) N 00° 32' 44" E, 562.04 FEET; (3) S 89° 05' 10" E, 536.21 FEET; (4) N 00° 32' 44" E, 751.66 FEET; (5) N 74° 56' 42" E, 554.96 FEET; (6) N 51° 25' 49" E, 791.11 FEET; (7) N 00° 32' 45" E, 442.07 FEET, TO THE SECTION CORNER COMMON TO SECTION 12 & 13, TOWNSHIP 6 SOUTH, RANGE 3 WEST AND SECTIONS 7 & 18, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN; THENCE S 89° 26' 21" E, ALONG THE QUARTER SECTION LINE, OF SAID SECTIONS 7 & 18, A DISTANCE OF 2665.94 FEET, TO THE QUARTER CORNER COMMON TO SAID SECTION 7 & 18; THENCE S 89° 33' 10" E, ALONG THE QUARTER SECTION LINE COMMON TO SAID SECTIONS, A DISTANCE OF 2670.85 FEET, TO THE POINT OF BEGINNING.

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

A PARCEL OF LAND SITUATE WITHIN THE NORTHEAST QUARTER OF SECTION 13, TOWNSHIP 6 SOUTH, RANGE 3 WEST, SALT LAKE BASE & MERIDIAN. LOCATED IN EAGLE MOUNTAIN CITY, COUNTY OF SALT LAKE, STATE OF UTAH AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 13, AND RUNNING THENCE SOUTH 0°33'52" WEST, ALONG THE SECTION LINE COMMON TO SAID SECTION 13 & SECTION 18, OF TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN, A DISTANCE OF 442.07 FEET; THENCE DEPARTING SAID SECTION LINE BEARING SOUTH 51°26'57" WEST, A DISTANCE OF 791.11 FEET; THENCE SOUTH 74°57'50" WEST, A DISTANCE OF 554.96 FEET, TO A POINT 1148.32 FEET WEST OF AFORESAID SECTION LINE; THENCE SOUTH 0°33'52" WEST, PARALLEL WITH SAID SECTION LINE, A DISTANCE OF 751.66 FEET; THENCE NORTH 89°04'02" WEST, PARALLEL WITH THE EAST-WEST CENTER SECTION LINE OF SAID SECTION 13, A DISTANCE OF 536.21 FEET, TO A POINT 835.80 FEET NORTH OF SAID EAST-WEST CENTER SECTION LINE; THENCE SOUTH 0°33'52" WEST, PARALLEL WITH EAST LINE OF SAID SECTION 13, A DISTANCE OF 562.04 FEET, TO A POINT 273.77 FEET FROM THE AFORESAID EAST-WEST CENTER SECTION LINE; THENCE NORTH 89°04'02" WEST, PARALLEL WITH SAID EAST-WEST CENTER SECTION LINE, A DISTANCE OF 1006.53 FEET, TO THE NORTH-SOUTH CENTER SECTION LINE OF SAID SECTION 13; THENCE NORTH 0°44'00" EAST, ALONG SAID NORTH-SOUTH CENTER SECTION LINE, A DISTANCE OF 2392.08 FEET, TO THE NORTH QUARTER CORNER OF SAID SECTION 13; THENCE SOUTH 89°28'51" EAST, ALONG THE NORTH LINE OF THE NORTHEAST QUARTER, A DISTANCE OF 2683.98 FEET, TO THE POINT OF BEGINNING.

CONTAINS: 100.00 ACRES.

LESS AND EXCEPTING THEREFROM EAGLE MOUNTAIN CITY PARCEL: 59:050:0027, RECORDED AS ENTRY NO.: 12104:2019: BEGINNING AT A POINT, SAID POINT BEING SOUTH 888.05 FEET FROM THE NORTH QUARTER CORNER OF SECTION 18, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE EAST 150.00 FEET; THENCE SOUTH 150.00 FEET; THENCE SOUTH 150.00 FEET; THENCE NORTH 150.00 FEET, TO THE POINT OF BEGINNING. CONTAINS: .52 ACRES

PARCEL 1 CONTAINS: 49,124,057 SQ. FT., OR 1,127.733 AC

PARCEL 2

A PARCEL OF LAND SITUATE WITHIN SECTION 17, AND THE WEST HALF OF SECTION 16, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN, LOCATED IN EAGLE MOUNTAIN CITY, COUNTY OF UTAH, STATE OF UTAH SAID PARCEL BEING WITHIN THE POLE CANYON DEVELOPMENT AREA, EAST OF S.R.-73 AND BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF TYSON SUBDIVISION, PER MAP NO.: 16725, SAID POINT BEING SOUTH 0°24'02" WEST, ALONG THE QUARTER SECTION LINE COMMON TO SAID SECTIONS 16 & 17, A DISTANCE OF 47.00 FEET, FROM THE SECTION CORNER COMMON TO SECTIONS 8, 9, 16, & 17, SAID TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE S 89°23'59" E, ALONG THE NORTH LINE OF LOT 1, SAID TYSON SUBDIVISION, A DISTANCE OF 1793.19 FEET, TO A POINT OF CURVATURE; THENCE SOUTHEASTERLY ALONG THE ARC OF A 50.00 FOOT-RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 89°48'02", A DISTANCE OF 78.37 FEET, THE LONG CHORD OF WHICH BEARS SOUTH 44°29'59" EAST, A DISTANCE OF 70.59 FEET, TO THE WEST LINE OF TYSON PARKWAY, AS DEDICATED PER SAID TYSON SUBDIVISION; THENCE ALONG SAID WEST LINE THE FOLLOWING THREE (3) COURSES: (1) S 00° 24' 02" W, A DISTANCE OF 3999.58 FEET TO THE BEGINNING OF A CURVE (2) ALONG THE ARC OF SAID CURVE TURNING TO THE RIGHT THROUGH AN ANGLE OF 30° 32' 01", HAVING A RADIUS OF 623.00 FEET, AND WHOSE LONG CHORD BEARS S 15° 40' 03" W, A DISTANCE OF 328.09 FEET; (3) THENCE, S 30° 56' 03" W, A DISTANCE OF 389.58 FEET, TO THE NORTHERLY LINE OF POLE CANYON BOULEVARD, PER SAID TYSON SUBDIVISION; THENCE ALONG SAID NORTHERLY LINE THE FOLLOWING SEVEN (7) COURSES: (1) N 59° 03' 57" W, A DISTANCE OF 1163.32 FEET, TO THE BEGINNING OF A CURVE; (2) ALONG THE ARC OF SAID CURVE TURNING TO THE LEFT THROUGH AN ANGLE OF 30° 28' 59", HAVING A RADIUS OF 1077.00 FEET, AND WHOSE LONG CHORD BEARS N 74° 18' 27" W, A DISTANCE OF 566.26 FEET; (3) N 89° 32' 57" W, A DISTANCE OF 2253.72 FEET TO THE BEGINNING OF A CURVE; (4) ALONG THE ARC OF SAID CURVE TURNING TO THE RIGHT THROUGH AN ANGLE OF 31° 18' 01", HAVING A RADIUS OF 923.00 FEET, AND WHOSE LONG CHORD BEARS N 73° 53' 56" W, A DISTANCE OF 497.98 FEET; (5) N 58° 14' 55" W, A DISTANCE OF 519.69 FEET, TO THE BEGINNING OF A CURVE; (6) ALONG THE ARC OF SAID CURVE TURNING TO THE LEFT, THROUGH AN ANGLE OF 31° 37' 21", HAVING A RADIUS OF 1077.00 FEET, AND WHOSE LONG CHORD BEARS N 74° 03' 36" W, A DISTANCE OF 586.90 FEET; (7) N 89° 52' 16" W, A DISTANCE OF 821.01 FEET, TO A POINT ON THE EAST LINE OF S.R.-73; THENCE N 08° 42' 32" W, ALONG SAID EAST LINE, A DISTANCE OF 772.67 FEET, TO THE EAST-WEST CENTER QUARTER LINE OF SAID SECTION 17; THENCE S 89° 52' 19" E, ALONG SAID EAST-WEST CENTER QUARTER LINE, A DISTANCE OF 2023.44 FEET, TO THE CENTER QUARTER CONER OF SAID SECTION 17; THENCE S 89° 52' 19" E, ALONG SAID EAST-WEST CENTER QUARTER LINE, A DISTANCE OF 2651.86 FEET, TO THE QUARTER CORNER COMMON TO SAID SECTION 16 & 17; THENCE N 0°24'02" E, ALONG THE SECTION LINE AND THE WEST LINE OF SAID TYSON SUBDIVISION, A DISTANCE OF 2621.92 FEET, TO THE POINT OF BEGINNING.

PARCEL 2 CONTAINS: 13,144,047 SQ. FT., OR 301.746 ACRES

PARCEL 3

A PARCEL OF LAND SITUATE WITHIN SECTION 16, THE SOUTH HALF OF SECTION 17, SECTION 20, AND 21, ALL IN TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN, LOCATED IN EAGLE MOUNTAIN CITY, COUNTY OF UTAH, STATE OF UTAH SAID PARCEL BEING WITHIN THE POLE CANYON DEVELOPMENT AREA, EAST OF S.R.-73 AND BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE UTAH COUNTY BRASS CAP MONUMENT MARKING THE SECTION CORNER COMMON TO SECTION 15, 16, 21, & 22, TOWNSHIP 6 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE, N 89° 40' 33" W, ALONG THE QUARTER SECTION LINE COMMON TO SAID SECTIONS 16 & 21, A DISTANCE OF 1383.10 FEET, TO THE EAST SIXTEENTH (E-16TH) CORNER COMMON TO SAID SECTION 16 & 21; THENCE, S 00° 10' 02" E, ALONG THE NORTH-SOUTH 1/16TH LINE, A DISTANCE OF 2656.16 FEET TO CENTER EAST SIXTEENTH (C-E 1/16TH) CORNER, OF SAID SECTION 21; THENCE N 89° 41' 39" W, ALONG THE EAST-WEST CENTER QUARTER LINE, A DISTANCE OF 1360.81 FEET, TO THE CENTER QUARTER CORNER OF SAID SECTION 21 (NOT MONUMENTED); THENCE S 00° 38' 52" E, FOR A DISTANCE OF 1243.31 FEET; THENCE S 87° 13' 16" E, A DISTANCE OF 1001.36 FEET; THENCE S 51° 21' 16" E, A DISTANCE OF 28.00 FEET; THENCE S 38° 38' 44" W, A DISTANCE OF 123.17 FEET; THENCE N 51° 21' 16" W, A DISTANCE OF 28.00 FEET; THENCE N 87° 13' 16" W, A DISTANCE OF 923.20 FEET, TO THE AFORESAID NORTH-SOUTH CENTER QUARTER LINE; THENCE S 00° 38' 52" E, ALONG SAID QUARTER SECTION LINE, A DISTANCE OF 643.56 FEET THENCE N 88° 31' 36" W, A DISTANCE OF 2665.79 FEET TO A POINT ON THE QUARTER SECTION LINE COMMON TO SAID SECTION 20 & 21; THENCE N 88° 47' 00" W, A DISTANCE OF 2853.31 FEET, TO A POINT IN THE NORTH-SOUTH CENTER QUARTER LINE OF SAID SECTION 20; THENCE N 02° 55' 59" E, A DISTANCE OF 1903.58 FEET TO THE CENTER QUARTER CORNER OF SAID SECTION 20 (NOT MONUMENTED); THENCE N 89° 23' 27" W, ALONG THE EAST-WEST CENTER QUARTER LINE, A DISTANCE OF 1031.41 FEET, TO THE EAST LINE OF S.R.-73; THENCE N 08° 51' 32" W, ALONG SAID EAST LINE, A DISTANCE OF 4464.37 FEET, TO THE SOUTHERLY LINE OF POLE CANYON BOULEVARD AS DEDICATED BY THE TYSON SUBDIVISION; THENCE ALOGN SAID SOUTHERLY LINE THE FOLLOWING SEVEN (7) COURSES: (1) S 89° 52' 16" E, 797.11 FEET, TO THE BEGINNING OF A CURVE (2) ALONG THE ARC OF SAID CURVE TURNING TO THE RIGHT THROUGH AN ANGLE OF 31° 37' 21", HAVING A RADIUS OF 925.00 FEET, AND WHOSE LONG CHORD BEARS S 74° 03' 36" E, A DISTANCE OF 504.07 FEET; (3) S 58° 14' 55" E, 519.69 FEET, TO THE BEGINNING OF A CURVE; (4) ALONG THE ARC OF SAID CURVE TURNING TO THE LEFT THROUGH AN ANGLE OF 31° 18' 01", HAVING A RADIUS OF 1075.00 FEET, AND WHOSE LONG CHORD BEARS S 73° 53' 56" E, A DISTANCE OF 579.99 FEET; (5) S 89° 32' 56" E, F 2253.72 FEET, TO THE BEGINNING OF A CURVE; (6) ALONG THE ARC OF SAID CURVE TURNING TO THE RIGHT THROUGH AN ANGLE OF 30° 28' 59", HAVING A RADIUS OF 925.00 FEET, AND WHOSE LONG CHORD BEARS S 74° 18' 27" E, A DISTANCE OF 486.35 FEET; (7) S 59° 03' 57" E, 1240.32 FEET TO A POINT OF INTERSECTION WITH THE SOUTHERLY PROJECTION OF THE EAST LINE OF TYSON PARKWAY, PER SAID TYSON SUBDIVISION PLAT; THENCE ALONG THE SAID EASTERLY LINE THE FOLLOWING FOUR (4) COURSES: (1) N 30° 56' 03" E, 541.58 FEET TO THE BEGINNING OF A CURVE; (2) ALONG THE ARC OF SAID CURVE TURNING TO THE LEFT THROUGH AN ANGLE OF 30° 32' 01", HAVING A RADIUS OF 700.00 FEET, AND WHOSE LONG CHORD BEARS N 15° 40' 03" E FOR A DISTANCE OF 368.64 FEET (3) N 00° 24' 02" E, 3998.96 FEET TO THE BEGINNING OF A CURVE; (4) ALONG THE ARC OF SAID CURVE TURNING TO THE RIGHT THROUGH AN ANGLE OF 90° 11' 58", HAVING A RADIUS OF 50.00 FEET, AND WHOSE LONG CHORD BEARS N 45° 30' 01" E FOR A DISTANCE OF 70.83 FEET, MORE OR LESS, TO THE SOUTHERLY LINE OF 4000 NORTH STREET; THENCE N 89° 23' 59" W, ALONG SAID SOUTHERLY LINE, A DISTANCE OF 1970.18 FEET, TO THE NORTHWEST CORNER OF SAID TYSON SUBDIVISION AND THE QUARTER SECTION LINE COMMON TO SECTIONS 16 & 17; THENCE N 00° 24' 02" E, ALONG SAID QUARTER SECTION LINE, A DISTANCE OF 47.00 FEET, TO THE SECTION CORNER COMMON TO SECTIONS 8, 9, 16, & 17; THENCE S 89° 23' 59" E, ALONG THE QUARTER SECTION LINE COMMON TO SAID SECTIONS 9 & 16, A DISTANCE OF 2667.03 FEET, TO THE QUARTER CORNER COMMON TO SAID SECTION 9 & 16; THENCE S 89° 24' 26" E, CONTINUING ALONG THE QUARTER SECTION LINE COMMON TO SAID SECTIONS, A DISTANCE OF 2667.28 FEET, TO THE SECTION CORNER COMMON TO SECTION 9, 10, 15, & 16; THENCE SOUTH 0°22'17" WEST, ALONG THE QUARTER SECTION LINE, A DISTANCE OF 2674.82 FEET, TO THE QUARTER CORNER COMMON TO SAID SECTIONS 15 & 16; THENCE S 00° 22' 24" W, CONTINUING ALONG THE QUARTER SECTION LINE COMMON TO SAID SECTIONS, A DISTANCE OF 2668.46 FEET, TO THE POINT OF BEGINNING.

PARCEL 3 CONTAINS: 57,954,844 SQ. FT., OR 1330.46 AC.

EXHIBIT B
Vicinity Map

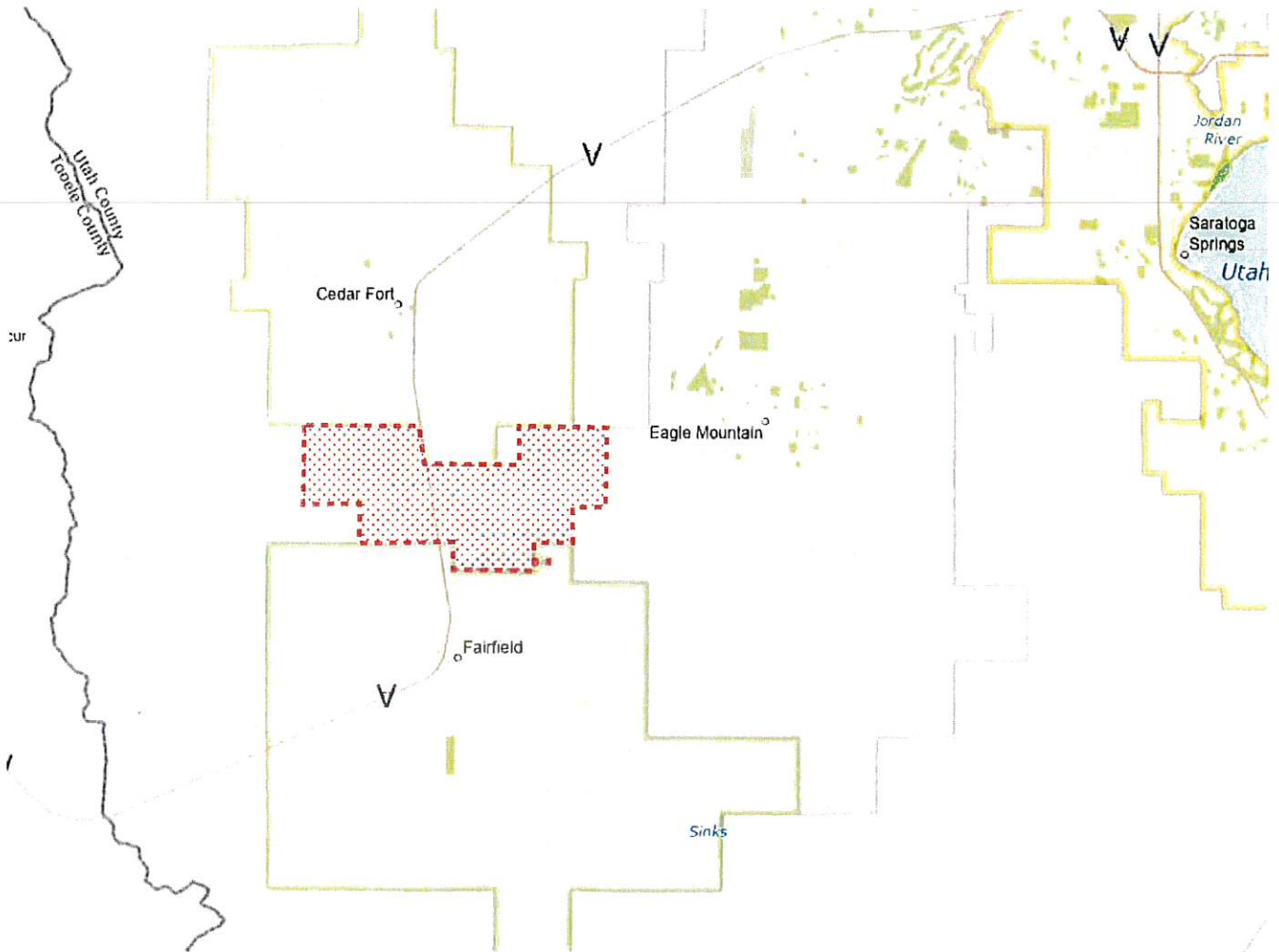


EXHIBIT C
Initial District Boundary and Annexation Map

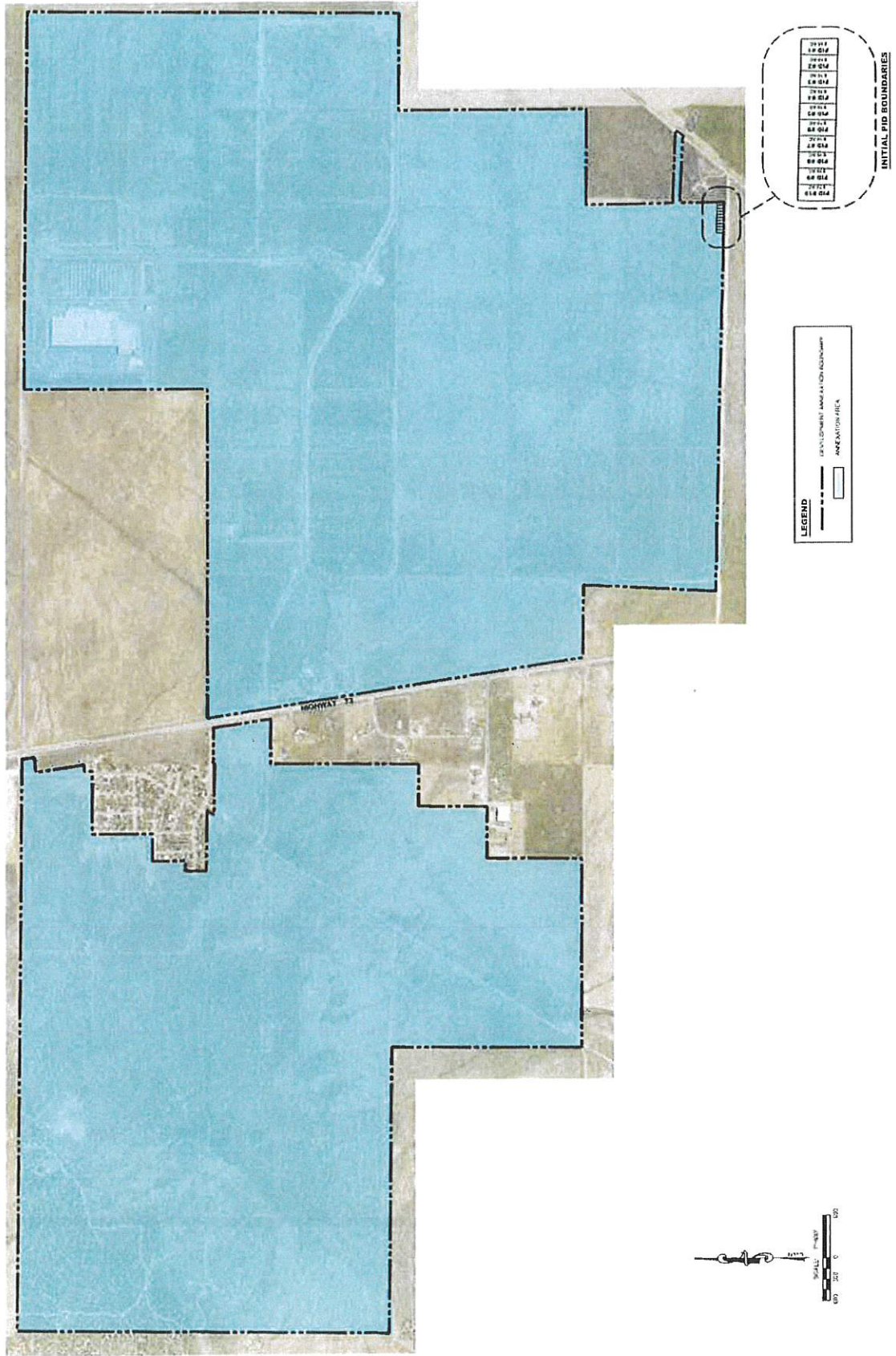


EXHIBIT D

INTERLOCAL AGREEMENT BETWEEN EAGLE MOUNTAIN CITY, UTAH AND FIREFLY PUBLIC INFRASTRUCTURE DISTRICT

THIS AGREEMENT is made and entered into as of this ___ day of _____, 2023, by and between Eagle Mountain City, Utah, a municipal corporation of the State of Utah (“City”), and Firefly Public Infrastructure District, a political subdivision of the State of Utah (the “District”). The City and the District are collectively referred to as the Parties.

RECITALS

A. The District was organized to provide to exercise powers as are more specifically set forth in the District’s Governing Document approved by the City on July 5th, 2023 (“*Governing Document*”); and

B. The Governing Document refers to the execution of an Interlocal Agreement between the City and the District; and

C. The City and the District have determined that it is in the best interests of their respective taxpayers, residents, and property owners to enter into this Interlocal Agreement (“*Agreement*”).

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

COVENANTS AND AGREEMENTS

1. Operations and Maintenance. The District may dedicate the Public Improvements (as defined in the Governing Document) to the City or other appropriate jurisdiction in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The District shall be authorized, but not obligated, to own Public Improvements not otherwise required to be dedicated to the City or other public entity, and all necessary equipment and appurtenances incident thereto. A third party, such as an owners’ association, may provide for the operation and maintenance of all or a portion of the Public Improvements. Trails that are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

2. Construction Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction, as applicable. The District will obtain the City’s approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

3. Inclusion Limitation. The District shall not include within any of their boundaries any property outside the District Area without the prior written consent of the City. The City, by resolution, has consented to the annexation of any area within the Annexation Area Boundaries into the District. Such area may be annexed upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be annexed and the passage of a resolution of the Board approving such annexation.

4. Overlap Limitation. The District shall not impose aggregate mill levy for payment of Debt that exceeds the Maximum Debt Mill Levy of the District. The District shall not consent to the organization of

any other public infrastructure district organized under the PID Act within the District Area that will overlap the boundaries of the District unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the District.

5. Initial Debt. On or before the effective date of approval by the City of an Approved Development Plan (as defined in the Governing Document), the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any fees used for the purpose of repayment of Debt.

6. Total Debt Issuance. The Districts, collectively, shall not issue Debt in excess of an aggregate amount of \$500,000,000. This amount excludes any portion of bonds issued to refund a prior issuance of debt by any of the District. In addition, any C-PACE Bonds do not count against the foregoing limitation and there is no limit to the amount of C-PACE Bonds the District may issue so long as such issuances are in accordance with the provisions of the C-PACE Act.

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

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

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

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

8. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

9. Disclosure to Purchasers. Within thirty (30) days of the approval of lieutenant governor’s approval the District, the Board shall record a notice with the recorder of Utah County. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filled with the City. In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to End Users:

(a) All of the information in Section 7.06(a) of the Governing Document;

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

“Under its current plan of finance, the District expects to levy a property tax in the amount of 6 mills (approximately \$330 annually for every \$100,000 of assessed value on a primary residence and \$600 annually for every \$100,000 of assessed value on a business property) for the duration of the District’s Bonds.”

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

10. Governing Document Amendment Requirement. Actions of the District that violate the limitations set forth in Section 5.02 or Article VII of the Governing Document shall be deemed to be material modifications to this Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

11. Annual Report. The District shall be responsible for submitting an annual report to the City Manager’s Office no later than March 31 of each year following the year in which the District was created, containing the information set forth in Section 8.01 of the Governing Document.

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

13. Maximum Debt Mill Levy. The “*Maximum Debt Mill Levy*” shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt. The Maximum Debt Mill Levy for a District shall be as follows:

(a) For a District anticipated at the time of issuance of Debt to contain no residential property, the Maximum Debt Mill Levy shall be six (6) mills.

(b) For a District anticipated at the time of issuance of Debt to contain residential property, the Maximum Debt Mill Levy shall be the lesser of (i) six (6) mills or (ii) a rate which, based upon an independent market study (or similar report) conducted in connection with, and prior to the issuance of Debt would result in a projected annual weighted average tax of not more than \$780 for residential units (based upon the projected number and product type of residences anticipated to be located within the District and assuming all residences qualify for the primary residential exemption). The annual \$780 initial tax limit described in 7.02(b)(ii) is stated in 2023 dollars and is subject to inflation in subsequent years as estimated in the market study. Further, any Maximum Debt Mill Levy established pursuant to this 7.02(b)(ii) at the time of issuance of Debt may be held constant after issuance and shall not be decreased as a result of increased valuations based on the assessed valuations of taxable property by the county assessor subsequent to the issuance of Debt.

(c) Determination of a Maximum Debt Mill Levy by a District in accordance with (b) above is binding and final.

(d) The Maximum Debt Mill Levy shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code.

(e) The Districts may not overlap to impose mill levies that aggregate in excess of the applicable Maximum Debt Mill Levy as set forth herein.

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

14. Maximum Debt Mill Levy Imposition Term. Each bond issued by the District shall mature within 31 years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding 40 years from the date of issuance of such bond (the "*Maximum Debt Mill Levy Imposition Term*").

15. Prepayment of Assessments. All Assessments (other than C-PACE Assessments) imposed by any District on a parcel zoned for residential uses shall be payable at or before the time a building permit is issued with respect to such parcel. Any C-PACE Assessments may be repayable in accordance with the provisions of such act.

16. Governing Document Controls. In the event of any conflict between the terms of this Interlocal Agreement and the Governing Document, the Governing Document shall control.

17. Tax Increment. The City covenants that it will not enter into any agreement which would require the Districts to share or remit any portion of such District's property tax revenues with a community reinvestment agency, housing and transit reinvestment zone, or any related or successor agency or authority.

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

To the District: Firefly Public Infrastructure District
Attn: Nate Shipp
14034 South 145 East, Suite 204
Draper, Utah 84020
Phone: (801) 495-3414
Email: nate@daiutah.com

To the City: Eagle Mountain City
Attn: City Manager
2565 North Pony Express Parkway
Eagle Mountain, Utah 84005
Email: pjerome@emcity.org
Phone: [pjerome@emcity.org](tel:pjerome@emcity.org)

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

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

20. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party,

which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

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

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

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

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

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

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

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

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

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

**FIREFLY
PUBLIC INFRASTRUCTURE DISTRICT NO. 5**

, Chair

ATTEST


, Secretary

EAGLE MOUNTAIN CITY



TOM WESTMORELAND, Mayor

ATTEST



FIONNUALA B. KOFOED, City Recorder

