MEETING NOTICE AND AGENDA

Notice is hereby given that the Kaysville City Council will hold a regular council meeting on Thursday, September 19, 2019, starting at 7:00 p.m. in the **Kaysville City Parks & Recreation Center at 85 North 100 East, Kaysville, UT.** A public hearing will be held prior to the Council meeting at 6:30 p.m.

PUBLIC HEARING TO CONSIDER THE ADOPTION OF A TELECOMMUNICATIONS PUBLIC UTILITY FEE – 6:30 PM

CITY COUNCIL MEETING – 7:00 PM
The agenda shall be as follows:

1. OPENING
   a. Provided by Council Member Stroh DeCaire.

2. DECLARATION OF ANY CONFLICTS OF INTEREST

3. CONSENT ITEMS
   a. Approval of materials purchase, transformers, for the Power Department.
   b. Approval of materials purchase, LED street lights, for the Power Department.
   c. Approval of culinary water tank mixers purchase for the Public Works Department.

4. ACTION ITEMS
   a. A Resolution Authorizing an Interlocal Agreement to be formed with Kaysville City and LightHub.
   b. Service Agreement between Kaysville City and Interlocal Agency of LightHub Communications Agency.
   c. An Ordinance creating a Fiber Utility Department.
   d. A Resolution establishing a Fiber Utility Fee.

5. WORK ITEMS
   a. Discussion on a Resolution Establishing Fiber Revenue Parameters.
   b. Discussion on Refinancing the Police Station Bond.

6. CALL TO THE PUBLIC (3 MINUTE LIMIT, MUST SIGN UP IN PERSON)

7. COUNCIL MEMBER REPORTS

8. CITY MANAGER REPORT

9. ADJOURNMENT

Kaysville City is dedicated to a policy of non-discrimination in admission to, access to, or operations of its programs, services or activities. If you need special assistance due to a disability, please contact the Kaysville City Offices at (801) 546-1235.

I hereby certify that I posted a copy of the foregoing Notice and Agenda at City Hall and emailed copies to media representatives on September 13, 2019.

Annemarie Plaizier

Annemarie Plaizier
City Recorder

KAYSVILLE CITY
PUBLIC HEARING NOTICE

Notice is hereby given that the Kaysville City Council will hold a public hearing on Thursday, September 19, 2019, at 6:30 p.m., in the **Kaysville City Parks & Recreation Center at 85 North 100 East**, Kaysville, to consider:

Adoption of a telecommunications public utility fee.

I hereby certify that I posted a copy of the foregoing Public Hearing notice on the municipality's official website by September 5, 2019.

Annemarie Plaizier
City Recorder

STAFF REPORT

COUNCIL MEETING DATE: **September 19, 2019**
ITEM NO.: **3a**

TYPE OF ITEM: **Consent**
PRESENTED BY:

SUBJECT/AGENDA TITLE: **Material Purchase**

EXECUTIVE SUMMARY:

Purchase of Ermco transformers. Anixter is the sole source for Ermco transformers in Utah.

Council Options: Approve / Disapprove

Recommended Options: Approve

Fiscal Impact & Fund Source for Recommended Action: Submitted in FY20 Budget

Attachments: Quote from Anixter

ANIXTER

www.anixterpowersolutions.com

3130 South 1030 West Suite 2
SOUTH SALT LAKE, UT 84119

Phone: 801.288.2831
Fax: 801.288.2837

TRANSFORMER QUOTE

Quotation: U00599318.00

To: **KAYSVILLE CITY CORPORATION**
721 W OLD MILL LANE
KAYSVILLE, UT 84037

Attn:
Phone:
Fax:

Issued Date: **Sep 09, 2019**
Expiration Date: **Oct 03, 2019**

Sales Contact: **Jacob A DeLong**
(P) 801.288.2831
(F) 801.288.2837
jacob.delong@anixter.com

Item	CustLine	Product and Description	Quantity	Price	Unit	Extended
1		**T3007227LISE** TRAN 300KVA 12.4GY/7.2 - 277/480 3P LFI BF ST DEL: 10-12 WEEKS	2	8,329.000	EA	16,658.00
2		**50KVA 1PH PADMOUNT** PRI 12470GY/7200 SEC 240/120 DEL: 10-12 WEEKS	30	1,803.000	EA	54,090.00
3		**25KVA 1PH PADMOUNT** PRI 12470GY/7200 SEC 240/120 DEL: 10-12 WEEKS	6	1,455.000	EA	8,730.00
4		**50KVA 1PH POLE MOUNT** PRI 12470Y/7200 SEC 120/240 DEL: 10-12 WEEKS	6	1,210.000	EA	7,260.00
5		**37.5KVA 1PH POLE MOUNT** PRI 12470Y/7200 SEC 120/240 DEL: 10-12 WEEKS	6	1,059.000	EA	6,354.00
6		**25 KVA 1PH POLE MOUNT** PRI 12470Y/7200 SEC 120/240 DEL: 10-12 WEEKS	6	867.000	EA	5,202.00

SECTION TOTAL: $98,294.00

QUOTE TOTAL: **$98,294.00**

Special Notes

1) All items are In Stock unless otherwise noted.
2) All item pricing on this quote is valid for thirty days unless otherwise specified.
3) All applicable taxes apply.

For the latest terms & conditions please visit: **https://www.anixterpowersolutions.com/site/legal/purchase-terms.html**

Anixter Power Solutions offers the industry's most extensive and dynamic portfolio of products, services and solutions for the Public Power, Investor-owned Utilities, Construction and Industrial markets.

STAFF REPORT

COUNCIL MEETING DATE: September 19, 2019
ITEM NO.: 3b

TYPE OF ITEM: Consent
PRESENTED BY:

SUBJECT/AGENDA TITLE: Material Purchase

EXECUTIVE SUMMARY:

Purchase of LED street lights. We received three (3) quotes that meet our specifications they are Codale Electric, Northern Power and Border States Electrical. We recommend Codale Electric.

Council Options: Approve / Disapprove

Recommended Options: Approve

Fiscal Impact & Fund Source for Recommended Action: Submitted in FY20 Budget

Attachments: Quote from Codale Electric, Northern Power and Border States Electrical

Brett Thomas

From: GRACE John <JohnGr@codale.com>
Sent: Wednesday, August 28, 2019 9:57 AM
To: GRACE John
Subject: Bid S6824976 PO# STREET LIGHT 8-28-19
Attachments: S6824976-0001_108327.pdf

Quotation

Quote Date	Quote Number
08/28/2019	S6824976

QUOTE TO:
KAYSVILLE CITY CORPORATION
23 EAST CENTER STREET
KAYSVILLE, UT 84037
801-546-1235

SHIP TO:
KAYSVILLE CITY COR/KAYSVIL CITY POW
721 WEST OLD MILL LANE
KAYSVILLE, UT 84037
801-546-1235

Customer Number	Customer Order Number	Job Name	Quoted To
68188	STREET LIGHT 8-28-19		BRETT
Salesperson	**Ship Via**	**Freight Allowed**	**Expiration Date**
John Grace	MF MOTOR FRGHT	No	09/27/2019 11:59pm MT

Order Qty	UPC	Description	Net Prc	Ext Prc
900ea		MISC BID N/S Item: Mfg Return Policy Applies KCRF-G2-R3M-UNV-DMG-FAWS-GRY COBRA HEAD, 100W-400W EQUAL WITH FAWS SWITCH FOR FIELD ADJUSTMENTS. 3000K 10 YEAR WARRANTY ** PHILIPS COBRA HEAD CAT # ** RFM160W48LED3KG2R3MUNVDMGFAWS RCD7GY3 ******************************	274.000/e	246600.00
52ea		MISC BID N/S Item: Mfg Return Policy Applies KCPT-1675WW-G1-3-UNV-DMG-FAWS-BKTX NEW STYLE POST TOP WITH EDGE LIT OPTICS. 10 YEAR WARRANTY. 75 WATTS MAX ON FAWS 10 ** PHILIPS CATALOG # ** MPTRC140L1675WWG13UNVDMGFAWS 013FN10RCD7TN3BKTX *****************************	1465.000/e	76180.00

33ea		MISC BID N/S Item: Mfg Return Policy Applies KCPDNT-140L2100WW-G1-2-UNV-DMG-SMB-DH-BKTX NEW STYLE PENDANT WITH EDGE LIT OPTICS. 10 YEAR WARRANTY 96 WATTS ** PHILIPS CATALOG # ** MSCC140L2100WWG12UNVDMGSMBD HRCD7BKTX ********************************	1685.000/e	55605.00
985ea		INTERMATIC EK4536KL PHOTO CELL N/S Item: Mfg Return Policy Applies	17.000/e	16745.00
TAXES NOT INCLUDED			**Subtotal**	**395130.00**
			S&H CHGS	**0.00**
			Total	**395130.00**

Fw: KAYSVILLE QUOTE LIGHTING

Wayne Felix
Tue 9/3/2019 10:08 AM
To: Wayne Felix <waynenorthernpower@hotmail.com>

KAYSVILLE CITY LIGHTING QUOTE

From: Wayne Felix <waynenorthernpower@hotmail.com>
Sent: Tuesday, September 3, 2019 9:32 AM
To: Wayne Felix <waynenorthernpower@hotmail.com>
Subject: KAYSVILLE QUOTE LIGHTING

QTY	Type	MFG	Part
900	COBRA	LMCR	KCRF-G2-R3M-UNV-DMG-FAWS-GRY COBRA HEAD, 100W-400W EQUAL WITH FAWS SWITCH FOR FIELD ADJUSTMENTS. 3000K 10 YEAR WARRANTY
52	PT	NEW LMCR	KCPT-1675WW-G1-3-UNV-DMG-FAWS-BKTX NEW STYLE POST TOP WITH EDGE LIT OPTICS. 10 YEAR WARRANTY. 75 WATTS MAX ON FAWS 10
33	PDNT	NEW LMCR	KCPDNT-140L2100WW-G1-2-UNV-DMG-SMB-DHBKTX NEW STYLE PENDANT WITH EDGE LIT OPTICS. 10 YEAR WARRANTY 96 WATTS
985	PHOTOCELLS		SSCOI EK4536KL

10 YEAR WARRANTY PHOTOCELL

TOTAL $ 407,529.00

WAYNE FELIX
NORTHERN POWER EQUIPMENT

1168 WEST 500 NORTH
CENTERVILLE UT. 84014

PHONE 801-298-0380
FAX 801-299-1922

Wayne Felix

BORDER STATES
Supply Chain Solutions™

630 W 600 N | LAYTON, UT. 84041 | 801.544.1206

PROJECT NAME: LED Street Lighting
LOCATION: Kaysville City
BID DATE: September 12, 2019

TOTAL LOT:	***$402,000.00***

QTY	TYPE	DESCRIPTION
1		**LOT PRICE**
900	COBRA	KCRF-G2-R3M-UNV-DMG-FAWS-GRY
52	PT NEW	KCPT-1675WW-G1-3-UNV-DMG-FAWS-BKTX
33	PDNT NEW	KCPDNT-140L2100WW-G1-2-UNV-DMG-SMB-DH-BKTX
985	PHOTOCELLS	EK4536KL

TOTAL LOT	***$402,000.00***

Prepared by JD Palmer 9/12/2019

STAFF REPORT

COUNCIL MEETING DATE: September 19, 2019
ITEM NO.: 3c

TYPE OF ITEM: Consent
PRESENTED BY: Josh Belnap

SUBJECT/AGENDA TITLE: Culinary Water Tank Mixers

EXECUTIVE SUMMARY:

Description:

Public Works has been working the last 2 years to identify ways to enhance overall water quality within the City's drinking water distribution system. In working with other municipalities and discussing options with the Division of Drinking Water and the County Health Department, we have planned and budgeted for several projects in FY20. The first project is to install mixing devices in all of our existing tanks (excluding the soon to be demolished west Crestwood tank, as its replacement will include a mixer). The mixers help eliminate both temperature and chlorine residual stratification by creating a whirlpool effect to establish uniformity. Uniform temperatures help establish uniform chlorine residuals, thus increasing the water quality before water enters the system for delivery.

We identified two viable options and relied on case study information as well as independent testing results from another City to determine which option to pursue. The manufacturer analyzed all 5 tanks and tailored the mixer option to each tank. The units would be installed by City staff.

The overall cost for the 5 mixers is $145,175. These funds will come from water enterprise funds, and were recently budgeted for in FY20.

Council Options: Approve / Disapprove

Recommended Options: Approve

Fiscal Impact & Fund Source for Recommended Action: Water Enterprise Funds

Attachments: PAX Scope and Quote

A. SCOPE OF WORK BY PAX

FOR THE LOWER PASTURE TANK AND WARD ROAD TANK B:

The following equipment and services comprise our scope of work *per tank*:

No	Item Description	Qty.
1.	**PWM400 Mixer Wet Assembly,** including:	1
2.	**Control Center Dry Assembly with SCADA Compatibility**, including:	1
3.	**Cable 70 ft.**, including:	1
4.	**Tripod Assembly, PWM400,** including:	1

1. PWM400 Mixer Wet Assembly, including: (Qty. 1)

- Stainless steel 316 impeller designed to mix up to 4 million gallons of water
- Passivated to minimize corrosion
- The ability to function continuously regardless of tank cycles
- 230V three phase ½ horsepower water-cooled motor power provided by the PAX Control Center

2. Control Center Dry Assembly with SCADA Compatibility, including: (Qty. 1)

NEMA 4 Enclosure:

- Lockable and weather resistant
- Overall weight of control center 55 lbs.
- Operating temperature range 40 ºF to 95 ºF (4.4 ºC to 35 ºC)
- Green and Red LED Indicator lights to display motor status
- White LED Indicator light to display power
- Cooling fan

Motor Controller/VFD:

- Allen Bradley
- 230VAC single phase, rated to 1.0 HP
- HOA Switch
- Manual speed control
- Thermal shut-off protection built-in
- Current overload protection built-in
- 300mA trip level GFCI
- Sine filter
- Branch-circuit protection

SCADA outputs included:

- Digital Output signal indicating motor running
- Digital Output signal indicating fault
- Digital Input/Output signal for remote motor on/off
- RS-485 or Dry Contact connections
- 4-20mA signal

3. Cable 70 ft., including: (Qty. 1)

- Flat-jacketed 4 conductor

4. Tripod Assembly, PWM400, including: (Qty. 1)

- Stainless steel 316 legs
- Chlorine/chloramine resistant rubber foot pad to avoid scratching tank floor
- Stainless steel knobs for tool-less installation

No	Item Description	Qty.
5.	**Long Bail Handle & Chain** ▪ Stainless steel 316 handle to deploy mixer in full tanks	1
6.	**Tank Penetration Accessories** ▪ Stainless steel strain relief for 4 wire flat-jacketed cable	1
7.	**Submittal and Operation & Maintenance Manual as Follows** ▪ Submittals: Qty. One (1) Sent Electronically ▪ O&M Manual: Qty. One (1) Hard Copy	Included
8.	**Manufacturer's Field Services (1 Day(s) at the Jobsite),** including: ▪ System Start-Up ▪ Operator Training	Included
9.	**FOB Factory/Ex Works, Richmond, CA with Full Freight Allowed to Jobsite, Kaysville City, UT**	Included
	BUDGETARY PRICE [ITEMS 1-9]	**$33,775.00**
	BUDGETARY PRICE [ITEMS 1-9] WITH MULTI-UNIT DISCOUNT	**$31,210.00**

FOR THE CRESTWOOD TANK, UPPER PASTURE TANK, AND WARD ROAD TANK A:

The following equipment and services comprise our scope of work *per tank*:

No	Item Description	Qty.
10.	**PWM250 Mixer Wet Assembly,** including: ▪ Spiral-shaped nozzle designed to mix up to 2 million gallons of water ▪ Integrated power cable and lowering mechanism for simplicity ▪ The ability to function continuously regardless of tank cycles ▪ 230V three phase 2 horsepower water-cooled motor power provided by the PAX Control Center	1
11.	**Control Center Dry Assembly with SCADA Compatibility**, including: **NEMA 4 Enclosure:** ▪ Lockable and weather resistant ▪ Overall weight of control center 55 lbs. ▪ Operating temperature range 40 ºF to 95 ºF (4.4 ºC to 35 ºC) ▪ Green and Red LED Indicator lights to display motor status ▪ White LED Indicator light to display power ▪ Cooling fan **Motor Controller/VFD:** ▪ Allen Bradley ▪ 230VAC single phase, rated to 3.0 HP ▪ HOA Switch ▪ Manual speed control ▪ Thermal shut-off protection built-in ▪ Current overload protection built-in ▪ 300mA trip level GFCI ▪ Sine filter	1

- Branch-circuit protection

SCADA outputs included:
- Digital Output signal indicating motor running
- Digital Output signal indicating fault
- Digital Input/Output signal for remote motor on/off
- RS-485 or Dry Contact connections
- 4-20mA signal

12.	**Cable 70 ft.**, including: ▪ Flat-jacketed 4 conductor	1
13.	**Tank Penetration Accessories** ▪ Stainless steel strain relief for 4 wire flat-jacketed cable	1
14.	**Submittal and Operation & Maintenance Manual as Follows** ▪ Submittals: Qty. One (1) Sent Electronically ▪ O&M Manual: Qty. One (1) Hard Copy	Included
15.	**Manufacturer's Field Services (1 Day(s) at the Jobsite),** including: ▪ System Start-Up ▪ Operator Training	Included
16.	**FOB Factory, Richmond, CA with Full Freight Allowed to Jobsite, Kaysville City, UT**	Included
	BUDGETARY PRICE [ITEMS 10-16]	**$30,025.00**
	BUDGETARY PRICE [ITEMS 10-16] WITH MULTI-UNIT DISCOUNT	**$27,585.00**

IF ALL MIXERS ARE PURCHASED SIMULTANEOUSLY:

TOTAL	$157,625.00
MULTI-UNIT DISCOUNT	($12,450.00)
BUDGETARY PRICE [ITEMS 1-16]	**$145,175.00**

Active Mixing Improves Residual Levels and Stabilizes Water Quality in 5-MG Underground Tank

The City of Covina, CA faces water quality challenges that are typical for many urban and suburban water systems across the Southern United States. Nestled in the heart of greater Los Angeles, Covina receives water from several sources, and distributes finished water through multiple pressure zones. With large variations in seasonal demand, operators must balance maintaining supply and reducing water age with requirements for emergency preparedness.

While overall water quality throughout the service area was very good, operators struggled with one section of their distribution system that was fed from a 5 MG underground tank – the largest tank in their system. Even though this tank was below grade and well-insulated, operators could tell that the water inside was thermally stratified and poorly mixed. When opening the tank hatch on a warm day, operators were hit with a blast of hot, humid air that indicated that the surface water inside the tank was quite warm. Spot measurements showed that surface water temperatures were 10 to 20 °F warmer than the bottom water layer during summer months. Disinfectant residual levels entering the tank were typically around 1.0 ppm, but water leaving the tank had only 0.5 ppm of disinfectant residual or less. By the time this low residual water reached the far end of the system, residual levels were unacceptably low.

Operators developed a practice of manually boosting residual levels at the 5 MG tank. A recirculating pump system at the tank site allowed them to feed disinfectant into a stream of water in order to disperse the disinfectant. But it was uncertain whether this achieved adequate mixing. “The procedure was cumbersome and time-consuming,” recalls Operations Supervisor Dean Dospital. “I don’t like having my operators handling all of those chemicals.”

A visit by Brian Doane of D&H Water Systems in 2009 was the first introduction the Covina team had to active mixing and its potential to improve residual retention in water storage tanks. D&H Water Systems specializes in water quality equipment, including chemical feed systems and active mixing technology. Doane presented the PAX Water Mixer to Covina and proposed a trial to demonstrate its performance. Using submersible temperature probes, Doane showed that the 5 MG tank was thermally stratified: warm water was trapped in the top of the tank – leading to high water age, high surface water temperatures and accelerated disinfectant residual consumption.

The Covina team hired a diver to install the PAX Water Mixer in the center of the 5 MG tank. After turning the unit on, operators at Covina saw their thermal stratification problem disappear. Completely mixed conditions were established after only a few hours and residual levels inside the tank improved dramatically. Whereas operators had been routinely dosing between 10-15 lbs. of hypochlorite solution into the tank before the mixer was installed, operators were able to completely eliminate disinfectant boosting after the mixer was installed and running. “From the time we installed the mixer, I noticed we were retaining residual – that was a big selling point,” recalls Dospital.

Subsequent temperature monitoring for the next six months showed that the tank remained completely mixed under all weather conditions (Figure 1). After the early success with the PAX Water Mixer, the Covina team proceeded with a full cleaning of the tank. This would ensure that, with constant movement provided by the mixer, sediment accumulation inside the tank would be reduced.

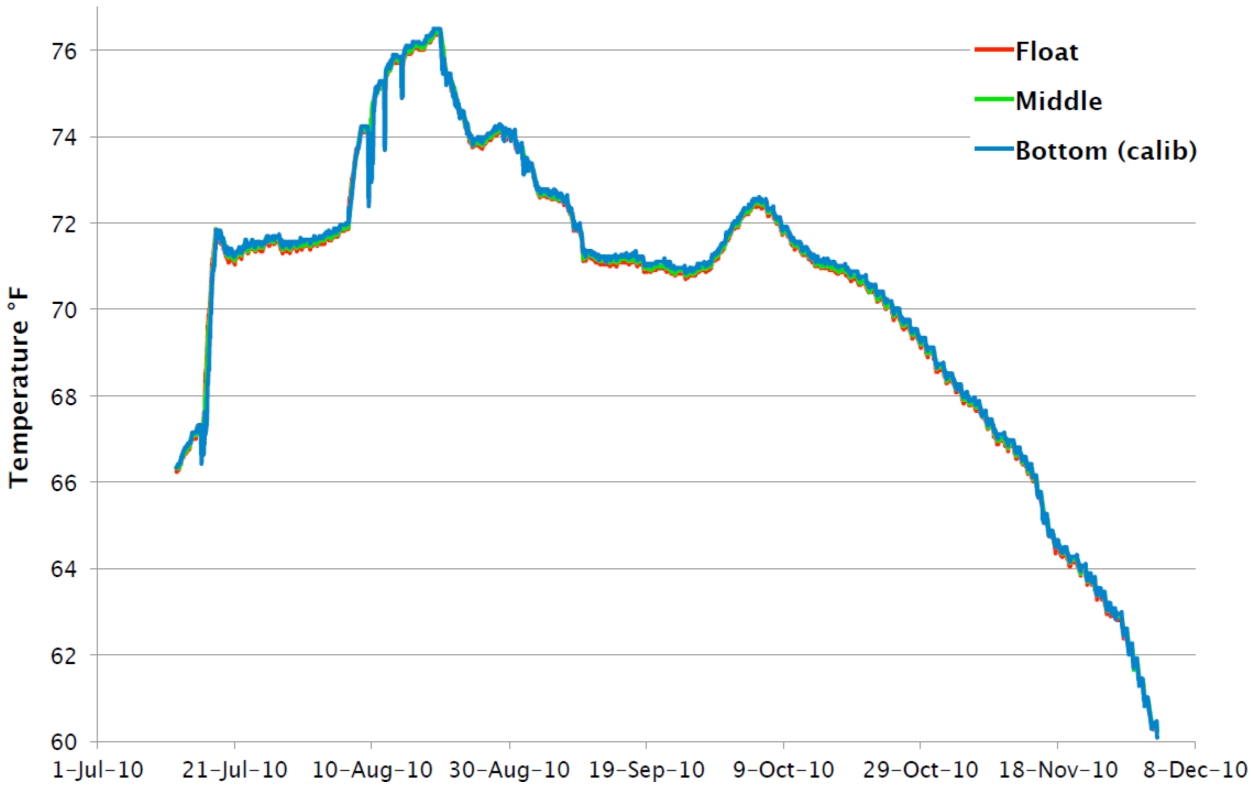

Figure 1. Temperature data from the 5 MG underground tank at Covina, CA after the PAX Water Mixer was installed. Uniform temperatures throughout the seasons indicate well-mixed conditions

Since the installation of the PAX Water Mixer in 2010, water quality conditions in the 5 MG tank have remained under control. “It has become a trouble-free tank,” reports Dospital. “It’s really what I always wanted.”
In 2013, Covina green-lighted additional mixers for four other tanks in their system. These tanks don’t have quite as severe a residual problem as the 5 MG tank, but during periods of low water use (in the winter) turnover in these tanks is low. “In two of our tanks we installed the mixer ourselves,” reports Dospital. “It makes me feel a lot better knowing that the water in my tanks is always moving.”

“From the time we installed the mixer, I noticed we were retaining residual – that was a big selling point.”
Dean Dospital, Operations Supervisor, City of Covina

STAFF REPORT

COUNCIL MEETING DATE: September 19, 2019
ITEM NO.: 4a – 4d

TYPE OF ITEM: Action
PRESENTED BY: Shayne Scott

SUBJECT/AGENDA TITLE: Fiber Related Items

EXECUTIVE SUMMARY:

There are four items on the Action portion of the council meeting that need separate actions but are related to addressing and potentially choosing the way we will install and manage Fiber in Kaysville. The items are as follows:

1. A Resolution authorizing an Interlocal Agreement to be formed with American Fork, Utah also known as LightHub. This Interlocal is in its infancy as Kaysville and American Fork will be the only two members at this time. This agreement is being created in a similar manner as the agreement we have in the Power Department with UAMPS.
2. This Service Agreement would establish a financial relationship with the Interlocal Agreement and Kaysville City. This would allow us to bond through the Interlocal, much like how it works in the Power Department.
3. This Ordinance would create the Fiber Utility Department.
4. Finally, this Resolution would establish the Utility Fee of $12.45.

Council Options: Approve the Action Items individually
Approve the Action Items with suggested changes
Do not approve the Action Items at this time

Recommended Options: Approve the Action Items as presented

Fiscal Impact & Fund Source for Recommended Action: The Fiscal Impact of this action item is significant as adopting these items will cause each home to eventually be charged the utility fee and to bond for the construction of the fiber installation.

Attachments: All associated Resolutions, Ordinances, and a copy of the current Interlocal.

RESOLUTION NO. ____

A RESOLUTION AUTHORIZING KAYSVILLE CITY TO EXECUTE THE INTERLOCAL COOPERATIVE AGREEMENT OF LIGHTHUB COMMUNICATIONS AGENCY.

WHEREAS, Kaysville City, Utah (the "City") desires to enter into an interlocal cooperative agreement to join together with other governmental entities within or without the State of Utah, as permitted by law, for the purposes of creating LIGHTHUB Communications Agency ("LIGHTHUB"), a separate legal entity, as permitted under the Utah Interlocal Cooperation Act, Sections 11-13-101, *et seq.,* Utah Code Annotated 1953, as amended ("UCA"); to finance, construct, acquire, equip, operate or have operated, an open, wholesale, advanced communications utility infrastructure system and to provide interconnection with other members of LIGHTHUB, as provided in Section 10-18-105(2), UCA; and

WHEREAS, Sections 10-8-14 and I0-18-101, *et seq.,* UCA, authorize and regulate how a municipality "may construct, maintain, and operate . . . telecommunications lines [or] cable television lines" as a utility; and

WHEREAS, an interlocal cooperative agreement has been prepared for the purposes stated herein; and

WHEREAS, the City Council of the City does hereby determine that it is in the best interests of the health, safety, and welfare of the residents and businesses of the City to enter into the interlocal cooperative agreement.

WHEREAS, upon the passage of a resolution authorizing the execution of the interlocal cooperative agreement of LIGHTHUB by another member municipality, the City Council authorizes the City to join as a founding member of LIGHTHUB; and

WHEREAS, the City shall assist in taking all actions necessary for the formation of LIGHTHUB as a separate legal entity; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of Kaysville City, Utah, that the Interlocal Cooperative Agreement of the LIGHTHUB Communications Agency (the "Interlocal Agreement"), is hereby approved, and that the Mayor is hereby authorized to execute said interlocal cooperative agreement for and on behalf of the City, by signing the signature page of the interlocal cooperative agreement; and

BE IT FURTHER RESOLVED by the City Council of Kaysville City, Utah, that the Mayor of the City or his/her designee is hereby appointed as the City's representative on LIGHTHUB's Board of Directors.

BE IT FURTHER RESOLVED by the City Council of Kaysville City, Utah, that the appropriate officials of the City are authorized to make any alterations, changes or additions to the Interlocal Agreement or any other document herein authorized and approved which may be necessary to conform the same to the final terms of any financing secured by the Interlocal Agreement, 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 or to make any other changes deemed necessary, appropriate or desirable by such officials to facilitate the transactions contemplated by the Interlocal Agreement.

BE IT FURTHER RESOLVED by the City Council of Kaysville City, Utah, that the appropriate officials of the City, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the City any or all additional certificates, documents and other papers, 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 or contemplated by the Interlocal Agreement.

APPROVED AND ADOPTED this 19th day of September 2019.

Kaysville City:

(SEAL)

____

Mayor: Katie Witt

ATTEST:

____

City Recorder: Annemarie Plaizier

4825-6159-4022

INTERLOCAL COOPERATIVE AGREEMENT

OF

LIGHTHUB COMMUNICATIONS AGENCY

(LIGHTHUB)

Dated as of September __, 2019

INTERLOCAL COOPERATIVE AGREEMENT

THIS INTERLOCAL COOPERATIVE AGREEMENT ("**Agreement**") of LIGHTHUB COMMUNICATIONS AGENCY ("**LIGHTHUB**") dated as of September 1, 2019, is made and entered into by and among the municipalities organized and existing under the laws of the State of Utah that are signatories to this Agreement, which Agreement may be amended from time to time, as provided herein. The municipalities are hereinafter, referred to collectively as "**Members**" or "**parties**" and individually as "**Member**" or "**party**."

RECITALS

WHEREAS, the Utah Interlocal Cooperation Act ("**Interlocal Cooperation Act**"), Title 11, Chapter 13, Utah Code Annotated 1953, as amended ("**Utah Code**") provides that two or more public agencies may, by agreement, jointly exercise any power common to the contracting parties, and may share their taxes and other revenues to accomplish their stated objectives; and

WHEREAS, the Municipal Cable Television and Public Telecommunications Services Act (the "**Telecommunications Act**"), Title 10, Chapter 18, Utah Code allows a municipality in the State of Utah to provide to its residents cable television and telecommunications services on a wholesale basis as therein provided; and

WHEREAS, Section 10-8-14, Utah Code, provides that a municipality "may construct, maintain, and operate . . . telecommunications lines [or] cable television lines" subject to the Telecommunications Act; and

WHEREAS, Section 10-18-105(2), Utah Code, exempts, from many of the requirements of the Telecommunications Act, municipalities that purchase, lease, construct, or equip facilities "that are designed to provide services within the municipality; and that the municipality uses for internal municipal government purposes; or by written contract, leases, sells capacity in, or grants other similar rights to a private provider to use the facilities in connection with a private provider offering cable television services or public telecommunications services"; and

WHEREAS, the Utah Municipal Bond Act ("**Municipal Bond Act**") Title 11, Chapter 14, Utah Code provides that a municipality may finance an interest in improvements, facilities or property to be owned by the municipality or owned jointly by two or more municipalities, and that a municipality may pledge all or any part of its excise taxes to finance said improvements, facilities or property; and

WHEREAS, the parties have entered into this Agreement for the purpose of (i) creating LIGHTHUB as a separate legal entity; and (ii) acquiring, constructing, owning and operating the Network (as defined herein); and

WHEREAS, this joint effort in creating a wholesale telecommunications utility makes use of the Members' powers in a mutually advantageous way, including the benefit of economy of scale, which will facilitate services to residences and businesses; government administration; provide more functional buildings and grounds; support educational opportunities, health care, and police and fire protection; and economic development; and

WHEREAS, Article XIII, Section 5 of the Utah State Constitution provides that a political subdivision of the State may share its tax and other revenues with another political subdivision of the State as provided by statute, including Section 11-13-215, Utah Code;

WHEREAS, LIGHTHUB shall utilize the Network as described in **Section 1.11** including each Project as described in **Section 1.14** as defined herein; and

WHEREAS, if other public agencies, including counties, already have authority or are later granted authority similar to that possessed by municipalities, this Agreement encompasses the ability to add them as future Added Members of LIGHTHUB; and

WHEREAS, LIGHTHUB shall provide to its Members and the inhabitants of its Members the

Network and related benefits to be derived from the operation of the Network all of which is acknowledged by the Members; and

WHEREAS, the governing bodies of the current members of LIGHTHUB have been or will be presented and have or will have accepted a final finance plan of LIGHTHUB.

NOW, THEREFORE, for and in consideration of all of the mutual benefits, covenants, and agreements contained herein, the parties hereto mutually agree as follows:

ARTICLE 1
Definitions

The following definitions shall apply to the provisions of this Agreement:

1.1. "**Added Members**" means those public agencies listed in **Appendix B** who have joined LIGHTHUB pursuant to **Section 4.4**.

1.2. "**Agreement**" means this Interlocal Cooperative Agreement of LIGHTHUB COMMUNICATIONS AGENCY dated as of September 1, 2019, including any subsequent amendments and supplements thereto and all Exhibits, Attachments, or Appendices hereto, which by this reference are incorporated herein.

1.3. "**Board of Directors**" or "**Board**" means the governing body of LIGHTHUB.

1.4. "**Bonding**" means the issuance of Bonds.

1.5. "**Bonds**" means bonds, notes, certificates of participation or other evidences of indebtedness of LIGHTHUB, except as provided herein.

1.6. "**Discretional Revenues**" means funds remaining in LIGHTHUB's account after LIGHTHUB has paid (i) all Operation and Maintenance Expenses, (ii) all debt service payment obligations with respect to any Bonds issued by LIGHTHUB, and (iii) all funding requirements for those funds and accounts as well as use of funds established with respect to the issuance of Bonds.

1.7. "**Effective Date**" means September 1, 2019, the date LIGHTHUB was originally created.

1.8. "**Excess Revenues**" means any remaining Revenues after Discretional Revenues have been spent.

1.9. "**Fiscal Year**" means the twelve-month period beginning July 1 and ending June 30.

1.10. "**Members**" means the original municipalities listed in **Appendix A** who were originally involved in the creation and development of LIGHTHUB, and all Added Members listed in **Appendix B** which were later added to LIGHTHUB as herein provided.

1.11. "**Network**" means and includes all physical facilities, wires, and equipment either owned or controlled by LIGHTHUB that is part of an open, carrier class, and scalable telecommunications system on which voice, video, and/or data are stored, accessed, and/or transmitted that makes available transparent high-speed broadband services for internal use by the Members and for use by all homes, businesses, and other entities within the Members' boundaries on a wholesale basis and between the Members as interconnected facilities.

1.12. "**Operation and Maintenance Expenses**" means all expenses reasonably incurred in connection with the operation and maintenance of the Network, whether incurred by LIGHTHUB or paid to any other entity pursuant to contract or otherwise, necessary to keep the Network in efficient operating condition, including cost of audits hereinafter required, payment of promotional and marketing expenses, payment of insurance premiums, and, generally all expenses, exclusive of depreciation and other non-cash items which under generally accepted accounting practices are properly allocable to operation and maintenance; however, only such expenses as are ordinary and necessary to the efficient operation and maintenance of the Network shall be included.

1.13. "**Operational Matter"** means any issue concerning the Network except as pertains to a project.

1.14. **"Project"** means the financing necessary for the purchase, lease, construction or equipment of facilities as provided in Utah Code §10-18-105.

1.15. **"LIGHTHUB"** means LIGHTHUB COMMUNICATIONS AGENCY, an interlocal cooperative entity and political subdivision of the State of Utah duly organized under the Interlocal Cooperation Act. As used in **Article 8**, LIGHTHUB means its officers and Board of Directors, as appropriate.

ARTICLE 2
Purposes

2.1 General Statement. This Agreement is entered into by the Members in order to:

2.1.1. Create LIGHTHUB as a separate legal entity, as provided in the Interlocal Cooperation Act.

2.1.2. If approved by the Members as provided herein, issue Bonds; and construct, lease, operate (or cause the same to occur) and own the Network;

2.1.3. Enter into contracts with consultants, suppliers, contractors, providers, and others to facilitate the accomplishment of the foregoing purposes.

2.1.4. Undertake such actions as are necessary or advisable to effectuate the purposes in this **Section 2.1**.

2.1.5. Entering into contracts, bonding, constructing, and undertaking actions to effectuate the purposes in this **Section 2.1**, may be done in series or phases, all as determined by the Board of Directors.

2.1.6. Upgrade and expand the Network as new development occurs within the boundaries of the Members, subject to **Section 10.9.**

2.1.7. Engage in such other lawful activity in which an interlocal cooperative may become involved and to conduct any and all transactions and activities related thereto.

2.2. Added Members. It is also the purpose of this Agreement to provide, to the extent permitted by law, for additional public agencies to become parties to this Agreement as Added Members as provided in **Section 4.4**.

2.3 LIGHTHUB Boundaries. LIGHTHUB's boundaries shall be and shall include each Member's geographical limits, along with such areas as are necessary to interconnect the Network within each Member. LIGHTHUB's boundaries shall further include the geographical limits of other municipalities with whom LIGHTHUB or a Member may contract pursuant to **Section 10.9**.

ARTICLE 3
Liabilities and Obligations of Members

3.1. Immunity. In entering into this Agreement, the Members do not waive, and are not waiving, any immunity provided to the Members or their officials, employees, or agents by the Utah Governmental Immunity Act, Title 63G, Chapter 7, Utah Code (the "Immunity Act"), or by other law.

3.2. Obligation Imposed by Law. This Agreement shall not relieve any Member of any obligation or responsibility imposed upon it by law. However, to the extent of actual and timely performance thereof by LIGHTHUB, such performance may be offered in satisfaction of such obligation or responsibility.

3.3. Limited Obligation. The obligations entered into by each Member by this Agreement are special limited obligations of each such Member, and nothing herein shall be construed or give rise to a general obligation or liability of any Member or a charge against its general credit or taxing powers.

3.4. Not Debt of Members. Any Bonds issued or incurred by LIGHTHUB shall not constitute a debt of any individual Member, but shall be secured only in the manner set forth therein. There shall be no additional liability or obligation of a Member except as provided in **Section 3.3**.

3.5. Indemnification of Members. LIGHTHUB shall defend, indemnify, save harmless, and exempt the Members, their officers, agents, and employees from and against all claims, suits, legal proceedings, demands, damages, costs, expenses, and attorneys' fees incident to any willful or negligent acts or omissions by LIGHTHUB, its officers, agents, or employees. The Board of Directors shall, prior to the commencement of construction of the Network, provide for risk and liability coverage in such amounts as it deems necessary to insure against risks arising from the operation of the Network.

ARTICLE 4
Parties to Agreement

4.1. Current and Future Members. Each party to this Agreement, by virtue of this Agreement, contracts with all other Members who are signatories of this Agreement to accomplish the purposes set forth in **Article 2** herein, and, in addition, with such other Added Members as may later join and become signatories of this Agreement pursuant to **Section 4.4**.

4.2. Members. The Members are those Members listed in **Appendix A**, and includes Added Members.

4.3. Added Members. Added Members may adopt and become signatories to this Agreement upon approval of, and pursuant to the conditions established by, the Board of Directors pursuant to **Section 12.13**. The names of the Added Members shall be listed in **Appendix B** with the date on which each Added Member joined LIGHTHUB. **Appendix B** may be updated as Added Members join. Added Members shall have the same rights, power and authority as the Members.

4.4. Dedication of Assets. Members may contract with LIGHTHUB, and vice versa, by virtue of a licensing, indefeasible right of use, lease or other separate agreement described in **Section 10.9,** to permit LIGHTHUB and/or its Members a specified use, right or dedication of that Member's respective asset and other terms detailed therein.

4.5 Right to Contract. Nothing in this agreement shall prohibit LIGHTHUB from contracting with (a) Member(s) with respect to services or development of infrastructure or Project ("**Project**") development including using LIGHTHUB as a pass-through entity by which Members may exchange and contract for mutual benefits one with another. By virtue of joining LIGHTHUB, members agree to participate in all relevant agreements under **Section 10.9**, and will comply with the contract terms thereof.

ARTICLE 5
Term of Agreement

5.1. Term. This Agreement shall run until the latest of (i) fifty (50) years from the Effective Date; (ii) five (5) years after LIGHTHUB has fully paid or otherwise discharged all of its indebtedness; or (iii) five (5) years after the Network of LIGHTHUB is no longer useful in providing the service, output, product, or other benefit of the Network, unless sooner terminated as provided in **Article 16**.

ARTICLE 6
Creation of LIGHTHUB

6.1. Creation. LIGHTHUB shall become a separate and independent governmental organization on the Effective Date pursuant to the provisions of this Agreement and shall continue its operation and existence pursuant to the provisions of this Agreement.

6.2. Location of Headquarters. LIGHTHUB'S headquarters shall be located in a location determined by the Board of Directors. The Board of Directors may change the location from time to time. The initial location of LIGHTHUB shall be located in the Network Operation Center in American Fork.

ARTICLE 7
Powers of LIGHTHUB

7.1. Common Powers. LIGHTHUB shall have all powers granted by the Interlocal Cooperation Act, Title 11, Chapter 13, Part 2, Utah Code, and is hereby authorized to do all acts necessary to accomplish its stated purposes, including, without limitation, any or all of the following:

7.1.1. To make and enter into contracts.

7.1.2. To acquire, hold, or dispose of property, contributions, grants, and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, and governmental entities.

7.1.3. To sue and be sued in its own name.

7.1.4. Except as otherwise provided in **Section 10.2**, to exercise the power of eminent domain in its own name.

7.1.5. To exercise all powers necessary and proper to carry out the terms and provisions of this Agreement or otherwise authorized by law.

7.1.6. To borrow money or incur indebtedness, liabilities, or obligations; to issue Bonds for the purposes for which it was created; to assign, pledge, or otherwise convey as security for the payment of any such Bonds the revenues and receipts from or for the Network, which assignment, pledge, or other conveyance may rank prior in right to any other obligation except taxes or payments in lieu thereof payable to the State of Utah or its political subdivisions.

7.1.7. Share its revenues with other counties, cities, towns, or local political subdivisions, the state, or a federal governmental agency as permitted by Section 11-13-215, Utah Code.

7.2. Exercise of Powers. All powers of LIGHTHUB shall be exercised pursuant to the terms of this Agreement, its bylaws, and any governing laws.

ARTICLE 8
Responsibilities of LIGHTHUB

8.1. Reimbursement Resolution. LIGHTHUB may reimburse the Members from Bond proceeds for any payment to LIGHTHUB prior to the issuance of the Bonds or any other expenses incurred by LIGHTHUB or its Members as approved by the Board of Directors. The Board of Directors intends to reimburse each Member from the proceeds of initial Bonds.

8.2. Discussions and Negotiations. LIGHTHUB through its Chief Executive Officer, shall enter into discussions, negotiations, and contracts with potential suppliers, manufacturers, service providers, consultants, governmental entities, public officials, and others to gather information helpful to the fulfillment of the purposes of LIGHTHUB.

8.3. Network Operation. LIGHTHUB shall operate the Network in a manner that will benefit, as determined by the Board of Directors, the residents, businesses, and other entities located in each Member and the Members themselves in their internal operations.

8.4. Revenues. LIGHTHUB shall ensure that all covenants and obligations required in any Bond documents are fulfilled, including the proper funding of debt service reserves, capital improvement accounts, repair and replacement accounts and operations and maintenance accounts. To accomplish those objectives, LIGHTHUB shall deposit when received all revenues ("**Revenues**") into a revenue account, from which LIGHTHUB shall pay (i) all Operation and Maintenance Expenses, (ii) all debt service payment obligations with respect to any Bonds issued by LIGHTHUB, and (iii) all funding requirements for those funds and accounts as well as use of funds established with respect to the issuance of Bonds. Except as otherwise provided in **Section 9.2.**, after the payment of items (i) through (iii) in this **Section 8.4.**, the remaining Revenues ("**Discretionary Revenues**") may be used to pay (x) costs of construction of the Network and (y) costs of redeeming Bonds all at the discretion of the Board. Any remaining Revenues ("**Excess Revenues**") may be paid to the Members as provided in **Section 8.5**.

8.5. Excess Revenue Sharing. A majority of the Members participating in a Project (**"Project")** shall determine the equitable distribution of Excess Revenues, if any. Until construction of the Network is substantially completed within the boundaries of a Project, there shall be no distribution of Excess Revenues from that Project to the Members participating in that Project.

If any Excess Revenues are attributable to the operation of the network, the Excess Revenues may be distributed to the Members on a pro-rata basis based upon ratio of connected subscribers to the Network. The decision to distribute the Excess Revenues shall be determined by a majority vote of the Members with one vote per Member. In the event of a tie vote, the decision whether to distribute shall be made by the Chief Executive Officer. In any case, Excess Revenues under this Section shall be distributed not less than bi-annually.

8.6. Registration. LIGHTHUB shall annually renew their registration with the lieutenant governor's office on or before one year after the day on which the lieutenant governor issues the notice of registration or renewal in compliance with Section 67-1a-15, Utah Code.

8.6.1. The registration or renewal of LIGHTHUB shall include the legal document which created LIGHTHUB, any geographic boundaries of LIGHTHUB, name of this interlocal entity, description of the government type and function, the website, physical address, phone number and contact information of the primary contact for LIGHTHUB, the names of the Members of LIGHTHUB, the sources of revenue for LIGHTHUB, and any assessment area of LIGHTHUB.

8.6.2. LIGHTHUB shall keep and comply with registration and renewal notices as required by the lieutenant governor in Section 67-1a-15, Utah Code.

ARTICLE 9 Voting Rights of Members

9.1. Voting with Respect to Operational Matters. Except as provided in **Section 9.2**, each Member shall be entitled to one vote for all Operational Matters (**"Operational Matter"**).

9.2. Voting Associated With Project Finance. When a vote is required with respect to a Project, only those Members participating in a given Project shall vote on matters pertaining to that Project (**"Project").** If a Project contains multiple members, each member voting with respect to that project shall have one vote.

ARTICLE 10 Responsibilities of Members

10.1. Right of Way and Easement Use Granted. Each Member hereby grants Right of Way and Easement Use approval to LIGHTHUB, any other interlocal cooperative agency, any authorized service provider who may contract with LIGHTHUB, any authorized service provider of LIGHTHUB and//or other interlocal cooperative agency using the Network to provide services within that Member's boundaries. By contract, each service provider shall be required to pay a Member any tax, franchise fee, or other charge that would be applicable to the provider if the provider had obtained a separate franchise and/or any Right of Way and Easement Use agreement from that Member and to abide by all requirements applicable to any existing franchise and Right of Way and Easement Use agreement providing the same telecommunications service. Upon LIGHTHUB's request, each Member shall provide a copy of its current franchises and/or Right of Way and Easement Use agreements to LIGHTHUB.

10.2. Approval to Build Network. Each Member shall allow LIGHTHUB to build the Network in its boundaries, including the granting of any necessary excavation permits. However, LIGHTHUB agrees to abide by each Member's ordinances and shall require any contractor hired to install the Network to comply with each Member's ordinances. LIGHTHUB further agrees that it will not exercise its power of eminent domain against a Member's property without that Member's prior consent, which may be withheld in such Member's sole discretion.

10.3. Annual Dues. Each Member agrees to pay any annual dues to LIGHTHUB, as approved by at least a two-thirds vote of the Board of Directors, subject to the Member's budgetary processes and approvals, for the administration of the LIGHTHUB during said fiscal year.

10.4. Working Capital. Each Member agrees to pay any working capital assessments to LIGHTHUB, as approved by at least a two-thirds vote of the Board of Directors, subject to the Member's budgetary processes and approvals, for the administration of the LIGHTHUB during said fiscal year. In the event a member city fails to budget annual dues or working capital assessments to LIGHTHUB as adopted by the Board of Directors, then that Members use of the operational components of LIGHTHUB may be limited or curtailed as determined by the Chief Executive Officer.

10.5. Review by Attorney. Each Member warrants that this Agreement and subsequent agreements with subcontractors for services or facilities are approved by the Member's governing body vested with executive power and reviewed by the attorney authorized to represent the Member in accordance with Section 11-13-202.5, Utah Code.

10.6. Filing of Agreement. Upon execution of an agreement to approve the creation of an interlocal entity, the governing body of a member of the interlocal entity shall file the agreement within 30 days after the date of the agreement with the lieutenant governor.

10.6.1 Once the lieutenant governor's office has issued a certificate of creation for the interlocal entity, that member shall file the certificate of creation, a certified copy of the creation of the interlocal entity, and any description outlined in 8.6.1 with the recorder of the county in which the interlocal was formed.

10.6.1.1 If the interlocal entity is located within the boundaries of more than a single county, the member shall file the same documents in 10.6.1 with the recorder of every county in which a member of the interlocal resides.

10.7. Efficacy. Members agree and understand that the Agreement takes effect after the Agreement is filed with each Member's records keeper within their respective municipality boundaries.

10.8. Formation. Members agree to abide by requirements of interlocal entity formation as set forth in Title 11, Chapter 13 of the Utah Code Annotated.

10.9. Separate Agreements. LIGHTHUB may, from time to time, enter into separate agreements with Members and/or other municipalities which comply with ~~meet the restrictions of~~ Section 10-18-105~~(2)(b)~~, Utah Code. When a member avails itself of any side agreement between LIGHTHUB and another member, said payments shall pass through LIGHTHUB to the other member, and shall not constitute Revenues and/or Excess Revenues as defined in **Sections 8.4** or **8.5** under this Agreement. Payments shall be recorded within the budget and records of LIGHTHUB as such. These payments shall be delivered to the intended recipient Member within thirty (30) days of receipt. By way of example, LIGHTHUB may enter into an agreement for the use of the American Fork Network Operation Center and American Fork's Mid-Mile Fiber between Spanish Fork and downtown Salt Lake City.

ARTICLE 11 Board of Directors

11.1. Composition of Board. LIGHTHUB shall be governed by a Board of Directors, which is hereby established and which shall be composed of a representative from each Member. The Board representative from each Member shall be appointed by the Mayor or Chairman of the Member entity with the advice and consent of the Member's governing body after which the Board representative will be sworn in by the Chief Executive Officer as described in Section 12.2. The Board representative may send an alternate to act in his or her place at a Board or Executive Committee meeting, except if the Board representative is the Chair or a Vice-Chair, then that Board representative's responsibilities for conducting the meeting or signing documents shall fall to the next Vice-Chair in line.

11.2. Executive Committee. The Board of Directors may establish an Executive Committee of not more than five members of the Board and may delegate to the Executive Committee such powers and responsibilities as the Board deems appropriate, as provided in **Section 12.14**. The composition of, the manner of selection of, the voting and the powers and responsibilities of the

Executive Committee shall be as are established in this Agreement.

11.3. Voting. In all matters voted upon by the Board of Directors, each member of the Board shall have and may cast the same number of votes as the Member which the board member represents is entitled to cast under **Article 9**. If, for any provision regarding voting in this Agreement, there are insufficient Member votes to constitute a two-third's majority, the Chief Executive Officer may vote on this matter as a tie-breaking voting Member.

11.4. Meetings. The Board shall hold at least one regular meeting annually. The Board may hold special meetings as provided by law. Meetings may be conducted by telephonic or other technological means of communication.

11.5. Minutes. The Chief Executive Officer shall cause all meetings of the Board to comply with the Utah Open and Public Meetings Act, Title 52, Chapter 4, Utah Code.

11.6. Quorum. The presence of the Board members entitled to cast a majority of the votes of the entire Board shall constitute a quorum for the transaction of business. Unless otherwise requiring a two-thirds vote, a majority vote of the total votes of the entire Board, whether or not all Board members are present, shall constitute action by the Board.

11.7. Notice. Notice to Board members shall be sufficient if delivered in writing, by courier, U.S. Mail, fax, or by e-mail to the designated representative of the respective Member, at the address, fax number, or e-mail address of record, as may be amended from time to time.

11.8. Duty to Inform. The Board, through the Chief Executive Officer, shall have an ongoing duty to inform the Members of LIGHTHUB business and, accordingly, shall cause a copy of all materials (unless they are not public records; in which case, notice of their existence shall be given) delivered in the manner it deems appropriate to Board members for meetings of the Board, including minutes of past meetings, to be delivered to the Chair of each Member's governing body and to each Member's legal counsel. The Chief Executive Officer shall promptly respond to all requests for information made by any Member.

ARTICLE 12

Powers and Duties of the Board of Directors

The Board of Directors shall have the following powers and duties:

12.1. Exercise of Powers of LIGHTHUB. Except as otherwise authorized or delegated pursuant to this Agreement, the Board of Directors shall for and on behalf of LIGHTHUB, exercise all powers of LIGHTHUB set forth in **Article 7** herein.

12.2. Appointments. The Board of Directors shall appoint a Chief Executive Officer and the Chief Executive Officer shall appoint a Deputy Director and a Secretary/Treasurer, subject to confirmation by at least a two-thirds vote of the Board.

12.3. Budget. The Board of Directors shall cause to be prepared the operating budget of LIGHTHUB for each Fiscal Year, and may amend such operating budget as allowed by law.

12.4. Committees. The Board of Directors shall have the authority to appoint committees.

12.5. Reporting. The Board of Directors shall receive and act upon reports of the Executive Committee and of the Chief Executive Officer, and the Chair of the Committees.

12.6. Hiring Employees. The Board of Directors shall have the power to authorize the Chief Executive Officer to hire such persons as the Board deems necessary for the administration of LIGHTHUB.

12.7. Supervision. The Board of Directors shall have the general supervisory and policy control over the activities of the Chief Executive Officer.

12.8. Funds. The Board of Directors shall provide for the investment and disbursement of funds and their periodic review.

12.9. Audit. The Board of Directors shall provide for a certified annual audit of the accounts and records of LIGHTHUB, which audit shall conform to generally accepted auditing standards. Such annual audit shall be open for inspection by each Member representative at all reasonable times.

12.10. Bylaws. The Board of Directors shall have the authority to adopt bylaws and thereafter amend the bylaws. The adoption of any amendments shall be by a two-thirds (2/3) vote of the Board. Each Member shall receive a copy of the bylaws.

12.11. Rules of Board. The Board of Directors shall have the authority to establish rules governing its own conduct and procedure not inconsistent with the bylaws.

12.12. Added Members. By a two-thirds vote of the Members, the Members shall have the authority to admit Added Members on such terms and conditions as they deem appropriate. Added Members shall have assumed in writing any and all of the obligations under this Agreement.

12.13. Other Powers. The Board of Directors shall have such other powers and duties as are necessary for the operation or dissolution and winding up of LIGHTHUB and for the implementation of the bylaws subject to the limits of this Agreement and the bylaws.

12.14. Delegation to Executive Committee. The Board of Directors may, through LIGHTHUB's bylaws, delegate all of its powers and duties outlined in this Agreement to the Executive Committee, except for the following:

12.14.1. The election of the Chair and Vice Chairs of the Board.

12.14.2. The election of the group representatives to the Executive Committee.

12.14.3. The powers to adopt, modify, and approve changes in the bylaws and recommend proposed changes to the Agreement that must be approved by the Members' governing bodies.

12.14.4. The power to terminate or dissolve LIGHTHUB.

12.15. Records. The records of LIGHTHUB shall be governed by the "Government Records Access and Management Act," Section 63G-2-101, et seq., Utah Code, to the extent applicable, except that the governing body and/or legal counsel of each Member shall have full access to inspect all records and copy public records of LIGHTHUB.

ARTICLE 13
Officers, Agents, and Personnel

13.1. Chief Executive Officer. The Chief Executive Officer shall be appointed by the Board of Directors. The Chief Executive Officer shall, subject to the control of the Board of Directors, have general day-to-day supervision, management, administration, direction, and control of the business and officers of LIGHTHUB and shall have such other and related duties as may be prescribed by the Board. When LIGHTHUB is required or authorized to perform a function in this Agreement, or the law, the Chief Executive Officer or the person designated by the Chief Executive Officer has the power to perform the function.

13.2. Secretary/Treasurer. The Secretary/Treasurer shall be appointed by the Chief Executive Officer and confirmed by the Board. The duties of the Secretary/Treasurer are set forth in **Articles 14** and **15**.

13.3. Other Officers, Agents, and Personnel. The Chief Executive Officer shall have the power to hire or appoint such other officers, agents, and personnel as are budgeted for by the Board of Directors and as may be necessary to carry out the purposes of this Agreement.

13.4. Removals and Resignations; Filling of Vacancies; Etc. Provisions for removal and resignation, and provisions for filling vacancies, etc., shall be as established by the Chief Executive Officer unless otherwise established in this Agreement.

ARTICLE 14
Accounts and Records

14.1. Annual Budget. The Board of Directors shall annually adopt an operating budget pursuant to **Section 12.3**.

14.2. Funds and Accounts. The Secretary/Treasurer shall establish and maintain such funds and accounts as may be required by governmental accounting practices and the State's fiscal procedures laws. Financial records of LIGHTHUB shall be open to inspection at all reasonable times by Members' representatives and shall be open public records if so required by Utah State law.

14.3. Secretary/Treasurer's Report. Within ninety (90) days after the close of each

Fiscal Year, the Secretary/Treasurer shall give a complete written report of all financial activities for the immediate past Fiscal Year to the Board.

14.4. Annual Audit. The Board of Directors shall provide for a certified annual audit of the accounts and records of LIGHTHUB, as required by **Section 12.9**.

ARTICLE 15
Responsibility for Monies

15.1. Secretary/Treasurer's Responsibilities. The Secretary/Treasurer shall have custody of and shall disburse LIGHTHUB's funds. The Secretary/Treasurer shall have the authority to delegate the signatory function of Secretary/Treasurer to such persons as are authorized by the Board of Directors.

15.2. Bonds. A fidelity and treasurer's bond shall be required of all officers, agents, and personnel authorized to disburse funds of LIGHTHUB. The cost of such bond shall be paid by LIGHTHUB.

15.3. Financial Records. The Secretary/Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct financial records, including accounts of its assets, liabilities, receipts, and disbursements, and shall have such other duties as are provided for in the bylaws.

ARTICLE 16
Dissolution of LIGHTHUB

16.1. Outstanding Indebtedness. So long as there are any outstanding Bonds of LIGHTHUB, it shall remain a separate legal entity with all of the power and duties set forth in this Agreement and all of the responsibilities, covenants, and obligations required in the Bond documents.

16.2. Dissolution of LIGHTHUB. If there are no outstanding Bonds, LIGHTHUB may be dissolved with two-thirds vote of the Members.

16.3. Power of Board. The Board of Directors is vested with all powers necessary for the purpose of winding up and dissolving the business affairs of LIGHTHUB.

16.4. Division of Assets. Upon dissolution and after payment in full of all outstanding Bonds and other LIGHTHUB obligations, the Board of Directors shall equitably disburse the assets of LIGHTHUB to the then current Members. The disbursement shall be done according to the following principles:

16.4.1. Any outstanding agreements with service providers shall be honored.

16.4.2. To the extent possible, each current Member shall receive ownership of that portion of the Network within its boundaries, at no additional cost to each current Member.

16.4.3. After deducting costs, any cash or other assets jointly shared shall be disbursed, or interests deeded, *pro rata,* according to the revenue generated from each Member's jurisdiction.

ARTICLE 17
Other Provisions

17.1. Confidentiality. The Board of Directors shall take such steps as they deem necessary to protect and keep confidential appropriate information received or kept by LIGHTHUB in accordance with law. The Members shall protect and keep confidential information kept or received by LIGHTHUB during the term of this Agreement and after the termination of their membership in LIGHTHUB pursuant to this Agreement or other policies adopted by the Board and consistent with law.

17.2. Status of Members' Employees. When members of the Board of Directors are acting on behalf of LIGHTHUB, they shall be considered to be acting on behalf of their respective public agency employer within the meaning of the Governmental Immunity Act of Utah, and thus, shall be entitled to indemnification and representation so long as they meet the requirements of the Governmental Immunity Act of Utah.

17.3. Prohibition Against Assignment. No Member may assign any right, claim, or interest it may have under this Agreement; and no creditor, assignee, or third party beneficiary of any Member shall have any right, claim, or title to any part of the Network share, interest, fund, or other asset of LIGHTHUB.

17.4. Severability Clause. In the event that any article, provision, clause, or other part of this Agreement should be held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability with respect to other articles, clauses, applications, or occurrences, and this Agreement is expressly declared to be severable.

17.5. Complete Agreement. The foregoing constitutes the full and complete Agreement of the parties concerning the subject matter hereof. There are no oral understandings or agreements not set forth in writing herein. Documents attached hereto or made pursuant to this Agreement are incorporated in full by reference. In the event of a conflicting provision in such documents, the terms of this Agreement shall prevail.

17.6. Amendment. This Agreement may be amended at any time by the written approval of two-thirds of all Members.

17.7. Governing Law. This Agreement shall be governed according to the laws of the State of Utah.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by authorized officials thereof on the date indicated on the signatory pages in the form shown in **Appendix C**.

Appendix A

Members

American Fork City

Kaysville City

Appendix B

Added Members

Appendix C

Authorized Signatories for Members

And Signatory Page

_________________________________, by resolution of its legislative body adopted on _________________________________, 2019, approved the execution of the Interlocal Cooperative Agreement of LIGHTHUB COMMUNICATIONS AGENCY originally dated as of September 1, 2019, and amended and restated as of ______________________, 2019, and consisting of pages 1 through 21, including Appendices A, B, and C.

____
Printed Name of Authorized Signatory

____
Signature

____
Title

ATTEST:

____
Signature

Name: _______________________________
Title: ________________________________

APPROVED AS TO PROPER FORM AND COMPLIANCE WITH APPLICABLE LAW:

____
Authorized Attorney Representing the Public Agency

FILING OF AGREEMENT:

Pursuant to the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Ann. 1953, as amended, the keeper of the records for the public agency hereby certifies that this Agreement has been filed with him or her.

____
Signature
Name: _______________________________
Title: ________________________________

BYLAWS
OF THE
BOARD OF DIRECTORS
OF THE
LIGHTHUB COMMUNICATIONS AGENCY

Effective as of _____________

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BYLAWS
OF THE
BOARD OF DIRECTORS
OF THE
LIGHTHUB COMMUNICATIONS AGENCY

Pursuant to authority granted to it in accordance with the Interlocal Cooperative Agreement dated as of _________, by various municipalities within the State of Utah, the Board of Directors of the Lighthub Communications Agency ("LIGHTHUB") hereby adopts the following as Bylaws:

ARTICLE I. **ORGANIZATION AND ADMINISTRATION**

Section 1.1. The administration of LIGHTHUB shall be vested in a Board of Directors, and a Chief Executive Officer.

Section 1.2. The Board of Directors shall establish general guidelines for the functioning of LIGHTHUB and shall have budgetary control over LIGHTHUB and its activities.

Section 1.3. The Board of Directors shall be responsible for establishing guidelines, policies and operations of LIGHTHUB, as executed and implemented by the Chief Executive Officer and subordinate employees.

Section 1.4. The Chief Executive Officer is the chief executive officer of LIGHTHUB and, as specified herein, is responsible to implement and carry out the policies and programs specified by the Board of Directors.

ARTICLE II. **BOARD OF DIRECTORS**

Section 2.1. Composition of the Board of Directors and the Executive Committee.

(a) The Board of Directors shall be composed of a representative from each member of LIGHTHUB (a "Member").

(b) At the first regularly scheduled meeting of the Board of Directors each year, or as soon thereafter as is reasonably practical, The Board of Directors shall elect from among the board members a person to serve in each of the following positions: Chair, First Vice-Chair and Second Vice-Chair. At its discretion, on an annual basis, the Board of Directors may also elect a Third Vice-Chair, and Fourth Vice-Chair. Consideration shall be given to rotate these positions through members of the Board of Directors while maintaining continuity in the Executive Committee. The designation shall be effective for the calendar year and until a successor is selected and approved by the Board of Directors.

(c) There is created an Executive Committee of the Board of Directors comprised of the Chair, the First Vice-Chair, and the Second Vice-Chair, and, if such positions are elected by the Board of Directors, the Third Vice-Chair and the Fourth Vice-Chair. The Executive Committee shall have such responsibilities as are delegated to them by the Board of Directors.

Section 2.2. Election or Appointment to the Board of Directors. The selection of its representatives on the Board of Directors shall be made by each Member, provided that the representative of each Member shall be a current elected official or employee of the Member during his or her term of service on the Board of Directors. Each Member shall designate the name and address of its representative to the Board of Directors in writing. Any vacancy on the Board of Directors shall be promptly filled by appointment by the Member.

Section 2.3. Terms of the Directors. Each Director shall serve for the period designated by the Member he or she represents.

Section 2.4. Vacancies. A vacancy or vacancies in the Board of Directors shall be deemed to exist by reason of death, resignation, expiration of term, or removal by the Member. Each Member shall be responsible to promptly fill the vacancy of its Director and to notify the Board of Directors of the new Director's name, address, email address and telephone number.

Section 2.5. Meetings of the Board of Directors.

(a) The Board shall set a time and place for at least one regular meeting annually, notice of which shall comply with the Utah Open and Public Meetings laws, Title 52, Chapter 4, Utah Code Annotated 1953, as amended. Meetings may be held by telephonic or other technological means of communication provided such meetings comply with Title 52, Chapter 4, Utah Code Annotated 1953, as amended.

(b) Special meetings may be called by the Chairperson, the Chief Executive Officer or by Directors representing a majority of the voting rights of the Board. Notice of these special meetings shall be mailed or emailed to each Member at least ten (10) days in advance.

(c) The Chief Executive Officer shall cause written minutes of regular, adjourned regular, special and adjourned special meetings to be kept and shall, as soon as possible after each Board meeting, cause a copy of the minutes to be forwarded to each Director.

Section 2.6. Quorum. The presence of Directors representing a majority of the Board shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn when necessary. A vote by members representing the majority of the voting rights of the Board shall constitute action by the Board.

Section 2.7. Powers and/or Duties of the Board of Directors. The Board of Directors shall have the following powers and/or duties:

(a) The Board of Directors shall appoint a Chief Executive Officer and such other officers as it deems appropriate;

(b) The Board of Directors shall cause to be prepared LIGHTHUB's capital and operating budgets for each fiscal year.

(c) The Board of Directors shall have the authority to appoint committees;

(d) The Board of Directors shall receive and act upon reports of appointed committees and of the Chief Executive Officer;

(e) The Board of Directors shall have the power to hire such persons as the Board deems necessary for LIGHTHUB's administration, including the "borrowing" of employees from one or more of the Members, subject to the approval of the Member. Any Member whose employee is so "borrowed" according to this provision shall be reimbursed by LIGHTHUB for that employee's fully loaded costs for time spent or services rendered on behalf of LIGHTHUB;

(f) The Board of Directors shall have the general supervisory and policy control over the day-to-day decisions and administrative activities of the Chief Executive Officer;

(g) The Board of Directors shall provide for a certified, annual audit of LIGHTHUB's accounts and records, which audit shall conform to generally accepted auditing standards. Such audit of the accounts and records shall be made by a Certified Public Accountant(s) and shall be open to any inspection at all reasonable times by representatives of Members. Any audit costs, including contracts with, or employment of, Certified Public Accountants, in making an audit shall be borne by LIGHTHUB and shall be included within the term “administrative costs”;

(h) The Board of Directors shall receive and review periodic accountings of all LIGHTHUB funds;

(i) The Board of Directors shall have the authority to establish criteria for adding members, as further detailed in Article VIII of these Bylaws;

(j) The Board of Directors shall have the authority to establish rules governing its own conduct and procedures not inconsistent with these Bylaws;

(k) The Board of Directors shall have the authority to amend these Bylaws by a two-thirds (2/3) vote of the Board;

(l) The Board of Directors shall have such other powers and duties as are necessary for the operation or dissolution and winding up of LIGHTHUB and for the implementation of these Bylaws subject to the limits of the Agreement and these Bylaws;

(m) The Board of Directors shall have the authority to establish standing committees as deemed appropriate. The Board of Directors shall also have the authority to establish ad hoc committees deemed appropriate. The Chair of the Board shall have the authority to appoint members to the various committees.

(n) The Board of Directors shall have the authority, but not the obligation, to establish a Procurement Policy to govern the purchase of equipment, materials, goods, services and the like.

(o) The Board of Directors shall have the authority, but not the obligation, to establish a Travel Policy to govern travel by LIGHTHUB staff.

(p) The Board of Directors shall have the authority, but not the obligation, to establish a Records Classification and Retention Policy consistent with the requirements of the Utah Government Records Access and Management Act, Title 63, Chapter 2, Utah Code Annotated 1953, as amended.

(q) The Board of Directors shall have the authority, but not the obligation, to establish a Personnel Policy to govern salary and benefits for LIGHTHUB staff.

Section 2.8. Powers and Duties of the Chair of the Board. The Chair will preside at all meetings of the Board of Directors and the Executive Committee and shall be an ex-officio member of all the standing committees and shall have the general powers and duties as may be prescribed by the Board of Directors, the Interlocal Cooperative Agreement of LIGHTHUB and/or the Bylaws. In addition, the Chair of the Board of Directors shall:

(a) Have a vote in all Board of Directors proceedings.

(b) Execute, on behalf of the Board of Directors, all resolutions of the Board of Directors, and, where required and not otherwise within the authority of the Chief Executive Officer, contracts and other written obligations of LIGHTHUB.

(c) Attend and, if appropriate, preside at ceremonial activities (including, but not limited to, ribbon-cuttings, open houses, receptions) in which ceremonial representation is needed or sought.

(d) Where designated by the Board of Directors, represent LIGHTHUB in all its external relationships with the State, the County, other political subdivisions, and such civic, social and fraternal organizations, including the serving on appointed boards, committees, councils, and commissions as provided by law or to which an official, non-technical representative from LIGHTHUB is sought or needed, unless the Board of Directors directs otherwise.

(e) Be a spokesperson for the Board of Directors, unless the Board of Directors directs otherwise. When the Chair acts as spokesperson for the Board of Directors, he or she should speak for the majority of the Board of Directors. When the Chair is speaking in his capacity as an individual member of the Board of Directors, he or she should clearly identify that limited capacity.

(f) Represent the will of the Board of Directors.

(g) The Chair shall have no administrative or executive duties. The Chair shall not attempt to advise or direct the Chief Executive Officer or any of the subordinates of the Chief Executive Officer in the performance of the assigned duties of the Chief Executive Officer or the subordinate.

Section 2.9. First Vice-Chair of the Board of Directors. The First Vice-Chair of the Board of Directors shall act during the period of the Chair's absence, or inability or refusal to act. The designation shall be effective for the calendar year and until a successor First Vice-Chair is selected and approved by the Board of Directors. The duties of the First Vice-Chair shall be limited to presiding over the meetings of the Board of Directors and to signing official documents and other writings acted upon within that meeting over which he or she presided or such writings as are presented to him or her for signature during the period he or she is so acting. The First Vice-Chair shall act only in cases of the absence, inability or refusal to act of the Chair. The determination as to the inability or refusal to act shall be made by vote of the Board of Directors. The Chair may request any member of the Board of Directors to represent LIGHTHUB outside of meetings of the Board of Directors. When no designee is appointed by the Chair, the First Vice-Chair shall represent LIGHTHUB. If no member of the Board of Directors is able to represent the Chair (other than in official, Board of Directors meetings) the Chief Executive Officer or his designated staff member shall do so.

Section 2.10. Second Vice-Chair of the Board of Directors. The Board of Directors shall elect one of its members to act as the Second Vice-Chair of the Board of Directors, to act during the period of the Chair's or First Vice-Chair's absence, or inability or refusal to act and shall have the same authority as the First Vice-Chair.

Section 2.11. Third Vice-Chair of the Board of Directors. The Board of Directors shall elect one of its members to act as the Third Vice-Chair of the Board of Directors, to act during the period of the Chair's, First Vice-Chair's, or Second Vice-Chair's absence, or inability or refusal to act and shall have the same authority as the First Vice-Chair.

Section 2.12. Fourth Vice-Chair of the Board of Directors. The Board of Directors shall elect one of its members to act during the period of the Chair's, First Vice-Chair's, Second Vice-Chair's or Third Vice-Chair's absence, or inability or refusal to act and shall have the same authority as the First Vice-Chair.

Section 2.13. No Compensation. The Board of Directors shall serve without compensation from LIGHTHUB.

Section 2.14. Limitations of Actions and Authority of Board of Directors. No Director shall direct or request the appointment of any person to, or his removal from office. No Director shall interfere in any way with the performance by the appointed officers of their duties. The Board of Directors shall not give orders to any subordinate of the Chief Executive Officer, either publicly or privately, but may make suggestions and recommendations to the Chief Executive Officer. Nothing in this Section 2.14 shall prevent the Board of Directors from appointing committees of its own members or of citizens to conduct investigations into the conduct of any officer, department, or agency of LIGHTHUB, or any matter relating to LIGHTHUB's welfare, and delegating to these committees such powers of inquiry as the Board of Directors may deem necessary.

Section 2.15. Parliamentary Procedure. When not in conflict with the Interlocal Cooperation Act or these Bylaws, the latest published edition of Robert's Rules of Order shall govern the meetings of the Board of Directors.

ARTICLE III. **CHIEF EXECUTIVE OFFICER**

Section 3.1. Appointment of Chief Executive Officer. The Board of Directors shall appoint the Chief Executive Officer. The Chief Executive Officer shall be appointed solely on the basis of his or her ability, integrity and prior experience relating to the duties of the office, including but not limited to, abilities of public administration and executive leadership, and shall possess managerial capabilities as in the opinion of the Board of Directors befit him or her to provide professional direction to LIGHTHUB.

Section 3.2. Powers and duties of the Chief Executive Officer. Subject to the general supervision of the Board of Directors, the Chief Executive Officer shall:

(a) Faithfully execute and enforce all applicable laws, rules and regulations.

(b) Carry out the policies and programs established by the Board of Directors.

(c) Organize and direct the management of the executive affairs of LIGHTHUB in a manner consistent with the Interlocal Cooperation Act and these Bylaws and the policies established by the Board of Directors.

(d) Examine and inspect the books, records and official papers of any office, department, agency, board or commission of LIGHTHUB, and make investigations and require reports from personnel.

(e) Submit to the Board of Directors plans and programs relating to the development and needs of LIGHTHUB, and annual and special reports concerning the financial, administrative and operational activities of LIGHTHUB offices, departments, agencies, boards and commissions, together with his or her evaluation and recommendations relating to them.

(f) Attend all meetings of the Board of Directors and take part in its discussions and deliberations, but without the right to vote.

(g) Appoint, with approval by the Board of Directors, an acting Chief Executive Officer to serve in his or her absence or temporary incapacity, to perform the powers and duties provided for in these Bylaws.

(h) Recommend to the Board of Directors for adoption such measures as he or she deems necessary or expedient.

(i) Prepare a financial estimate of the annual budget and advise the Board of Directors of the financial condition and needs of LIGHTHUB.

(j) Notify the Board of Directors of any emergency existing in any department.

(k) Execute such contracts as are necessary for the good order and functioning of LIGHTHUB, provided the expenditures pursuant to such contracts are within the appropriations contained within the appropriate budget, as adopted by the Board of Directors.

(l) Implement and administer, within the budgetary restraints as established by the Board of Directors, a plan for the compensation of LIGHTHUB employees, including, but not limited to, a pension system and a system for health and accident care coverage for employees and their dependents in a manner consistent with the Personnel Policy approved by the Board of Directors.

(m) Approve such expenditures made for official LIGHTHUB business, provided such expenditures are within the appropriations contained within the appropriate budget, as adopted by the Board of Directors.

(n) Discharge any other duties specified or designated by the Board of Directors.

(o) Investigate and examine or inquire into the affairs or operation of any department, division or office.

(p) Examine all proposed contracts to which LIGHTHUB may be party.

(q) Prescribe rules and regulations, not inconsistent with the Interlocal Cooperative Agreement or these Bylaws, to insure efficiency and effectiveness in the operations of LIGHTHUB.

The Chief Executive Officer's responsibilities to the Board of Directors are to identify policy issues, recommend policy to the Board of Directors, guide, educate and train subordinates, implement the policies of the Board of Directors and evaluate the overall administration within LIGHTHUB, suggest policy needs and solutions, carry out the will of the Board of Directors expressed by resolution, provide information to the Board of Directors and support the decisions of the Board of Directors. The Chief Executive Officer may be an employee or hired under contract as determined by the Board of Directors to be in the best interests of the LIGHTHUB.

Section 3.3. Working time. The Chief Executive Officer shall spend such time in the performance of his or her duties as is necessary to accomplish them.

Section 3.4. Removal of Chief Executive Officer. The Chief Executive Officer serves at the pleasure of the Board of Directors. The Board of Directors may, at its pleasure, by majority vote, remove the Chief Executive Officer.

ARTICLE IV. **FINANCIAL CONTROLS AND FINANCES**

Section 4.1. Checks. All checks, drafts or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of LIGHTHUB shall be signed by the Treasurer/Secretary and one other officer of LIGHTHUB or any other designated officer or agent of LIGHTHUB and in such manner as shall be determined by resolution of the Board of Directors.

Section 4.2. Deposits. All LIGHTHUB funds not otherwise employed shall be deposited to LIGHTHUB's credit in such banks, trust companies or other depositories as the Board of Directors may select. All disbursements shall be made payable by check as proscribed in Section 4.1.

Section 4.3. Additional Financial Controls to be Recommended. The Board of Directors shall direct the Chief Executive Officer to promulgate and implement such additional financial controls as he or she deems necessary for LIGHTHUB.

Section 4.4. Fiscal Procedures. At a minimum, the following fiscal procedures shall control the financial operations of LIGHTHUB:

(a) For budgetary purposes, the Treasurer/Secretary shall act as LIGHTHUB's Budget Officer.

(b) At least annually, the Budget Officer shall prepare and submit to the Board of Directors a proposed budget, which shall be adopted by the Board of Directors in an open public meeting.

(c) LIGHTHUB's adopted budget shall be available for public inspection at LIGHTHUB's business offices, during normal business hours.

(d) As required by law, the Budget Officer shall certify the budget and file a certified copy thereof with the Utah State Auditor's Office.

Section 4.5. Annual Audit of financial records. On an annual basis, within 180 days after the close of the fiscal year of LIGHTHUB, the Chief Executive Officer shall cause to be prepared by a competent certified public accountant and submit to the Board of Directors an audit of the financial records of LIGHTHUB for that budget year.

ARTICLE V. **ETHICS**

The members of the Board of Directors, while performing their official duties related to LIGHTHUB, and the Chief Executive Officer and the subordinate employees of LIGHTHUB shall comply with the requirements of the Municipal Officers and Employees Disclosure Act, Title 10, Chapter 3, Part 13, Utah Code Annotated 1953, as amended, and other applicable statutory provisions related to ethics and honesty in public governmental service.

ARTICLE VI. **RECORDS AND REPORTS**

LIGHTHUB shall keep at its principal office, or at such other place as the Board of Directors may order, a book or minutes of all meetings. LIGHTHUB shall also keep and maintain adequate and correct accounting of its properties and business transactions including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The Board of Directors shall provide for the preparation and submission of an annual report, including a financial statement, made available to the membership of LIGHTHUB, its creditors and holders of securities. The Board of Directors may cause to be prepared an independent audit of LIGHTHUB’s financial records every year and such audit shall be filed in the principal office.

ARTICLE VII. **DISTRIBUTION ON TERMINATION OR WITHDRAWAL**

LIGHTHUB’S Chief Executive Director shall, upon any agreement of the Members to terminate and dissolve LIGHTHUB, prepare an inventory of all real and personal property of LIGHTHUB. Distribution on dissolution shall be made in kind or in cash as the Board of Directors may determine. The value of the distribution of assets and liabilities to each Member upon dissolution of LIGHTHUB shall be determined by calculating the value of all contributions of each Member, beginning with the year 2019 and continuing through the year of dissolution. A calculation shall then be made of the percentage of contribution each Member has made to the sum of the contributions of the Members for the period of calculation. The calculated percentages shall then be applied to the total value of the assets or liabilities to be distributed and each Member shall take their corresponding percentage. Assets that may be directly traced and attributed to funds obtained from sources other than the Members as of the time of dissolution shall also be distributed based on the percentage of contribution.

If a Member wishes to withdraw from LIGHTHUB prior to the dissolution of LIGHTHUB, it shall give at least a one year written notice to the Board of Directors of LIGHTHUB, and any distribution of assets to the withdrawing Member shall only be as negotiated with the remaining Members. The remaining Members shall negotiate in good faith in determining fair and reasonable terms and conditions for the distribution of LIGHTHUB assets to the withdrawing Member, including the satisfaction of all debt obligations related to LIGHTHUB owed by the withdrawing Member or LIGHTHUB to the reasonable satisfaction of bond counsel for LIGHTHUB. If the withdrawing Member cannot agree on a negotiated distribution of assets with LIGHTHUB within six months of providing written notice of the withdrawing Member's wish to withdraw, then LIGHTHUB hereto agrees to promptly mediate the matter upon receiving a written notice requesting mediation from the withdrawing Member. The joint costs of any such mediation shall be split equally between the withdrawing Member and LIGHTHUB, but the individual costs of the withdrawing Member or LIGHTHUB preparing for, or participating in, the mediation shall not be shared or split. If the dispute is not resolved in mediation, then either party may take the matter to court to sue the other party for failure to negotiate in good faith fair and reasonable terms and conditions for the distribution of LIGHTHUB assets to the withdrawing Member.

ARTICLE VIII. **LIGHTHUB EXPANSION OR ADDED MEMBERS**

Other municipalities or entities eligible to become members of a Utah Interlocal Agreement may become added members to LIGHTHUB only upon written application to and approval by the Board of Directors, who may determine the terms and conditions of admission to LIGHTHUB, and who may deny any such application by a simple majority vote of Members.

ARTICLE IX. **OFFICES**

The Board of Directors shall designate and LIGHTHUB shall maintain a principal office. The location of the principal office of LIGHTHUB shall be ____.

ARTICLE X. **LIABILITY AND INDEMNIFICATION**

The Directors, officers and employees of LIGHTHUB shall not be individually or personally liable for the debts or obligations of LIGHTHUB and shall be indemnified by LIGHTHUB against all financial loss, damage, costs and expenses (including legal counsel fees) reasonably incurred by or imposed upon them in connection with or resulting from any civil or criminal action, suit, proceeding, claim or investigation in which they may be involved by reason of any action taken or omitted to be taken by them in good faith as such Director, officer or employee of LIGHTHUB. Such indemnification is subject to the condition that a majority of a quorum of the Board of Directors comprised of those Directors, who are not parties to such action, suit, proceeding, claim or investigation or, if there by no such quorum, independent counsel selected by a quorum of the entire Board of Directors, shall be of the opinion that a person involved exercised and used the same degree of care and skill as a prudent man would have exercised or used under the circumstances, or that such person took or omitted to take such action in reliance upon advice of counsel for LIGHTHUB or upon information furnished by an officer or employee of LIGHTHUB and accepted in good faith by such person. The indemnification provided herein shall inure to the benefit of the heirs, executors, or administrators of any Director, officer or employee and shall not be exclusive of any other rights to which such party may be entitled by law or under any resolution adopted by the Board of Directors. Nothing in these Bylaws shall be construed as limiting or waiving any immunity provided to LIGHTHUB, any Director, officer, employee or agent by the Utah Governmental Immunity Act of Utah, Title 63G, Chapter 7, Utah Code Annotated 1953, as amended, or by other law.

ARTICLE XI. **AMENDMENT OF BYLAWS**

These Bylaws may be altered, amended or repealed by vote of the Board of Directors.

ARTICLE XII. **SEVERABILITY**

Should any part, term or provision of these Bylaws be held by final judgment of any court of competent jurisdiction to be illegal or in conflict with any law of the State of Utah or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

- Adopted __________

4819-6384-9380

RESOLUTION NO. ____

A RESOLUTION AUTHORIZING KAYSVILLE CITY TO EXECUTE THE COMMUNICATIONS SERVICE CONTRACT WITH LIGHTHUB COMMUNICATIONS AGENCY.

WHEREAS, Kaysville City, Utah (the “City”) desires to enter into a Communications Service Contract (the “Contract”) with LIGHTHUB Communications Agency (“LIGHTHUB”), a separate legal entity, as permitted under the Utah Interlocal Cooperation Act, Sections 11-13-101, *et seq.,* Utah Code Annotated 1953, as amended (“UCA”); for connection services for the City; and

WHEREAS, the City Council of the City does hereby determine that it is in the best interests of the health, safety, and welfare of the residents and businesses of the City to enter into the Contract.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Kaysville, Utah, that the Contract is hereby approved, and that the Mayor is hereby authorized to execute said Contract for and on behalf of the City in the form and substance attached hereto as Exhibit A, and is granted further authority to make changes and exercise such further documents by signing the signature page of the Contract.

BE IT FURTHER RESOLVED by the City Council of Kaysville City, Utah, that the appropriate officials of the City are authorized to make any alterations, changes or additions to the Contract or any other document herein authorized and approved which may be necessary to conform the same to the final terms of any financing secured by the Contract, 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 or to make any other changes deemed necessary, appropriate or desirable by such officials to facilitate the transactions contemplated by the Contract.

BE IT FURTHER RESOLVED by the City Council of Kaysville City, Utah, that the appropriate officials of the City, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the City any or all additional certificates, documents and other papers, 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 or contemplated by the Contract.

APPROVED AND ADOPTED this 19th day of September, 2019.

Kaysville City:

(SEAL)

____
Mayor: Katie Witt

ATTEST:

____
City Recorder: Annemarie Plaizier

4850-1336-0806

COMMUNICATIONS SERVICE CONTRACT

Dated as of __________, 2019

among

LIGHTHUB COMMUNICATIONS AGENCY

and

KAYSVILLE CITY, UTAH

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COMMUNICATIONS SERVICE CONTRACT

This Communications Service Contract (the "Service Contract") is entered into this _____ day of __________, 2019, by and among the Lighthub Communications Agency ("LIGHTHUB"), an interlocal cooperative and separate legal entity, body politic and corporate and a political subdivision of the State of Utah, organized under the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended, and Kaysville City, Utah (the "City"), a municipal corporation and a political subdivision of the State of Utah (LIGHTHUB and the City are sometimes referred to individually as a "Party" and collectively as "Parties" herein).

R E C I T A L S

1. Pursuant to Section 10-8-14, Utah Code Annotated 1953, as amended, the City may construct, maintain, and operate telecommunication lines and cable television lines.

2. Pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the "Interlocal Act"), the City may exercise and enjoy jointly with other city any power, privileges or authority exercised or capable of exercising by a city.

3. The Interlocal Act permits cities to make the most efficient use of their power by enabling them to cooperate with other cities on the basis of mutual advantage and thereby to provide services and facilities in a manner and under forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs of development of local communities and will provide the benefit of economy of scale, economic development and utilization of natural resources for the overall promotion of the general welfare of the State of Utah.

4. Pursuant to the Interlocal Act, the City joined LIGHTHUB to provide for the acquisition, construction, and installation of the telecommunications lines and cable television lines together with related improvements and facilities (the "Improvements") for the purpose of connecting properties within the City to the Network (as herein defined), all of which shall directly or indirectly benefit the City.

5. LIGHTHUB is a separate legal entity, body politic and corporate and a political subdivision of the State of Utah regularly created, established, organized and existing under and by virtue of the provisions of the Interlocal Act and of the Constitution of the State of Utah.

6. Through LIGHTHUB, the City desires to work together cooperatively to provide their residents with the opportunity to connect to the Network and have determined that private enterprise is not willing or able to provide the Connection Services (as herein defined). Based on the Feasibility Report (as herein defined), the City anticipates that the Service Fees charged by the City to the end users through their Communications Enterprises will be sufficient to satisfy their obligations hereunder.

7. Section 11-13-215 of the Interlocal Act provides that the City may share their taxes or other revenue with one another for the purpose of accomplishing their objectives as set forth in an interlocal agreement, provided that each City complies with the requirements of Section 11-13-202.5 of the Interlocal Act.

8. In order to assure that the City meets its obligations hereunder to LIGHTHUB, the City desires to pledge its Tax Revenues to the limited extent provided herein in Exhibit D, to accomplish the City's objective of providing Connection Services (as herein defined).

9. It is the intention of Parties that the Improvements to provide the Connection Services be operated and managed for the mutual benefit of the Parties and that the City will pay Service Fees (as herein defined) to LIGHTHUB calculated in accordance with Section 3.2 of this Service Contract. The amounts paid by the City hereunder to LIGHTHUB do not acquire any City owned assets or facilities, and are made solely in consideration for the Connections Services provided by LIGHTHUB to the City.

10. The Connections Services provided under this Service Contract are not Cable Television Services or Public Telecommunications Services as defined in the Municipal Cable Television or Public Telecommunications Services Act, Title 10, Chapter 18, Utah Code Annotated 1953, as amended (the "Telecommunications Act").

AGREEMENT

In consideration of the Connection Services herein provided, the benefit the City shall receive in connecting end users within the City to the Network and the mutual covenants contained herein, the Parties agree as follows:

ARTICLE I

DEFINITIONS

The following terms, whether in the singular or in the plural, when used herein and in the exhibits hereto, shall have the meanings set forth below:

"Annual Budget" means the budget adopted by LIGHTHUB.

"Capital Costs" means all capital costs related to the Improvements incurred by LIGHTHUB in any particular Fiscal Year or period to which said term is applicable or charges made therefor during such Fiscal Year or period, including amounts set aside in reserves for the payment of Capital Costs. Capital Costs include, without duplication, (a) the payment of any obligations incurred by LIGHTHUB to finance or refinance the costs of the Improvements, (b) amounts required to be deposited from time to time into required reserves, and (c) all other capital costs (determined in accordance with generally accepted accounting principles) of the Improvements.

"City" means Kaysville City, a municipal corporation and a political subdivision of the State of Utah.

"Communications Enterprise" means the enterprise established by the City pursuant to the Uniform Fiscal Procedures Act for Utah Cities, Title 10, Chapter 6, Utah Code Annotated 1953, as amended, to facilitate the providing of high speed communications services through the Network to end users within the City pursuant to this Service Contract.

"Connection Services" means the services provided by LIGHTHUB to the City pursuant to this Service Contract whereby end users within the City have access to LIGHTHUB Improvements through which they may contract with private providers to receive the Cable Television Services and Public Telecommunication Services (as those terms are defined in the Telecommunications Act) provided through the Network. The term Connection Services includes Connection Services Capacity and is more particularly described in Exhibit A attached hereto and incorporated herein.

"Connection Services Capacity" means the access rights to and capacity in the Network.

"Feasibility Report" means the feasibility report prepared by Design 9 with respect to the construction of the Improvements and the sufficiency of the Service Fees to meet annually the LIGHTHUB Revenue Requirement.

"Fiscal Year" means a period commencing on July 1 and ending on the next succeeding June 30.

"Tax Revenues" means all tax revenues received by the City as detailed in Exhibit D.

"Improvements" means those facilities, improvements, and access, lease, use and/or capacity rights acquired, constructed, and/or installed, operated and maintained by LIGHTHUB to provide Connection Services to the City pursuant to this Service Contract, as more fully described in Exhibit B attached hereto, and incorporated herein.

"Network" means the LIGHTHUB advanced communications fiber optic to the premises open access communications network.

"Operating Contingency" means an unplanned event or circumstance, a series of events or circumstances, or any restriction or condition imposed by any governmental authority which reduces and materially adversely affects access to the Improvements.

"Operation and Maintenance Expenses" means all expenses reasonably incurred by LIGHTHUB in connection with the operation and maintenance of the Improvements, whether incurred by LIGHTHUB or paid to any other entity pursuant to contract or otherwise, necessary to keep the Improvements in efficient operating condition, including cost of audits hereinafter required, payment of promotional and marketing expenses and real estate brokerage fees, payment of premiums for insurance, and, generally all expenses, exclusive of depreciation (including depreciation related expenses of any joint venture) which under generally accepted accounting practices are properly allocable to operation and maintenance; however, only such expenses as are reasonably and properly necessary to the efficient operation and maintenance of the Improvements shall be included.

"Revenues" means all Service Fees and other revenues, fees, income, rents, and receipts received or earned by LIGHTHUB under this Service Contract, together with all interest earned by and monies derived from the sale of investments in the related funds thereof.

"Service Contract" means this Communications Service Contract dated as of __________, 2019, as it may be amended from time to time in accordance with Section 5.15 herein.

"Service Fees" means all fees charged by or on behalf of the City to the end users within the boundaries of the City, including connection fees, utility fees and charges to service providers. The Service Fees of the City shall be payable to LIGHTHUB in consideration for the Connection Services provided by LIGHTHUB to the City pursuant to this Service Contract. The Service Fees shall be calculated and paid pursuant to Article III of this Service Contract. Service Fees does not include any Tax Revenues.

"LIGHTHUB" means Lighthub Communications, a separate legal entity, body, politic and corporate and a political subdivision of the State of Utah, created under the Interlocal Act. LIGHTHUB is separate from each of the Cities that created it.

"LIGHTHUB Revenue Requirement" means the sum of the Operation and Maintenance Expenses and the Capital Costs of LIGHTHUB during each Fiscal Year or other applicable period.

"Uncontrollable Forces" means any cause beyond the control of the Party affected, including, but not limited to, failure of facilities, flood, earthquake, storm, lightening, fire, epidemic, war, riot, civil disturbances, labor disturbance, sabotage, and restraint by court or public authority.

ARTICLE II

CONNECTION SERVICES

Section 2.1 Connection Services. LIGHTHUB shall provide to the City and the City shall receive from LIGHTHUB, Connection Services, including Connection Service Capacity, sufficient to allow end users within the City to connect to the Network. In the event the City determines to provide Connection Services to more than the number of end users allocated to it as set forth in Exhibit C, it shall submit to LIGHTHUB a written proposal, requesting additional Connection Service Capacity from LIGHTHUB. Said proposal shall specify the total additional number of end users to be provided Connection Services and the date on which the City requests such capacity to be effective. LIGHTHUB shall accept or reject said proposal within fifteen (15) days from the date it received the proposal.

Section 2.2 Availability. LIGHTHUB shall provide continuous Connection Services barring only emergency or scheduled downtime, curtailments, and Operating Contingencies.

ARTICLE III

PAYMENT FOR CONNECTION SERVICES

Section 3.1 Payment. Beginning on __________, 2020, the City shall pay to LIGHTHUB Service Fees for Connection Services as determined pursuant to Section 3.2 herein.

Section 3.2 Determination of Payment. In consideration for the receipt of Connection Services, the City shall pay from its Service Fees amounts that are sufficient to pay the LIGHTHUB Revenue Requirement. The City shall charge all end users through its Communications Enterprise on a monthly basis. Payments received from the City shall be applied in the following priority: first, to pay the obligations incurred by LIGHTHUB to finance or refinance the Improvements; and second, to pay Operation and Maintenance Expenses; and third, to pay any other Capital Costs.

Section 3.3 Obligation is Absolute. Subject to the provisions of Section 3.4 hereof limiting the sources of payment hereunder, the City's obligations to pay Service Fees to LIGHTHUB for Connection Services pursuant to this Article III shall be irrevocable, absolute and unconditional and shall not be subject to any reduction, whether by defense, recoupment, counterclaim or offset or otherwise, and shall not be conditioned upon the construction, performance or non-performance of the Improvements or LIGHTHUB, the remedy for non-performance being limited to mandamus, specific performance or other legal or equitable remedy. Notwithstanding the foregoing, it is not intended that the City by this Service Contract assume any obligation or liability as a guarantor, endorser, surety, or otherwise with respect to any obligations incurred by LIGHTHUB with respect to the Improvements.

Section 3.4 Special Limited Obligation. The City agrees to pay the Service Fees due to LIGHTHUB for Connection Services in monthly installments. Subject to Section 3.6 herein, the City's obligations to make monthly payments pursuant to this Section 3.4 shall constitute an obligation payable solely from Service Fees and in the event such Service Fees are insufficient, from Tax Revenues. In no event shall the obligations of the City hereunder be construed as a general obligation or indebtedness of that City within the meaning of any constitutional or statutory limitation or provision or payable from ad valorem property taxes of that City. The Parties acknowledge and agree that such payments shall be made out of the enterprise fund established with respect to the City's Communications Enterprise. Each monthly installment shall be due and payable by the City to LIGHTHUB not later than the fifteenth day of the next succeeding month. A final accounting of all transactions between LIGHTHUB and the City in each Fiscal Year shall be rendered to the City by LIGHTHUB on or before the 90th day of the succeeding Fiscal Year. The final accounting shall specify the amount, if any, which City must pay to LIGHTHUB to reconcile total monthly payments with actual amounts due LIGHTHUB with Service Fees indicated by an underpayment or overpayment to be made by the City or LIGHTHUB respectively, which amount shall be payable to LIGHTHUB or the City no later than 30 days after the receipt of the final accounting.

Section 3.5 Default in Payment. If the City's Service Fees are not paid in full on or before the close of business on the fifteenth day of the month in which said Fees are due, an interest charge will be made at the rate of ten percent (10%) per annum or the maximum rate of interest legally chargeable, whichever is less. If all or a portion of the Service Fees remain unpaid subsequent to the fifteenth day of the month in which the Fees are due, LIGHTHUB may, upon giving fifteen (15) days' advance written notice to the applicable City, discontinue Connection Services to said City unless, and may refuse to resume said Services to said City until, the delinquent installment has been paid. From and after the effective date of such notice, LIGHTHUB shall not provide Connection Services to said City unless the parties mutually agree otherwise.

Section 3.6 Use of Tax Revenues.

(a) The City has engaged Design 9 to prepare the Feasibility Report with respect to the construction of the Improvements and the sufficiency of the Service Fees of all of the City to meet the LIGHTHUB Revenue Requirement. The Feasibility Report demonstrates that the Revenues are expected to equal not less than _____ times the LIGHTHUB Revenue Requirement. However, in the event and to the extent there shall be a shortfall in such Revenues (the "Shortfall"), such that LIGHTHUB shall not have sufficient monies to pay the LIGHTHUB Revenue Requirement when due, the City hereby pledges and agrees to lend its Tax Revenues in the maximum annual principal amount allocated to the City as set forth in Exhibit D attached hereto and incorporated herein. On or prior to each __________ 1 commencing ___________________, LIGHTHUB shall determine:

(i) the LIGHTHUB Revenue Requirement due on the next succeeding ____________ and

(ii) the amount of the Revenues LIGHTHUB reasonably believes will be available for payment of the LIGHTHUB Revenue Requirement on said ___________________. In addition, LIGHTHUB shall, on or prior to each __________, submit a request to the City for Tax Revenues equal to that City's percentage of the Shortfall set forth in Exhibit D attached hereto and incorporated herein, but in no event more than the maximum principal amount set forth in Exhibit D. The City agrees to pay its percentage of the Shortfall to LIGHTHUB no less than ten (10) days prior to the next succeeding _______________. LIGHTHUB covenants to take such other action as it lawfully may take to assure that the City remits to LIGHTHUB from Tax Revenues its share of said Shortfall pursuant to this Service Contract.

(b) The City may create or incur additional debt on a parity with any outstanding debt secured by a priority lien pledge of the City's Tax Revenues or on parity with the pledge created pursuant to this Section 3.6 so long as the pledged Tax Revenues received by that City during the Fiscal Year immediately preceding the Fiscal Year in which the additional priority or parity debt is to be issued is not less than 130% of the maximum annual debt service on the sum of (i) the additional priority or parity debt plus (ii) any debt previously issued and outstanding plus (iii) the total maximum annual amount pledged by the City hereunder, tested for the period of such additional priority or parity debt.

(c) All Tax Revenues paid by the City to LIGHTHUB or its designee pursuant to this Section 3.6 shall constitute a loan by the City to LIGHTHUB which shall be paid by LIGHTHUB at the time and in the manner as provided in the form of promissory note attached hereto as Exhibit E from future LIGHTHUB revenues. The City shall be entitled to charge interest on each loan advance from the date said advance is made by the City to LIGHTHUB or its designee, provided that in no event shall the interest rate exceed six percent (6%) per annum. The City acknowledges that the loan obligation incurred by LIGHTHUB herein shall be subordinate and junior to LIGHTHUB's other payment obligations.

Section 3.7 Succession Proceedings. LIGHTHUB or its designee shall have the right from time to time to begin and maintain successive proceedings against the City for the recovery of all Service Fees required to be made under this Service Contract by the City and to recover the same upon the liability of the City herein provided. Nothing herein contained shall be deemed to require LIGHTHUB to defer commencement of any such proceeding until the end of the term of this Service Contract.

Section 3.8 Discontinuance; Termination. No discontinuance of any or all of the rights of the City to the Connection Services shall be construed as an election on the part of LIGHTHUB or its designee to terminate the interest of the City under this Service Contract unless a notice of intention be given to the City or unless such termination be decreed at the instance of LIGHTHUB or its designee by a court of competent jurisdiction.

Section 3.9 Remedies. LIGHTHUB or its designee may take whatever action at law or in equity may appear necessary or desirable to collect the amounts payable by the City hereunder, then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the City under the provisions of this Service Contract. The City may take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of LIGHTHUB under the provisions of this Service Contract.

Section 3.10 No Exclusive Remedy. No right or remedy herein conferred upon or reserved to LIGHTHUB or its designee is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter legally existing upon the failure of the City to make the payments provided for hereunder. The failure of LIGHTHUB or its designee to insist at any time upon the strict observance or performance by the City of any of the provisions of this Service Contract, or to exercise any right or remedy provided for in this Service Contract, shall not impair any such right or remedy nor be construed as a waiver or relinquishment thereof for the future. Receipt by LIGHTHUB or its designee of any Service Fees required to be made under this Service Contract with knowledge of the breach of any provisions of this Service Contract, shall not be deemed a waiver of such breach. In addition to all other remedies provided in this Service Contract, LIGHTHUB or its designee shall be entitled, to the extent permitted by applicable law, to injunctive relief in case of the violation, or attempted or threatened violation, of any of the provisions of this Service Contract, or to a decree concerning performance of any of the provisions of this Service Contract, or to any other remedy legally allowed to LIGHTHUB or its designee. If any proceeding shall be brought for the enforcement of any right or remedy provided for in this Service Contract in which it shall be determined that the City shall have failed and continued to fail to make a payment of Service Fees due under this Service Contract at the time of commencement thereof, the City shall pay LIGHTHUB or its designee all expenses incurred in connection therewith including, without limitation, reasonable attorneys' fees and expenses. In like manner, if it should become necessary for the City to bring legal proceedings against LIGHTHUB or its designee to enforce any right given it hereunder, the City shall have the right, if it is successful in such proceedings, to the payment by LIGHTHUB of all expenses incurred in connection therewith including, without limitation, reasonable attorneys' fees, and expenses.

Section 3.11 Right of Designee to LIGHTHUB to Exercise Remedies. At any time LIGHTHUB or its designee is entitled to enforce any of the rights or remedies provided for in this Service Contract, and the designee may proceed, either in its own name and as trustee of any express trust or otherwise, to protect and enforce its rights and those of LIGHTHUB under this Service Contract, whether or not LIGHTHUB shall have complied with any of the provisions hereof or proceeded to take any action authorized or permitted under applicable law. Such rights and remedies as are given LIGHTHUB hereunder shall also extend to its designee and the designee shall be entitled to the benefit of all covenants and agreements in this Service Contract contained.

Section 3.12 City not Obligated for LIGHTHUB Debt. All obligations of LIGHTHUB are payable solely by LIGHTHUB and, in accordance with the provisions of the Act, are not a debt or other obligation of any of the City.

ARTICLE IV

APPROVAL AND PUBLICATION REQUIREMENTS

Section 4.1 Submission to Authorized Attorney. This Service Contract shall constitute an agreement for joint and cooperative action pursuant to the Interlocal Act. In accordance with the requirements of Section 11-13-202.5 of the Interlocal Act as amended, this Service Contract shall be submitted for approval to the governing bodies of LIGHTHUB and the City and to an authorized attorney for LIGHTHUB and for the City who shall approve this Service Contract if such attorney determines that it is in proper form and compatible with the laws of the State of Utah.

Section 4.2 Publication. In accordance with the requirements of Section 11-13-219 of the Interlocal Act, as amended, the governing body of LIGHTHUB shall provide for the publication of the resolution adopted by it pursuant to the requirements of Section 11-13-202 of the Interlocal Act, as amended, in the official newspaper or the newspaper published within its boundaries, or if no newspaper is so published, then in a newspaper having general circulation therein.

Section 4.3 Improvements Owned by LIGHTHUB. In accordance with the requirements of the Interlocal Act, as amended, it is agreed and understood that all real and personal property constituting the Improvements shall be acquired, owned, held, and disposed of by LIGHTHUB.

ARTICLE V

GENERAL PROVISIONS

Section 5.1 Acquisition and Construction of the Improvements. LIGHTHUB represents that it will acquire or cause to be acquired all permits, licenses, rights and privileges, structures, equipment, and facilities with respect to the acquisition and construction of the Improvements necessary for the performance by LIGHTHUB of this Service Contract. LIGHTHUB shall maintain and defend such permits, licenses, and rights and privileges and shall not voluntarily permit any change therein that would result in impairment of the performance by LIGHTHUB of its obligation under this Service Contract.

Section 5.2 Risk of Loss. Each Party is solely responsible for the risk of loss of, or damage to, equipment of that Party (regardless of where located), unless the loss or damage results from the negligence or fault of the other Party.

Section 5.3 Several Obligations. Except where specifically stated in this Service Contract to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Service Contract shall ever be construed to create an association, trust, partnership, or joint venture or impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be individually and severally liable for its own obligations under this Service Contract, and shall not be liable for any obligation of the other City hereunder.

Section 5.4 Liability Dedication. Nothing in this Service Contract shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a party to this Service Contract.

Section 5.5 Books and Records. LIGHTHUB agrees that it shall maintain separate books and records relating to the Improvements and that proper and equitable allocations of revenues and expenses will be made with respect to the operations of the Improvements. LIGHTHUB shall submit to the City such supporting data with respect to all Annual Budgets and yearly accounting reconciliations as are reasonably necessary to enable the City to effect proper accounting therefor. All books of account and accounting records of LIGHTHUB shall be available for inspection and utilization by a duly authorized officer or designee of the City at all reasonable times. LIGHTHUB shall cause such books of account of the Improvements to be audited annually by independent public accountants experienced in utility accounting. A copy of each such annual audit, including any recommendations of the accountants with respect thereto, shall be promptly made available by LIGHTHUB to the City.

Section 5.6 Relationship to Other Instruments. It is recognized that LIGHTHUB must comply with all licenses, permits and regulatory approvals necessary for the ownership, acquisition, construction and operation of the Improvements, and it is, therefore, agreed that this Service Contract is made subject to the terms and provisions of such licenses, permits and regulatory approvals, except that the City shall not be bound by any term or provision of any license, permit, or regulatory approval, which may contradict or vary the terms hereof unless it expressly consents in writing to be so bound. The City agrees that it will not revise or amend its Service Fees charged to end users under its Communications Enterprise in any manner that would adversely affect the priority of or the security for the payments to be made thereunder to LIGHTHUB without obtaining the prior written consent of LIGHTHUB.

Section 5.7 Liabilities. The City, its officers, designees, and employees, or any of them, shall not be liable for any claims, demands, costs, losses, causes of action, damages or liability of whatsoever kind or nature arising out of or resulting from the ownership, acquisition, construction and operation by LIGHTHUB of the Improvements or arising out of any obligations of the other City hereunder. LIGHTHUB, its officers, designees, and employees, or any of them, shall not be liable for any claims, demands, costs, losses, causes of action, damages or liability of whatsoever kind or nature arising out of or resulting from the performance by the City under this Service Contract.

Section 5.8 Assignment. Except for security purposes in connection with any obligations incurred by LIGHTHUB, neither this Service Contract nor any part thereof shall be assigned by any Party without prior written consent of the others.

Section 5.9 Furnishing Service to Others. LIGHTHUB, by entering into this Service Contract, does not hold itself out to provide the Improvements or similar service to any other person or entity.

Section 5.10 Uncontrollable Forces. No Party shall be considered to be in default in respect to any obligation hereunder, other than under Article III, if prevented from fulfilling such obligation by reason or an Uncontrollable Force. If a Party is rendered unable to fulfill any obligation by reason of an Uncontrollable Force such Party shall exercise due diligence to remove such inability with all reasonable dispatch and shall keep the other Parties fully informed of changes and conditions as far in advance as possible.

Section 5.11 Communications Enterprise. The City will operate and maintain its Communications Enterprise in good operating order and will fix, charge, and collect rates, fees, and charges in accordance with Section 5.12 herein. The City will annually in each of its Fiscal Years during the term hereof appropriate and transfer to LIGHTHUB all Service Fees required to be made in each Fiscal Year hereunder until all payments hereunder have been paid in full.

Section 5.12 City to Charge and Collect City Revenues. The City hereby agrees to create a Communications Enterprise and to charge all end users within the City through its Communications Enterprise monthly fees in the amount adopted in the City's Consolidated Fee Schedule, which may be amended as needed by resolution of the City Council for each connection to the Network in consideration for the Connection Service provided by the City. The City shall establish such enforcement procedures as may be necessary to collect such fees. Said fees, when collected, shall be used by the City to pay its Service Fees under this Service Contract.

Section 5.13 Cable Television Services and Public Telecommunications Services. The Parties hereto acknowledge and represent that neither party, by entering into this Service Contract, shall provide or be required to provide Cable Television Services or Public Telecommunications Services as defined in the Telecommunications Act, nor is either party capable of providing said services. Furthermore, the Parties hereby acknowledge and represent that to the best of their knowledge, the City is paying for the full cost of providing the Connection Services received by it pursuant to this Service Contract.

Section 5.14 Entire Agreement. This Service Contract constitutes the entire agreement among the Parties with respect to the subject matter hereof. No change, variation, termination, or attempted waiver of any of the provisions of this Service Contract shall be binding on the Parties unless executed in writing by the other Party. This Service Contract shall not be modified, supplemented, or otherwise affected by course of dealing.

Section 5.15 Amendments. This Service Contract shall not be amended, modified, or otherwise altered in any manner without the consent of the parties hereto, which consent shall not be unreasonably withheld.

Section 5.16 Effective Date and Original Term. This Service Contract shall be effective as of the date hereof and shall continue in effect until ____________________, or such later time as any obligation incurred by LIGHTHUB ____ or refinance the Improvements are retired, defeased or paid in full.

Section 5.17 Notice. Any notice, demand, or request provided for in this Service Contract shall be in writing and shall be deemed properly served, given, or made if delivered in person or sent by registered or certified mail, postage prepaid, to the persons specified below:

LIGHTHUB:

CITY:

The Parties may, at any time, by notice to the other designate different or additional persons or different addresses for the giving of notice hereunder.

Section 5.18 Governing Law. This contract shall be interpreted, governed by, and construed under the laws of the State of Utah.

Section 5.19 Execution in Counterparts. This Service Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.20 Severability. If any provision of this Service Contract shall be held or be deemed to be or shall, in fact, be illegal, inoperative, or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative, or unenforceable to any extent whatsoever.

IN WITNESS WHEREOF, the Parties hereto have executed this contract the day and year herein first above written.

LIGHTHUB Communications Agency

(SEAL)

By: ________________________________
Chair

ATTEST AND COUNTERSIGN:

By:________________________________
Secretary

Kaysville City, Utah

(SEAL)

By:________________________________
Mayor

ATTEST AND COUNTERSIGN:

By:________________________________
City Recorder

Pursuant to Section 11-13-202.5 of the Utah Code Annotated 1953, as amended, the foregoing Service Contract is hereby approved.

____
Attorney for LIGHTHUB Communications Agency

____
Attorney for Kaysville City

<u>EXHIBIT A</u>

CONNECTION SERVICES

EXHIBIT B

DESCRIPTION OF IMPROVEMENTS

EXHIBIT C

NUMBER OF END USERS ALLOCATED TO THE CITY

EXHIBIT D

TAX REVENUES

State and Use Tax Revenues

Electric and Gas Franchise Tax Revenues

<u>EXHIBIT E</u>

FORM OF PROMISSORY NOTE

4812-9058-6887, v. 1

4844-7760-5798

ORDINANCE NO. 19-09-04

AN ORDINANCE ENACTING CHAPTER 11-9 OF THE KAYSVILLE CITY MUNICIPAL CODE RELATING TO THE TELECOMMUNICATIONS DEPARTMENT AND UTILITY.

WHEREAS, the City Council of Kaysville City, Utah (the "City") has evaluated the current condition of the telecommunications networks in the City and found them insufficient; and

WHEREAS, the City wishes to provide advanced communications infrastructure to residents and businesses within the City; and

WHEREAS, to accomplish the City's purpose, the City wants to establish an enterprise fund relative to the communications infrastructure the City, or a related party, may provide; or for any other agreements related to such communications infrastructure.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF KAYSVILLE CITY, UTAH:

Section One: Repealer. If any provision of the City's Code previously adopted are inconsistent they are hereby repealed.

11-2a-1 Primary Role and Mission

The Purpose of this chapter is to establish a Telecommunications Utility to properly receive and expend funds dedicated for advanced communications infrastructure. This Utility will fund telecommunication networks, and related facilities or services, as may be necessary and proper as determined by the City to provide advanced communications infrastructure. A Telecommunications Utility Enterprise Fund is hereby created for the purpose of providing funds for this undertaking.

Subject to the provisions of Sections10-18-101 *et seq*. of the Utah Code 1953, as amended, the primary function of the Telecommunications Utility Enterprise Fund is to:

(a) internally, independently and/or as a participant with other municipalities in interlocal cooperative agencies established pursuant to the Interlocal Cooperation Act, Sections 11-13-101 *et seq*. of the Utah Code 1953, as amended, purchase, lease, construct and equip facilities that are designed for the following purposes:

    (i) To provide services within the City for internal City government purposes; and
    (ii) To lease, sell or lease capacity in, or grant other similar rights to private providers to use the advanced communications infrastructure of the City (whether independently or in concert with other municipalities in interlocal cooperative agencies) in connection with private providers offering cable television or public telecommunication services.

(b) enable the City to protect its investments in its advanced communications infrastructure by establishing billing methods and procedures to ensure costs for customer connections and wholesale system usage charges are recuperated timely.

HISTORY
Adopted by Ord. 18-4-2 Telecommunications Utility Ordinance on 4/19/2018

11-2a-2 Definitions

"Dwelling" means any building or portion thereof which is designed for use for residential purposes, except hotels, apartment hotels, boarding houses and/or rooming houses, tourist courts and automobile house trailers.

"Enterprise Fund" in governmental accounting, a fund that provides goods or services primarily financed or recovered through user charges or fees that make the entity self-supporting.

"Non-Residential" means nonresidential land use including, but not limited to, industrial, office, retail, commercial recreation, public, quasi-public, hotels, churches, education institutions, medical facilities, or professional services establishments and/or uses.

"Other Charges" means any service, connection, wholesale or other charges incurred for the offering of any telecommunication services by the City, or a third party that has contracted with the City, or an affiliate of either, that are different or more than the telecommunications services paid for with the Telecommunications Utility Fee.

“Telecommunications Utility Fee” means a fee assessed by the City, within the corporate limits of Kaysville City. Such fee shall be established by resolution of the City Council in such amounts as deemed necessary to provide telecommunication services to all residents in the City.

HISTORY
Adopted by Ord. 18-4-2 Telecommunications Utility Ordinance on [__]

11-2a-3 Telecommunications Utility Fund
There is hereby created a Telecommunications Utility Enterprise Fund, to be reported as an enterprise fund, to be funded by a Telecommunications Utility Fee.

The Telecommunications Utility shall operate independently of City operations funded by the General Fund unless so altered by the Kaysville City Council.

A. The amount of the Telecommunications Utility Fee shall be adopted in the Consolidated Fee Schedule, which may be amended as needed by resolution of the City Council. The amount of the fee charged shall be based upon the following land use categories and subcategories:

Dwelling (as defined above)
Non-residential (as defined above)

B. Other Charges shall be billed directly, or via contract with a third party billing entity, on the monthly utility bill for all system users who voluntarily agree to the same. In such event, and in the event a utility billing customer underpays his or her overall utility bill, all utility payments shall first be allocated to connection and wholesale system usage costs and then to other utility charges.

HISTORY
Adopted by Ord. 18-4-2 Telecommunications Utility Ordinance on [___]

11-2a-4 Telecommunications Utility Fee

The Telecommunications Utility Fee shall be billed and collected with and as part of the monthly consolidated utility bill. The person(s) responsible for payment of the Telecommunications Utility Fee shall be the same person(s) responsible for payment of the Kaysville City electric utility including Kaysville City buildings and other locations serviced with an electric utility bill. All such bills shall be rendered monthly by the City and shall become due and payable in accordance with the rules and regulations adopted by the City pertaining to the collection of utility fees, and the City's finance officers shall place all such fees so collected into the fund to be deposited and separately kept to be used only for the telecommunications utility purposes provided herein.

11-2a-5 Other Charges

The City may bill and collect Other Charges for the use of its advanced communications infrastructure, or contract with a third party billing entity, for all users who voluntarily agree to the same. These Other Charges may also be billed and collected with and as part of the monthly consolidated utility bill. The person(s) responsible for payment of the Other Charges shall be the same person(s) responsible for payment of the Kaysville City electric utility including Kaysville City buildings and other locations serviced with an electric utility bill. All such bills shall be rendered monthly, and shall become due and payable in accordance with the rules and regulations adopted by the City pertaining to the collection of utility fees.

In the event a utility billing customer underpays his or her overall utility bill, all utility payments shall first be allocated to Other Charges and then to other utility charges.

HISTORY
Adopted by Ord. 18-4-2 Telecommunications Utility Ordinance on [__]

11-2a-6 Billing and Fund Dedication

All funds collected by the City from this Telecommunications Utility Fee shall annually be paid into the Telecommunications Utility Fund, which is hereby created as an established enterprise fund in the City budget. Revenues from the Telecommunications Utility Fee shall be used solely for the purposes of the operation, equipment, improvement, and maintenance of telecommunications services, networks or facilities, with the exception of approved administrative costs. Revenues from the Other Charges may be paid into and used as directed by the City Council.

To ensure proper accountability, each year during the annual budget process, the City Council shall receive a report detailing the income and expenditures of the fund including a detailed accounting of the work performed during the previous twelve (12) month period. This report shall be in writing and shall be presented at a meeting of the City Council.

Upon creation of the utility, any existing telecommunications facilities and assets of the City and intended for public use shall be transferred to the Enterprise Fund in consideration for the telecommunications utility assuming primary responsibility for planning, design, construction, maintenance, administration, and operation of the City telecommunications system.

The City Council finds that all city utilities, including the telecommunications utility, are interrelated services that are part of a unified City plan to provide health, safety, and welfare of the City and its residents. In the regular utility bill for any property, the Telecommunications Utility Fee and Other Charges shall be charged to the user of the property. They both shall be deemed a civil debt owed to Kaysville City. Failure to pay any portion of them or any other utility bill may result in the termination of utility service.

HISTORY
Adopted by Ord. 18-4-2 Telecommunications Utility Ordinance on [__]

11-2a-7 Appeals

Any person who disputes the amount of the Telecommunications Utility Fee or Other Charges, or disputes any determination made by or on behalf of the City pursuant to and by the authority of this Chapter, may petition the Kaysville City Finance Director for a hearing on a revision or modification of such fee, charge or determination. Such petitions may be filed only once in connection with any fee, charge or determination, except upon a showing of changed circumstances sufficient to justify the filing of such additional petition.

Such petitions shall be in writing, filed with the City Recorder within thirty (30) days of the date of the utility bill containing the disputed fee or charge, and the date of the challenged determination. The facts and figures shall be submitted in writing or orally at an administrative hearing scheduled by the Finance Director, or the Finance Director's designee. The petitioner shall have the burden to prove that the amount of the fee or charge is in error.

Within thirty (30) days of filing the petition, the Finance Director shall make findings of fact based on all relevant information, shall make a determination based upon such findings and, if appropriate, modify such fee, charge or determination accordingly.

If the person or entity is not satisfied with the Finance Director's decision, an additional appeal may be made to the City Manager. The appeal authority of the City

Manager shall determine whether the record on appeal includes substantial evidence to support the Finance Director's decision.

HISTORY
Adopted by Ord. 18-4-2 Telecommunications Utility Ordinance on [___]

11-2a-8 Level Playing Field Requirement

The Telecommunications Department shall be operated under substantially similar terms as those imposed upon private fiber optics, telecommunications or cable television providers by the City in its regulatory capacity.

HISTORY
Adopted by Ord. 18-4-2 Telecommunications Utility Ordinance on [___]

11-2a-9 This Ordinance shall take effect upon the first publication.

HISTORY
Adopted by Ord. 18-4-2 Telecommunications Utility Ordinance on [___]

APPROVED AND ADOPTED this 19th day of September 2019.

Kaysville City:

(SEAL)

____

Mayor: Katie Witt

ATTEST:

____

City Recorder: Annemarie Plaizier

RESOLUTION NO. ____

A RESOLUTION AUTHORIZING KAYSVILLE CITY TO ADOPT THE RATE SCHEDULES AND CONNECTION FEES PURSUANT TO [BASIS IN CODE TO ADOPT] CHAPTER 11-9 REGARDING THE TELECOMMUNICATIONS DEPARTMENT.

WHEREAS, [Basis in Code to Adopt] Chapter [11-9] of the Municipal Code of Kaysville City (the "City") authorizes the City Council to adopt rate schedules and connection fees for services provided by the City's Telecommunications Department (the "Services"); and

WHEREAS, the City wishes to adopt the rate schedules and connection fees for such Services as specified in Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Kaysville City, Utah, that the rate schedules and connection fees attached to this Resolution in Exhibit A, are hereby approved. The Consolidated Fee Schedule is hereby amended to incorporate this change.

APPROVED AND ADOPTED this 19th day of September, 2019.

Kaysville City, Utah:

(SEAL)

____

Mayor: Katie Witt

ATTEST:

____

City Recorder: Annemarie Plaizier

EXHIBIT A

Telecommunications Utility Fee

Dwelling Monthly Connection Fees
For each connection made available to any address defined as a "Dwelling" in §11-2a-2 of the City Code, broken down as follows:

Network Infrastructure	$9.70
Premise Connection (may opt out)	$2.75
	$12.45

Up-Front Dwelling Connection Fees (in lieu of Monthly Connection Fees above)

New Construction Up Front Connection	$2,700.00
Ongoing Service (per Month)	$ 1.50

Non-Residential Monthly Connection Fees
For each connection made available to any address that is not a Dwelling as defined in City Code, broken down as follows:

Network Infrastructure	$13.00
Premise Connection (may opt out)	$ 8.50
	$21.50

Up-Front Non-Residential Connection Fees (in lieu of Monthly Connection Fees above)

New Construction Up Front Connection	$5,000.00
Ongoing Service (per Month)	$ 1.50

RESOLUTION NO. ________

A RESOLUTION ESTABLISHING FIBER REVENUE PARAMETERS

WHEREAS, the Kaysville City Council will be addressing a Fiber Project in the city – part of which will establish a Fiber Enterprise Fund; and

WHEREAS, Enterprise Funds in cities in Utah are regulated and audited on a yearly basis; and

WHEREAS, the Kaysville City Council would like to establish additional parameters by which the Fiber Fund will be managed

WHEREAS, the Kaysville City Council recognizes that future city councils have the ability to alter the department as they see fit

NOW, THEREFORE, BE IT RESOLVED, the current Kaysville City Council would like to commit that:

1) Recommended reserve fund be established at $2,000,000 before funds are returned to customers or spent in any other way besides on the Fiber project itself.

2) Reduction to utility fee when possible after reserve is met and bond is paid off.

3) No adjustment should be made to rates until construction is 100% complete.

4) Once appropriate rate adjustments are made, excess funds should be used to pay down debt as soon as possible.

APPROVED AND ADOPTED this ___ day of ________________ 2019.

Kaysville City:

(SEAL)

____

Mayor: Katie Witt

ATTEST:

____

City Recorder: Annemarie Plaizier

STAFF REPORT

COUNCIL MEETING DATE: September 19, 2019
ITEM NO.: 5b

TYPE OF ITEM: Work
PRESENTED BY:

SUBJECT/AGENDA TITLE: Discussion on Refinancing the Police Station Bonds

EXECUTIVE SUMMARY:

The current interest rate environment provides an opportunity for the consideration of refinancing the Police Station Bonds to obtain lower interest rates. The preliminary calculations estimate a Gross Present Value savings of approximately $165,000 and an average cash flow savings of approximately $15,000.

Staff desires to continue to work with potential bond buyers to negotiate a direct purchase with acceptable interest rates and call provisions to obtain cost savings to the City.

Council Options:

Recommended Options: Direct Staff to continue to explore refinancing options and bring before the Council an action item for approval.

Fiscal Impact & Fund Source for Recommended Action:

Attachments: