



**CITY COUNCIL MEETING
OF THE CITY OF CEDAR HILLS
Tuesday, February 19, 2013 7:00 p.m.**

NOTICE is hereby given that the City Council of the City of Cedar Hills, Utah, will hold a **City Council Meeting on Tuesday, February 19, 2013, beginning at 7:00 p.m.** at the Community Recreation Center, 10640 N Clubhouse Drive, Cedar Hills, Utah. This is a public meeting and anyone is invited to attend.

COUNCIL MEETING

1. Call to Order, Invocation and Pledge
2. Approval of Meeting's Agenda
3. Public Comment: Time has been set aside for the public to express their ideas, concerns and comments (comments limited to 3 minutes per person with a total of 30 minutes for this item)

REPORTS/ PRESENTATIONS/ RECOGNITIONS

4. Government Finance Officers Association's *Distinguished Budget Presentation Award* and *Certificate of Recognition for Budget Presentation* to Finance Director Charl Louw

SCHEDULED ITEMS

5. Discussion on the Manila Sewer Back-up
6. Review/Action to Approve the Wells Fargo Utility Revenue Refunding Proposal

CITY REPORTS AND BUSINESS

7. City Manager
8. Mayor and Council

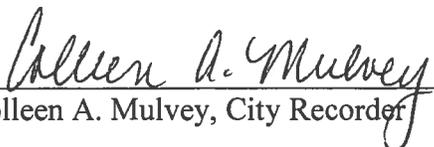
SCHEDULED ITEMS (continued)

9. Discussion on the Family Festival, - Dates, Programs, General Outline
10. Review/Action on a Social Media Use Policy

ADJOURNMENT

11. Adjourn

Posted this 15th day of February, 2013



Colleen A. Mulvey, City Recorder

- Supporting documentation for this agenda is posted on the City's Web Site at www.cedarhills.org.
- In accordance with the Americans with Disabilities Act, the City of Cedar Hills will make reasonable accommodations to participate in the meeting. Requests for assistance can be made by contacting the City Recorder at 801-785-9668 at least 48 hours in advance of the meeting to be held.
- The order of agenda items may change to accommodate the needs of the City Council, the staff, and the public.
- This meeting may be held electronically via telephone to permit one or more of the council members to participate.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Cedar Hills

Utah

For the Fiscal Year Beginning

July 1, 2012

Christopher P. Morill

President

Jeffrey R. Emer

Executive Director



Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 fax: 312.977.4806

January 14, 2013

Mr. David Bunker
City Manager
City of Cedar Hills
10246 N Canyon Road
Cedar Hills, UT 84062

Dear Mr. Bunker:

I am pleased to notify you that City of Cedar Hills, Utah has received the Distinguished Budget Presentation Award for the current budget from the Government Finance Officers Association (GFOA). This award is the highest form of recognition in governmental budgeting and represents a significant achievement by your organization.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual or department designated as being primarily responsible for its having achieved the award. This has been presented to:

Charl Louw, Finance Director

We hope you will arrange for a formal public presentation of the award, and that appropriate publicity will be given to this notable achievement. A press release is enclosed for your use.

We appreciate your participation in GFOA's Budget Awards Program. Through your example, we hope that other entities will be encouraged to achieve excellence in budgeting.

Sincerely,

Stephen J. Gauthier, Director
Technical Services Center

Enclosure



CITY OF CEDAR HILLS

TO:	Mayor and City Council
FROM:	David Bunker, City Manager
DATE:	2/19/2013

City Council Agenda Item

SUBJECT:	Manila Creek Sewer Backup Discussion
APPLICANT PRESENTATION:	N/A
STAFF PRESENTATION:	David Bunker

BACKGROUND AND FINDINGS:

As reported, the City had a sanitary sewer mainline backup on December 13, 2012. Three homes were affected by the sewer surcharge. The City submitted the initial claim to our insurance carrier which was denied. The City then appealed the decision, and on February 14, 2012 the Utah Local Governments Trust again denied coverage stating:

“This claim relates to damage to homes resulting from vandalism of the City's sewer system. The City is appealing the Trust's positions that there is no additional coverage beyond the no-fault coverage we have extended to the City. According to the facts you have given us, including your letter of January 23, 2013, the damage sustained by these residents was not caused by any act or failure to act on the part of Cedar Hills - it was caused by third parties. The residents whose homes were damaged cannot prevail on a claim against the City because the City is not liable for the damages the residents sustained. Your argument is that there should be coverage for these types of claims because they cannot be anticipated. Let me remind you that the Trust did extend no-fault coverage to the City in the amount of \$15,000 (\$5,000/claim). We applaud you for your efforts to ensure that exposure to sewer and other claims and resulting loss will be reduced or mitigated. Our investigation has validated that effort, which is why we have taken the position that the City is not liable for the damages to the residents' homes. Because the City is not liable for the claims, we cannot extend coverage beyond the no-fault coverage limits we have already paid. The residents should have homeowner's coverage for the damage they sustained, and would clearly have claims against the vandals if the vandals are ever caught.”

With the denial of the claim at the administrative level, the City has the option to appeal to the Board of Directors. This meeting will take place on March 22, 2013. If a final denial is given, the City may want to consider the circumstances of the backup and potential financial participation. Other cities such as Magna, Orem, etc., with similar circumstances, have participated financially with a matching no-fault coverage of \$5,000, which in conjunction with the Trust payment of \$5,000 would total \$10,000 based on claims meeting or exceeding that amount.

PREVIOUS LEGISLATIVE ACTION:

N/A

FISCAL IMPACT:

Financial participation may be considered if additional appeals are rejected.

SUPPORTING DOCUMENTS:

N/A

RECOMMENDATION:

Council should discuss the denial from the Trust based on a finding that the City is not liable for damages. After an appeal to the Board in March, the City can consider if financial participation is appropriate.

MOTION:

This item is a discussion item only. No motion is necessary at this time.



CITY OF CEDAR HILLS

TO:	Mayor and City Council
FROM:	Charl Louw, Finance Director
DATE:	2/19/2013

City Council Agenda Item

SUBJECT:	Review Wells Fargo Utility Revenue Bond Refunding Proposal
APPLICANT PRESENTATION:	Marc Edminster, Lewis Young Robertson & Burningham
STAFF PRESENTATION:	N/A
BACKGROUND AND FINDINGS: 2nd proposal from Wells Fargo to refund the non-callable Series 2009, utility revenue bonds. Current principal amount is \$845,000 at 5.99%. Lower proposed interest rates under 3%.	
PREVIOUS LEGISLATIVE ACTION: N/A	
FISCAL IMPACT: Potential interest savings greater than \$300,000	
SUPPORTING DOCUMENTS: Current bond debt service and the new proposal.	
RECOMMENDATION: Staff recommends the City Council review the submitted proposal and with the intent of a motion 2/19/2013.	
MOTION: To approve/not approve the new refunding proposal from Wells Fargo.	

CITY OF CEDAR HILLS

CITY COUNCIL MEETING

January 19, 2013

DISCUSSION OF THE POTENTIAL REFUNDING/RESTRUCTURING OF THE CEDAR HILLS UTILITY REVENUE BOND, SERIES 2009.

REVIEW OF TERMS OF THE CURRENT UTILITY REVENUE BOND, SERIES 2009

- Original par amount: \$930,000
- Current outstanding par amount: \$845,000 (Principal payment of \$30,000 is due March 1, 2013)
- Interest rate: 5.99%
- Final Maturity Date: March 1, 2029
- Prepayment provisions: The Series 2009 Bonds are not callable until March 1, 2019
- Average Annual Debt Service: \$80,663

PROPOSAL BY WELLS FARGO BANK TO REFUND/RESTRUCTURE THE EXISTING SERIES 2009 BOND

- Interest Rate:
 - Option #1: Fixed rate of 2.38% for 5 years
 - Option #2: Fixed rate of 2.61% for 7 years
- Maximum Term: March 1, 2029 (same as current bond)
- Mandatory tender at expiration of initial fixed rate mode (i.e. Bank will require payoff at end of 5 or 7 years)
- No formula for interest rate reset is specified but, since Bond would be subject to Mandatory Tender, it may not matter
- Maximum Interest Rate: No upper limit specified
- Prepayment provisions: Declining call premium (3.00% in 1st year, 2.00% in 2nd year, 1.00% in 3rd year and no premium thereafter)
- Bank fee: \$10,000 plus Bank's legal counsel fees (est. at \$5,000)

REFUNDING SCENARIOS & PROJECTED SAVINGS

- Bond structure: 7-Year fixed rate option with 10-year maturity and level annual debt service
 - Net Present Value savings: \$182,407 (22.41%)
 - Average increased Annual Debt Service for first 7 years - \$15,622.
- Bond structure: 7-Year fixed rate option with 7-year maturity and level annual debt service
 - Net Present Value savings: \$167,035 (20.50%)
 - Average increased Annual Debt Service - \$51,944.

☞ IMPACT ON UTILITY RATES

- The impact of the proposed refunding on utility rates must be considered.
- Wells Fargo may only require 115% debt service coverage rather than the customary 125% but the language of the offer letter is not clear.

☞ FACTORS IN FAVOR OF A REFUNDING

- Net Present Value Saving of Overall savings of approximately \$186,288 (22.86%)
- Total savings over the life of the bond, assuming same interest rate for all 10 years, is \$318,696)
- If bonds are paid off by the end of the 7th year, that will shorten the debt by
- Relatively small principal balance remaining at interest rate reset (\$276,000)
- Bonds will be callable at the option of the City with no penalty or premium beginning in the 4th year.

☞ ISSUES OF CONCERN IN REFUNDING

- Interest rate risk after 7 years (Wells Fargo's letter doesn't specify a rate reset index or formula)
- Possible need to raise utility rates to pay increased debt service in the first 7 years of approximately \$20,000
- Possible need to raise utility rates following an interest rate reset if rates are higher
- Call premium in first 3 years (but declines to zero by third year)
- No cap on interest rate at reset (Note: this could pose a problem due to the previously adopted Parameters Resolution which limits the interest rate to 4.0%)
- Mandatory redemption language would require the City to re-finance the balance of the bond after 7 years. In 7 years, Wells Fargo may not be willing to re-finance the balance.

☞ RECOMMENDATIONS

- Move forward with credit approval process by Wells Fargo
- Seek clarification of proposed terms of refinancing to verify that they are within the limits of the Parameters Resolution
- Quantify potential impact on utility rates in Cedar Hills
- Prepare for closing on the new bonds as soon as possible.

\$841,000

City of Cedar Hills, Utah County, Utah

Utility Revenue Refunding Bonds, Series 2013

(Restructuring of Series 2009 Bonds by Wells Fargo, 7 Yr. Fixed Rate with 7 Yr.

Table of Contents

Report

Total Refunded Debt Service	1
Total Prior Net Debt Service	2
Debt Service To Maturity And To Call	3
Current Refunding Escrow	4
Debt Service Schedule	5
Debt Service Comparison	6
Sources & Uses	7

\$930,000

City of Cedar Hills, Utah County, Utah

Utility Revenue Bonds. Series 2009

(Pressurized Irrigation System Project: Bought by Wells Fargo)

Total Refunded Debt Service

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/01/2013	-	-	24,409.25	24,409.25	-
03/01/2014	30,000.00	5.990%	24,409.25	54,409.25	78,818.50
09/01/2014	-	-	23,510.75	23,510.75	-
03/01/2015	35,000.00	5.990%	23,510.75	58,510.75	82,021.50
09/01/2015	-	-	22,462.50	22,462.50	-
03/01/2016	35,000.00	5.990%	22,462.50	57,462.50	79,925.00
09/01/2016	-	-	21,414.25	21,414.25	-
03/01/2017	40,000.00	5.990%	21,414.25	61,414.25	82,828.50
09/01/2017	-	-	20,216.25	20,216.25	-
03/01/2018	40,000.00	5.990%	20,216.25	60,216.25	80,432.50
09/01/2018	-	-	19,018.25	19,018.25	-
03/01/2019	45,000.00	5.990%	19,018.25	64,018.25	83,036.50
09/01/2019	-	-	17,670.50	17,670.50	-
03/01/2020	45,000.00	5.990%	17,670.50	62,670.50	80,341.00
09/01/2020	-	-	16,322.75	16,322.75	-
03/01/2021	50,000.00	5.990%	16,322.75	66,322.75	82,645.50
09/01/2021	-	-	14,825.25	14,825.25	-
03/01/2022	50,000.00	5.990%	14,825.25	64,825.25	79,650.50
09/01/2022	-	-	13,327.75	13,327.75	-
03/01/2023	55,000.00	5.990%	13,327.75	68,327.75	81,655.50
09/01/2023	-	-	11,680.50	11,680.50	-
03/01/2024	55,000.00	5.990%	11,680.50	66,680.50	78,361.00
09/01/2024	-	-	10,033.25	10,033.25	-
03/01/2025	60,000.00	5.990%	10,033.25	70,033.25	80,066.50
09/01/2025	-	-	8,236.25	8,236.25	-
03/01/2026	65,000.00	5.990%	8,236.25	73,236.25	81,472.50
09/01/2026	-	-	6,289.50	6,289.50	-
03/01/2027	65,000.00	5.990%	6,289.50	71,289.50	77,579.00
09/01/2027	-	-	4,342.75	4,342.75	-
03/01/2028	70,000.00	5.990%	4,342.75	74,342.75	78,685.50
09/01/2028	-	-	2,246.25	2,246.25	-
03/01/2029	75,000.00	5.990%	2,246.25	77,246.25	79,492.50
Total	\$815,000.00	-	\$472,012.00	\$1,287,012.00	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	3/02/2013
Average Life	9.666 Years
Average Coupon	5.9900000%
Weighted Average Maturity (Par Basis)	9.666 Years

Refunding Bond Information

Refunding Dated Date	3/02/2013
Refunding Delivery Date	3/02/2013

Utility Revenue Bond, Ser | SINGLE PURPOSE | 2/19/2013 | 4:19 PM

\$841,000

City of Cedar Hills, Utah County, Utah

Utility Revenue Refunding Bonds. Series 2013

(Restructuring of Series 2009 Bonds by Wells Fargo, 7 Yr. Fixed Rate with 7 Yr.

Total Prior Net Debt Service

Date	Principal	Coupon	Interest	Total P+I	Net D/S	Fiscal Total
03/02/2013	-	-	-	-	-	-
09/01/2013	-	-	24,409.25	24,409.25	24,409.25	-
03/01/2014	30,000.00	5.990%	24,409.25	54,409.25	54,409.25	78,818.50
09/01/2014	-	-	23,510.75	23,510.75	23,510.75	-
03/01/2015	35,000.00	5.990%	23,510.75	58,510.75	58,510.75	82,021.50
09/01/2015	-	-	22,462.50	22,462.50	22,462.50	-
03/01/2016	35,000.00	5.990%	22,462.50	57,462.50	57,462.50	79,925.00
09/01/2016	-	-	21,414.25	21,414.25	21,414.25	-
03/01/2017	40,000.00	5.990%	21,414.25	61,414.25	61,414.25	82,828.50
09/01/2017	-	-	20,216.25	20,216.25	20,216.25	-
03/01/2018	40,000.00	5.990%	20,216.25	60,216.25	60,216.25	80,432.50
09/01/2018	-	-	19,018.25	19,018.25	19,018.25	-
03/01/2019	45,000.00	5.990%	19,018.25	64,018.25	64,018.25	83,036.50
09/01/2019	-	-	17,670.50	17,670.50	17,670.50	-
03/01/2020	45,000.00	5.990%	17,670.50	62,670.50	62,670.50	80,341.00
09/01/2020	-	-	16,322.75	16,322.75	16,322.75	-
03/01/2021	50,000.00	5.990%	16,322.75	66,322.75	66,322.75	82,645.50
09/01/2021	-	-	14,825.25	14,825.25	14,825.25	-
03/01/2022	50,000.00	5.990%	14,825.25	64,825.25	64,825.25	79,650.50
09/01/2022	-	-	13,327.75	13,327.75	13,327.75	-
03/01/2023	55,000.00	5.990%	13,327.75	68,327.75	68,327.75	81,655.50
09/01/2023	-	-	11,680.50	11,680.50	11,680.50	-
03/01/2024	55,000.00	5.990%	11,680.50	66,680.50	66,680.50	78,361.00
09/01/2024	-	-	10,033.25	10,033.25	10,033.25	-
03/01/2025	60,000.00	5.990%	10,033.25	70,033.25	70,033.25	80,066.50
09/01/2025	-	-	8,236.25	8,236.25	8,236.25	-
03/01/2026	65,000.00	5.990%	8,236.25	73,236.25	73,236.25	81,472.50
09/01/2026	-	-	6,289.50	6,289.50	6,289.50	-
03/01/2027	65,000.00	5.990%	6,289.50	71,289.50	71,289.50	77,579.00
09/01/2027	-	-	4,342.75	4,342.75	4,342.75	-
03/01/2028	70,000.00	5.990%	4,342.75	74,342.75	74,342.75	78,685.50
09/01/2028	-	-	2,246.25	2,246.25	2,246.25	-
03/01/2029	75,000.00	5.990%	2,246.25	77,246.25	77,246.25	79,492.50
Total	\$815,000.00	-	\$472,012.00	\$1,287,012.00	\$1,287,012.00	-

Sources Of Funds

Total Sources

Uses Of Funds

Total Uses

\$930,000

City of Cedar Hills, Utah County, Utah

Utility Revenue Bonds. Series 2009

(Pressurized Irrigation System Project: Bought by Wells Fargo)

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S	Fiscal Total
03/02/2013	815,000.00	135.61	815,135.61	-	-	-	-	-
09/01/2013	-	-	-	-	-	24,409.25	24,409.25	-
03/01/2014	-	-	-	30,000.00	5.990%	24,409.25	54,409.25	78,818.50
09/01/2014	-	-	-	-	-	23,510.75	23,510.75	-
03/01/2015	-	-	-	35,000.00	5.990%	23,510.75	58,510.75	82,021.50
09/01/2015	-	-	-	-	-	22,462.50	22,462.50	-
03/01/2016	-	-	-	35,000.00	5.990%	22,462.50	57,462.50	79,925.00
09/01/2016	-	-	-	-	-	21,414.25	21,414.25	-
03/01/2017	-	-	-	40,000.00	5.990%	21,414.25	61,414.25	82,828.50
09/01/2017	-	-	-	-	-	20,216.25	20,216.25	-
03/01/2018	-	-	-	40,000.00	5.990%	20,216.25	60,216.25	80,432.50
09/01/2018	-	-	-	-	-	19,018.25	19,018.25	-
03/01/2019	-	-	-	45,000.00	5.990%	19,018.25	64,018.25	83,036.50
09/01/2019	-	-	-	-	-	17,670.50	17,670.50	-
03/01/2020	-	-	-	45,000.00	5.990%	17,670.50	62,670.50	80,341.00
09/01/2020	-	-	-	-	-	16,322.75	16,322.75	-
03/01/2021	-	-	-	50,000.00	5.990%	16,322.75	66,322.75	82,645.50
09/01/2021	-	-	-	-	-	14,825.25	14,825.25	-
03/01/2022	-	-	-	50,000.00	5.990%	14,825.25	64,825.25	79,650.50
09/01/2022	-	-	-	-	-	13,327.75	13,327.75	-
03/01/2023	-	-	-	55,000.00	5.990%	13,327.75	68,327.75	81,655.50
09/01/2023	-	-	-	-	-	11,680.50	11,680.50	-
03/01/2024	-	-	-	55,000.00	5.990%	11,680.50	66,680.50	78,361.00
09/01/2024	-	-	-	-	-	10,033.25	10,033.25	-
03/01/2025	-	-	-	60,000.00	5.990%	10,033.25	70,033.25	80,066.50
09/01/2025	-	-	-	-	-	8,236.25	8,236.25	-
03/01/2026	-	-	-	65,000.00	5.990%	8,236.25	73,236.25	81,472.50
09/01/2026	-	-	-	-	-	6,289.50	6,289.50	-
03/01/2027	-	-	-	65,000.00	5.990%	6,289.50	71,289.50	77,579.00
09/01/2027	-	-	-	-	-	4,342.75	4,342.75	-
03/01/2028	-	-	-	70,000.00	5.990%	4,342.75	74,342.75	78,685.50
09/01/2028	-	-	-	-	-	2,246.25	2,246.25	-
03/01/2029	-	-	-	75,000.00	5.990%	2,246.25	77,246.25	79,492.50
Total	\$815,000.00	\$135.61	\$815,135.61	\$815,000.00	-	\$472,012.00	\$1,287,012.00	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	3/02/2013
Average Life	9.666 Years
Average Coupon	5.9900000%
Weighted Average Maturity (Par Basis)	9.666 Years

Refunding Bond Information

Refunding Dated Date	3/02/2013
Refunding Delivery Date	3/02/2013

Utility Revenue Bond, Ser | SINGLE PURPOSE | 2/19/2013 | 4:19 PM

\$841,000

City of Cedar Hills, Utah County, Utah

Utility Revenue Refunding Bonds. Series 2013

(Restructuring of Series 2009 Bonds by Wells Fargo, 7 Yr. Fixed Rate with 7 Yr.

Current Refunding Escrow

Date	Rate	Receipts	Disbursements	Cash Balance	Fiscal Total
03/02/2013	-	815,135.61	815,135.61	-	-
03/01/2014	-	-	-	-	815,135.61
Total	-	\$815,135.61	\$815,135.61	-	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted
Cash Deposit	815,135.61
Total Cost of Investments	\$815,135.61
Target Cost of Investments at bond yield	\$815,135.61
Yield to Receipt	-
Yield for Arbitrage Purposes	2.6100122%

\$841,000

City of Cedar Hills, Utah County, Utah

Utility Revenue Refunding Bonds. Series 2013

(Restructuring of Series 2009 Bonds by Wells Fargo, 7 Yr. Fixed Rate with 7 Yr.

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
03/02/2013	-	-	-	-	-
09/01/2013	-	-	10,914.08	10,914.08	-
03/01/2014	111,000.00	2.610%	10,975.05	121,975.05	132,889.13
09/01/2014	-	-	9,526.50	9,526.50	-
03/01/2015	114,000.00	2.610%	9,526.50	123,526.50	133,053.00
09/01/2015	-	-	8,038.80	8,038.80	-
03/01/2016	117,000.00	2.610%	8,038.80	125,038.80	133,077.60
09/01/2016	-	-	6,511.95	6,511.95	-
03/01/2017	120,000.00	2.610%	6,511.95	126,511.95	133,023.90
09/01/2017	-	-	4,945.95	4,945.95	-
03/01/2018	123,000.00	2.610%	4,945.95	127,945.95	132,891.90
09/01/2018	-	-	3,340.80	3,340.80	-
03/01/2019	126,000.00	2.610%	3,340.80	129,340.80	132,681.60
09/01/2019	-	-	1,696.50	1,696.50	-
03/01/2020	130,000.00	2.610%	1,696.50	131,696.50	133,393.00
Total	\$841,000.00	-	\$90,010.13	\$931,010.13	-

Yield Statistics

Bond Year Dollars	\$3,448.66
Average Life	4.101 Years
Average Coupon	2.6100001%
Net Interest Cost (NIC)	2.6100001%
True Interest Cost (TIC)	2.6100122%
Bond Yield for Arbitrage Purposes	2.6100122%
All Inclusive Cost (AIC)	3.4050850%

IRS Form 8038

Net Interest Cost	2.6100001%
Weighted Average Maturity	4.101 Years

\$841,000

City of Cedar Hills, Utah County, Utah

Utility Revenue Refunding Bonds. Series 2013

(Restructuring of Series 2009 Bonds by Wells Fargo, 7 Yr. Fixed Rate with 7 Yr.

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings	Fiscal Total
03/02/2013	-	-	-	-	-
09/01/2013	10,914.08	10,914.08	24,409.25	13,495.17	-
03/01/2014	121,975.05	121,975.05	54,409.25	(67,565.80)	(54,070.63)
09/01/2014	9,526.50	9,526.50	23,510.75	13,984.25	-
03/01/2015	123,526.50	123,526.50	58,510.75	(65,015.75)	(51,031.50)
09/01/2015	8,038.80	8,038.80	22,462.50	14,423.70	-
03/01/2016	125,038.80	125,038.80	57,462.50	(67,576.30)	(53,152.60)
09/01/2016	6,511.95	6,511.95	21,414.25	14,902.30	-
03/01/2017	126,511.95	126,511.95	61,414.25	(65,097.70)	(50,195.40)
09/01/2017	4,945.95	4,945.95	20,216.25	15,270.30	-
03/01/2018	127,945.95	127,945.95	60,216.25	(67,729.70)	(52,459.40)
09/01/2018	3,340.80	3,340.80	19,018.25	15,677.45	-
03/01/2019	129,340.80	129,340.80	64,018.25	(65,322.55)	(49,645.10)
09/01/2019	1,696.50	1,696.50	17,670.50	15,974.00	-
03/01/2020	131,696.50	131,696.50	62,670.50	(69,026.00)	(53,052.00)
09/01/2020	-	-	16,322.75	16,322.75	-
03/01/2021	-	-	66,322.75	66,322.75	82,645.50
09/01/2021	-	-	14,825.25	14,825.25	-
03/01/2022	-	-	64,825.25	64,825.25	79,650.50
09/01/2022	-	-	13,327.75	13,327.75	-
03/01/2023	-	-	68,327.75	68,327.75	81,655.50
09/01/2023	-	-	11,680.50	11,680.50	-
03/01/2024	-	-	66,680.50	66,680.50	78,361.00
09/01/2024	-	-	10,033.25	10,033.25	-
03/01/2025	-	-	70,033.25	70,033.25	80,066.50
09/01/2025	-	-	8,236.25	8,236.25	-
03/01/2026	-	-	73,236.25	73,236.25	81,472.50
09/01/2026	-	-	6,289.50	6,289.50	-
03/01/2027	-	-	71,289.50	71,289.50	77,579.00
09/01/2027	-	-	4,342.75	4,342.75	-
03/01/2028	-	-	74,342.75	74,342.75	78,685.50
09/01/2028	-	-	2,246.25	2,246.25	-
03/01/2029	-	-	77,246.25	77,246.25	79,492.50
Total	\$931,010.13	\$931,010.13	\$1,287,012.00	\$356,001.87	-

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	166,170.99
Net PV Cashflow Savings @ 3.405%(AIC)	166,170.99
Contingency or Rounding Amount	864.39
Net Present Value Benefit	\$167,035.38
Net PV Benefit / \$815,000 Refunded Principal	20.495%
Net PV Benefit / \$841,000 Refunding Principal	19.862%

Refunding Bond Information

Refunding Dated Date	3/02/2013
Refunding Delivery Date	3/02/2013

Utility Rev Ref Ser.2013- | SINGLE PURPOSE | 2/19/2013 | 4:19 PM

\$841,000

City of Cedar Hills, Utah County, Utah

Utility Revenue Refunding Bonds. Series 2013

(Restructuring of Series 2009 Bonds by Wells Fargo, 7 Yr. Fixed Rate with 7 Yr.

Sources & Uses

Dated 03/02/2013 | Delivered 03/02/2013

Sources Of Funds

Par Amount of Bonds	\$841,000.00
Total Sources	\$841,000.00

Uses Of Funds

Costs of Issuance	25,000.00
Deposit to Current Refunding Fund	815,135.61
Rounding Amount	864.39
Total Uses	\$841,000.00



4 February 2013

City of Cedar Hills
Attn: Charl Louw, Finance Director
3925 Cedar Hills Dr.
Cedar Hills, UT
84062-8771

Re: Refunding of Existing Bond Series 2009

Dear Mr. Louw:

We are pleased to express our interest in considering the credit accommodation described below. This letter is not intended to constitute a commitment or offer to lend on the part of Wells Fargo Bank, National Association ("Wells Fargo" or "Bank"), but only to summarize, for discussion purposes, the credit accommodation we are interested in considering at this time.

- ISSUER/BORROWER:** City of Cedar Hills ("Borrower").
- PURCHASER:** Wells Fargo Bank, N.A. ("Wells Fargo" or "Bank").
- FACILITY AMOUNT:** Up to \$845,000 principal.
- STRUCTURE:** The Bank will purchase fixed rate bonds.
- PURPOSE:** The Bonds will be used to re-finance existing bonds.
- INITIAL TERM:** The initial fixed rate will end on the 5th or 7th anniversary of purchase of the Bonds.
- FINAL MATURITY:** Final maturity of March 1, 2029, but not to exceed 120% of the weighted average economic life of the assets being financed.
- SECURITY:** Revenue pledge from assessments of the Culinary, Secondary and Sewer Water systems of The City of Cedar Hills.
- INTEREST RATE:** Fixed Rate Terms:
- 5 Year Structure: The Bonds will contain a Fixed Rate Mode whereby the interest rate on the Bonds will be 2.38%
 - 7 Year Structure: The Bonds will contain a Fixed Rate Mode whereby the interest rate on the Bonds will be 2.61%
- The Fixed Rate is subject to adjustment upon a) the occurrence of an event of taxability, b) a reduction in the maximum federal corporate tax rate and/or c) the incurrence of increased costs.
- The Fixed Rate is subject to change according to current market conditions.
- PREPAYMENT PROVISIONS:** Borrower shall pay to the Purchaser a prepayment fee equal to (i) 3% of the amount prepaid if payment is received in the first year, (ii) 2% of the

amount prepaid if payment is received in the second year, and (iii) 1% of the amount prepaid if payment is received in the third year. There shall be no prepayment fee for amounts prepaid more than three years.

CLOSING FEE:

No more than 1% of the current balance or \$8,450. Legal costs will be at cost.

OTHER FEES:

Usual and customary for this type of financing, including amendment fees, termination fees, attorney's fees, and customary language regarding increased costs, capital adequacy and taxes. Estimates of the costs and actual fees will be provided prior to documentation.

**INCREASED COSTS
AND CAPITAL
ADEQUACY; TAXES:**

Customary for facilities of this type, including, without limitation, provisions concerning increased costs, taxes, changes in capital adequacy, capital requirements and other requirements of law (including Dodd-Frank Wall Street Reform and Consumer Protection Act and Basel III), or their interpretation, illegality, unavailability, and reserves without proration or offset and payments free and clear of withholding or other taxes.

TAXABLE RATE:

In case of a determination of taxability, the Borrower will prepay the bonds within 60 days with a premium so that the total amount of premium plus interest paid from the date of taxability through the date of prepayment would be calculated at the Tax Free Rate multiplied by a Tax-Exempt factor currently estimated at 1.54 plus any other expenses incurred by the Bondholder as a result of the determination of taxability.

RATE ADJUSTMENT:

In order that the bondholder maintains a certain tax-equivalent yield on its investment, the tax-free rate is subject to further adjustments (beyond the changes outlined in the paragraph above) in the event of further governmental legislation which adversely affects the tax-equivalent yield to the bondholder.

**PRINCIPAL
FINANCIAL
COVENANTS:**

Usual and customary for this type of financing, including but not limited to:

- Audited Financial Statements for each fiscal year-end by June 30th of the following year.
- Minimum DSC of 1.15x:1 - (net income plus interest, depreciation and amortization divided by the sum of the prior years CMLTD plus interest for the Sewer/Water Enterprise).
- Maintain deposit relationships with Wells Fargo Bank., N.A. during the life of the loan.

DEFAULT RATE:

Wells Fargo Prime Rate plus 4.00%

**MANDATORY
TENDER:**

The Bonds will be subject to a mandatory tender to the Borrower at the end of the initial Fixed Rate Mode. Current scheduled principal redemptions of the bonds will also be required.

**CONDITIONS
PRECEDENT TO
CONSIDERING
CREDIT
ACCOMODATION:**

The Facility will be governed by an Agreement for the benefit of the Bank, which agreement will contain conditions and covenants and other provisions that would be usual and customary for this type of financing, including but not limited to:

- 1) Approval of Bank's senior credit management

- 2) No material adverse change in the assets, operations, condition (financial or otherwise) or prospects of the Borrower, nor in the facts and information regarding such entities as represented to date prior to Closing.
- 3) It is assumed that the transaction will be "bank-qualified" under the \$10 million small issuer exemption as defined in the Tax Reform Act of 1986.
- 4) The Borrower/Issuer shall designate the Bond as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code.
- 5) Bond Counsel opinion, paid for by the Borrower.
- 6) Execution of satisfactory bond documentation and all other legal documents usual and customary for a transaction of this type. Payment of all fees, including but not limited to, appraisal fees, environmental fees, legal fees and closing fees.
- 7) Other conditions deemed appropriate.

**REPORTING
REQUIREMENTS:**

Usual and customary for this type of financing, including but not limited to:

- Annual CPA Audited financials will be required within 150 days of fiscal year end.

**EMMA AND RATING
AGENCY
DISCLOSURE:**

To maintain transparency with its existing bondholders and the rating agencies, Wells Fargo requests that the Obligor a) post the Indenture, Resolution, Ordinance and Continuing Covenant Agreement on the MSRB's EMMA site following the closing of the transaction, provided that pricing and certain other information contained therein, as directed by the Bank, shall be redacted prior to such posting and b) deliver relevant financing documents to the rating agencies.

**FUTURE
MODIFICATIONS:**

The terms, conditions and interest rates herein reference the financing and the par amount indicated herein and are subject to revision in the discretion of the Bank, including, without limitation, in the event that (i) the par amount changes, (ii) the transaction deviates materially from what was initially described in conjunction therewith, (iii) the proposed financing does not close (other than as a result of action/inaction by the Bank) or (iv) events occur resulting in a material disruption of the market.

**NO ADVISORY OR
FIDUCIARY ROLE:**

The Borrower acknowledges and agrees that: (i) the transaction contemplated by this term sheet is an arm's length, commercial transaction between the Borrower and Wells Fargo Bank, N.A., in which Wells Fargo Bank, N.A. is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Borrower; (ii) Wells Fargo Bank, N.A. has not assumed any advisory or fiduciary responsibility to the Borrower with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Wells Fargo Bank, N.A. or its affiliates have provided other services to the Borrower on other matters); (iii) the only obligations Wells Fargo Bank, N.A. has to the Borrower with respect to the transaction contemplated hereby expressly are set forth in this term sheet; and (iv) the Borrower has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

REPS AND

WARRANTIES: Usual and customary for this type of financing.

TRANSFER PROVISIONS: While the Bank is purchasing the Bonds for its own account without a current intention to transfer them, the Bank reserves the right in its sole discretion to assign, sell, pledge or participate interests in the Bonds without the consent of the Borrower.

EVENTS OF DEFAULT: Usual and customary for transactions of this type, to include without limitation: (i) nonpayment of principal, interest, fees or other amounts when due under any of the loan documents; (ii) non-compliance with any representation or warranty; (iii) violation of any covenant continuing beyond any agreed cure period; (iv) default under any other indebtedness; (v) bankruptcy or insolvency event; (vi) unpaid judgment; (vii) material adverse change; (viii) invalidity of any of the Bond documents.

CONFIDENTIALITY: This Term Sheet is confidential and proprietary, and terms herein may not be disclosed without our prior written consent, except to your professional advisors in connection with this Financing who agree to be bound by such confidentiality requirements, or as may be required by law.

Notwithstanding anything herein to the contrary, any party hereto may disclose to any and all persons, without limitation of any kind the tax treatment or tax structure of this transaction. Furthermore, the parties to this transaction may disclose, as required by federal or state laws, any information as required to comply with such federal or state laws.

This expression of interest is not intended to be, and should not be construed as, a commitment to enter into a direct purchase of bonds, nor should it be construed as an attempt to establish all of the terms and conditions relating to such an accommodation. It is intended only to be indicative of certain terms and conditions around which credit approval may be sought, and if approved, how the operative documents might be structured, and not to preclude negotiations within the general scope of these terms and conditions. The execution version s of agreements containing final terms and conditions, if any, would be subject to approval by Borrower and Bank.

Wells Fargo Bank, N.A., is always interested in meeting with the City regarding possible other refunding and/or new issues of its debt at your convenience.

Best Regards,

G. Tracy Lewis
Vice President & Principal Relationship Manager
Wells Fargo Bank, N.A.



As these materials include information related to a bank-purchased bond transaction ("Direct Purchase"), please be advised that Direct Purchase is a product offering of Wells Fargo Bank, N.A. or a subsidiary thereof ("Purchaser") as purchaser / investor. Wells Fargo Securities will not participate in any manner in any Direct Purchase transaction between you and Purchaser, and Wells Fargo employees involved with a Direct Purchase transaction are not acting on behalf of or as representatives of Wells Fargo Securities.

Beginning Balance	\$930,000.00	\$930,000.00		
Trust Fees	(\$3,000.00)	\$927,000.00		
Requisition 1	(\$204,600.24)	\$722,399.76		
Bond Counsel	(\$12,000.00)	\$710,399.76		
Underwriter's discount	(\$13,950.00)	\$696,449.76		
April 09 Interest	\$88.51	\$696,538.27		
Requisition 2	(\$114,977.60)	\$581,560.67		
Requisition 3	(\$132,426.53)	\$449,134.14		
Requisition 4	(\$149,796.61)	\$299,337.53		
May 09 Interest	\$83.32	\$299,420.85	Reconcile to 51-75-809	
Requisition 5	(\$87,025.73)	\$212,395.12	Total Requisitions	(\$717,776.71)
June 09 Interest	\$46.86	\$212,441.98	Account Balance	721670.27
July 09 Interest	\$13.97	\$212,455.95	Requisition Needed	\$3,893.56
Aug 09 Interest	\$0.60	\$212,456.55		
Sept 09 Interest	\$0.00	\$212,456.55		
Oct 09 Interest	\$0.00	\$212,456.55		
Requisition 6	(\$144,647.03)	\$67,809.52		
Nov 09 Interest	\$0.00	\$67,809.52		
Dec 09 Interest	\$0.00	\$67,809.52		



CITY OF CEDAR HILLS

TO:	Mayor and City Council
FROM:	David Bunker, City Manager
DATE:	2/19/2013

City Council Agenda Item

SUBJECT:	Discussion on Family Festival 2013 – Dates, Activities and Programs
APPLICANT PRESENTATION:	N/A
STAFF PRESENTATION:	Greg Gordon
BACKGROUND AND FINDINGS:	<p>A presentation of the dates, activities, and programs for the City of Cedar Hills Family Festival 2013 will be given. A review of the current Festival budget and sponsorship packages will be discussed.</p>
PREVIOUS LEGISLATIVE ACTION:	<p>N/A</p>
FISCAL IMPACT:	<p>Family Festival Budget is \$40,000 for FY 2013.</p>
SUPPORTING DOCUMENTS:	<p>N/A</p>
RECOMMENDATION:	<p>Council should discuss the information presented regarding Family Festival 2013 and suggest considerations for this years family festival.</p>
MOTION:	<p>This item is a discussion item only. No motion is necessary at this time.</p>



CITY OF CEDAR HILLS

TO:	Mayor and City Council
FROM:	Chandler Goodwin, Assistant City Manager
DATE:	2/19/2013

City Council Agenda Item

SUBJECT:	Adopting a City Social Media Policy
APPLICANT PRESENTATION:	N/A
STAFF PRESENTATION:	Chandler Goodwin, Assistant City Manager / Planner
BACKGROUND AND FINDINGS:	
<p>As Cedar Hills begins to expand its presence on social media sites, this proposed policy establishes a set of rules to guide communication from the City to its residents.</p> <p>This policy establishes guidelines for the establishment and use by the City of Cedar Hills of social media sites (including but not limited to Facebook and Twitter) as a means of conveying City of Cedar Hills ("City") information to its citizens</p>	
PREVIOUS LEGISLATIVE ACTION:	
N/A	
FISCAL IMPACT:	
N/A	
SUPPORTING DOCUMENTS:	
Proposed City policy and procedures regarding the use of social media	
RECOMMENDATION:	
Staff recommends the City Council approve the proposed policy as presented.	
MOTION:	
To approve / not approve the policy regarding the Social Media Policy as part of the City's Policies and Procedures.	

Social Media Policy

Purpose

This policy establishes guidelines for the establishment and use by the City of Cedar Hills of social media sites (including but not limited to Facebook and Twitter) as a means of conveying City of Cedar Hills ("City") information to its citizens.

The intended purpose behind establishing City of Cedar Hills social media sites is to disseminate information from the City, about the City, to its citizens.

The City of Cedar Hills has an overriding interest and expectation in deciding what is "spoken" on behalf of the City on City social media sites. To address the fast-changing landscape of the Internet and the way residents communicate and obtain information online, the City departments may consider using social media tools to reach a broader audience. The City encourages the use of social media to further the goals of the City and the missions of its departments, where appropriate.

For purposes of this policy, "social media" is understood to be content created by individuals, using accessible, expandable, and upgradable publishing technologies, through and on the Internet. Examples of social media include Facebook, blogs, MySpace, RSS, YouTube, Second Life, Twitter, LinkedIn, Delicious, and Flickr. For purposes of this policy, "comments" include information, articles, pictures, videos or any other form of communicative content posted on a City of Cedar Hills social media site.

General Policy

1. The establishment and use by any City department of City social media sites are subject to approval by the City Manager or his/her designees. All City of Cedar Hills social media sites shall be administered by the Department Director or his/her designees.
2. City social media sites shall make clear that they are maintained by the City of Cedar Hills and that they follow any City of Cedar Hills Communications Policies. The City logo or branding shall be used on all social media accounts to confirm authenticity of the site. City social media accounts will only join a group or become a fan of a page if it is related to official City business, services, and events.
3. Wherever possible, City social media sites should link back to the official City of Cedar Hills website for forms, documents, online services and other information necessary to conduct business with the City of Cedar Hills.
4. The Department Director or his/her designees will monitor content on City social media sites to ensure adherence to both the City of Cedar Hills Communications Policy and the interest and goals of the City of Cedar Hills.
5. Users of all City social media shall adhere to applicable federal, state and local laws, regulations and policies.
6. The City reserves the right to restrict or remove any content that is deemed in violation of the City of Cedar Hills Communications Policy or any applicable law. Any content removed based on these guidelines must be retained by the Department Director or

- his/her designees for a reasonable period of time, including the time, date and identity of the poster, when available.
7. The City of Cedar Hills's website at www.cedarhills.org will remain the City's primary and predominant Internet presence.
 8. Freedom of Information Act and e-discovery laws and policies apply to social media content and therefore content must be able to be managed, stored and retrieved to comply with these laws.
 9. City of Cedar Hills social media sites are subject to State of Utah public records laws. Any content maintained in a social media format that is related to City business, including a list of subscribers and posted communication, is a public record. The Department maintaining the site is responsible for responding completely and accurately to any public records request for public records on social media. Content related to City business shall be maintained in an accessible format pursuant to City policy and practice so that it can be produced in response to a request. Wherever possible, such sites shall clearly indicate that any articles and any other content posted or submitted for posting are subject to public disclosure.
 10. Employees representing the City of Cedar Hills via social media accounts must conduct themselves at all times as representative of the City of Cedar Hills. Employees that fail to conduct themselves in an appropriate manner shall be subject to the Disciplinary Action Procedures outlined in the Personnel Policy Manual.

Comment Policy

1. A comment posted by a member of the public on any City of Cedar Hills social media site is the opinion of the commentator or poster only, and publication of a comment does not imply endorsement of, or agreement by, the City of Cedar Hills, nor do such comments necessarily reflect the opinions or policies of the City of Cedar Hills.
2. Comments containing any of the following inappropriate forms of content shall not be permitted on City of Cedar Hills social media sites and are subject to removal and/or restriction by the Public Information Coordinator or his/her designees:
 - A. Comments not related to the original topic, including random or unintelligible comments;
 - B. Profane, obscene, violent, or pornographic content and/or language;
 - C. Content that promotes, fosters or perpetuates discrimination on the basis of race, creed, color, age, religion, gender, or national origin;
 - D. Defamatory or personal attacks;
 - E. Threats to any person or organization;
 - F. Comments in support of, or in opposition to, any political campaigns or ballot measures;
 - G. Solicitation of commerce, including but not limited to advertising of any business or product for sale;
 - H. Conduct in violation of any federal, state or local law;
 - I. Encouragement of illegal activity;
 - J. Information that may tend to compromise the safety or security of the public or public systems; or
 - K. Content that violates a legal ownership interest, such as a copyright, of any party
3. A comment posted by a member of the public on any City of Cedar Hills social media site is the opinion of the commentator or poster only, and publication of a comment does not imply endorsement of, or agreement by, the City of Cedar Hills, nor do such comments necessarily reflect the opinions or policies of the City of Cedar Hills.

4. The City of Cedar Hills reserves the right to deny access to City of Cedar Hills social media sites for any individual, who violates the City of Cedar Hills's Social Media Policy, at any time and without prior notice.
5. Departments shall monitor their social media sites for comments requesting responses from the City and for comments in violation of this policy.
6. When a City of Cedar Hills employee responds to a comment, in his/her capacity as a City of Cedar Hills employee, the employee's name and title should be made available, and the employee shall not share personal information about himself or herself, or other City employees.
7. All comments posted to any City of Cedar Hills Facebook site are bound by Facebook's Statement of Rights and Responsibilities, located at <http://www.facebook.com/terms.php>, and the City of Cedar Hills reserves the right to report any violation of Facebook's Statement of Rights and Responsibilities to Facebook with the intent of Facebook taking appropriate and reasonable responsive action.