

UTAH INFRASTRUCTURE AGENCY (UIA)

SPECIAL BOARD MEETING & PUBLIC HEARING MINUTES

May 10, 2021

8:30 AM

UTOPIA FIBER OFFICES
5858 SOUTH 900 EAST
MURRAY, UTAH 84121

Board Members Present: Meeting conducted electronically

**Board Members Joining
Electronically:**

Alex Jensen – Chairman, Layton City
Jason Roberts – First Vice Chair, Brigham City
Matt Dahl – Second Vice Chair, Midvale City
Jamie Davidson – Third Vice Chair, Orem City
Nicole Cottle – West Valley City
Brant Hanson – Centerville City
Brenda Moore – Murray City
Jason Sant – Alternate, Payson City

**Officers Joining
Electronically:**

Roger Timmerman – UIA Chief Executive Officer
Laurie Harvey – UIA Secretary/Treasurer
Joshua Chandler – UIA General Counsel

**Others Joining
Electronically:**

Christa Evans – UTOPIA Secretary
Kimberly McKinley – UTOPIA Chief Marketing Officer
Aaron Leach – UTOPIA Chief Operations Officer
Tom Peterson – Alternate, Brigham City
Nathan Robertson – Financial Advisor, Lewis Young Robertson &
Burningham
Brad Patterson – Bond Counsel, Gilmore & Bell

1. WELCOME AND INTRODUCTIONS

The UIA Board of Directors held an electronic special board meeting and public hearing on Monday, May 10, 2021. The meeting was live streamed to allow public viewing. UIA Chairman Alex Jensen (Layton) called the meeting to order at 8:38 AM. He welcomed all attendees.

UIA Total Votes Present: 428

UIA Majority Vote: 220

UIA 2/3 Vote: 293

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2. PUBLIC HEARING

- **PUBLIC HEARING TO ALLOW PUBLIC INPUT REGARDING (A) THE ISSUANCE AND SALE OF NOT MORE THAN \$21 MILLION AGGREGATE PRINCIPAL AMOUNT OF TELECOMMUNICATIONS AND FRANCHISE TAX REVENUE BONDS (PLEASANT GROVE CITY PROJECT) SERIES 2021 (THE “BONDS”); AND (B) ANY POTENTIAL ECONOMIC IMPACT THAT THE PROJECT DESCRIBED HEREIN TO BE FINANCED WITH THE PROCEEDS OF THE SERIES 2021 BONDS ISSUED UNDER THE ACT MAY HAVE ON THE PRIVATE SECTOR; AND ALL RELATED MATTERS.**

ACTION: Jason Roberts (Brigham City) MOVED to open the public hearing regarding the Pleasant Grove Bond. Brant Hanson (Centerville City) SECONDED the motion. A roll call vote was taken - vote was unanimous.

Mr. Roger Timmerman, UIA Chief Executive Officer, stated this is the same structure as recent projects. There is no exposure to UIA because the cost is backstopped by the city in the financing terms. There is a mutual benefit of expanding the network and increasing revenues. Of all the projects UIA has considered, this is the most attractive. There are high expectations for take rate and revenues with a relatively low debt burden that is proportionally low to the number of homes. There are already a decent amount of business customers in Pleasant Grove. Only a 30% take rate is needed. The city borders Lindon and is close to Orem which both have high take rates. There is great support from the City Council and they gave a unanimous vote. Many of the obstacles that tie things up have already been passed like railroad crossings and canals.

Mr. Matt Dahl, Midvale City, asked how taking on new projects like this impacts access in existing communities and remaining member city builds.

Mr. Timmerman stated there are areas remaining in Orem, Midvale, Murray, and West Valley City. Finishing the buildout is sometimes subject to third party dependencies such as canals. Rocky Mountain Power is often the hold up in those areas. Not doing Pleasant Grove and using those resources for member cities will not complete the buildout any faster due to third party dependencies. There is excess capacity with contractors that allows for projects like Pleasant Grove along with completing the member city buildout. Progress has been good with meeting the buildout schedule.

There was no public comments.

ACTION: Jason Roberts (Brigham City) MOVED to close the public hearing regarding the Pleasant Grove Bond. Matt Dahl (Midvale City) SECONDED the motion. A roll call vote was taken - vote was unanimous.

3. CONSIDER APPROVAL OF RESOLUTION 21-05: AUTHORIZING AND APPROVING A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH THE ISSUANCE AND SALE OF THE AGENCY’S TELECOMMUNICATIONS AND FRANCHISE TAX REVENUE BONDS (PLEASANT GROVE CITY PROJECT), SERIES

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2021; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THE RESOLUTION; AND RELATED MATTERS

Mr. Nathan Robertson, Lewis Young Robertson & Burningham, stated the financing is moving along nicely. The ratings presentation went very well last week. The rating is anticipated next week. The Preliminary Official Statement will be released in the market, pricing in early June and closing June 16th. Interest rates are also moving in the organization's favor.

Mr. Brad Patterson, Gilmore & Bell, explained this resolution authorizes the preparation, distribution and use of the Preliminary Official Statement in connection with the issuance of the Series 2021 Bonds with the Pleasant Grove City Project. Federal securities law requires certain actions taken before sending out an offering document. To offer bonds to the public an offering document must be prepared and circulated. The offering document must be reviewed and approved by members of the board.

Mr. Jensen asked if there is a different reaction from the rating agencies toward what UIA and UTOPIA is doing because of the pandemic.

Mr. Timmerman stated they are excited and interested in what the organization does but at the end of the day they just look at the revenue pledge when it comes to the rating. There is certainly growing interest and demand in UTOPIA's product and the track record is better each time the organization goes back to the rating agencies.

ACTION: Jamie Davidson (Orem City) MOVED to approve Resolution 21-05 approving a Preliminary Official Statement in connection with the Pleasant Grove Bond. Nicole Cottle (West Valley City) SECONDED the motion. A roll call vote was taken - vote was unanimous.

4. ADJOURN

There being no further business of the UIA Board of Directors, the meeting held on Monday, May 10, 2021, was adjourned at 9:01 AM.

I hereby certify the foregoing to be a true and accurate record of the proceedings of this meeting of the UIA Board of Directors.

Laurie Harvey

Laurie Harvey, UIA Secretary

Approved this 14th day of June, 2021

