RESOLUTION NO. _____

A RESOLUTION BY THE CITY COUNCIL FOR THE CITY OF DRIGGS, TETON COUNTY, IDAHO, MAKING FINDINGS AND DECLARATIONS WITH RESPECT TO FINANCING IMPROVEMENTS TO THE CITY'S PUBLIC WASTEWATER SYSTEM FACILITIES; APPROVING AND AUTHORIZING, SUBJECT TO JUDICIAL CONFIRMATION, THE EXECUTION OF A LOAN AGREEMENT FOR THE FINANCING OF THE IMPROVEMENTS OR, IN THE ALTERNATIVE, THE SALE OF REVENUE BONDS; AUTHORIZING THE FILING OF A PETITION FOR JUDICIAL CONFIRMATION IN THE DISTRICT COURT OF THE SEVENTH JUDICIAL DISTRICT OF THE STATE OF IDAHO, IN AND FOR TETON COUNTY; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, The City of Driggs, Idaho (the "City"), is a political subdivision duly organized and operating under the laws of the State of Idaho, and has for many years owned and operated a City wastewater system (the "System"); and

WHEREAS, the City Council ("Council") has determined that certain urgent improvements to the existing System (the "Project") are necessary in order for the System to remain functional and adequate to meet the current needs of the City, comply with currently applicable state and federal System requirements, and protect the health and safety of the City's citizens; and

WHEREAS, the estimated cost of the Project to the City is approximately $25,500,000; and

WHEREAS, the City does not have sufficient funds available in its current fiscal year's budget to finance the cost of the Project, and the Council has determined that it is necessary to finance the cost thereof pledging future years' City wastewater system revenues and other lawfully available funds of Petitioner; and

WHEREAS, the financing of the costs of the Project in the manner described would create an indebtedness or liability of the City exceeding the current year's revenues; and

WHEREAS, the Council has determined that the cost of the Project, and the proposed loan obligation or the sale of revenue bonds to be incurred to finance the same, constitute "ordinary and necessary expenses" of the City authorized by the general laws of the State within the meaning of Article 8, Section 3, of the Idaho Constitution, for which no approving vote of the electors is required; and

WHEREAS, the City, on August 20, 2024, held and conducted a public hearing, pursuant to at least fifteen (15) days' published notice in the manner required by Sections 7-1304 and 7-1306, Idaho Code, on the question of whether the Council should adopt a resolution authorizing the filing of a petition with the District Court of the Seventh Judicial District of the State of Idaho, in and for the County of Teton, seeking judicial confirmation of the incurring of such indebtedness

as an "ordinary and necessary expense" within the meaning of Article 8, Section 3, of the Idaho Constitution, pursuant to the Judicial Confirmation Law; and

WHEREAS, at least fourteen (14) days has elapsed following such public hearing, and the Council has determined that it is in the best interests of the City and the public health, safety, and welfare for the City to file a petition for judicial confirmation pursuant to the Judicial Confirmation Law upon the question of the authority of the City to incur such indebtedness, to issue its promissory note or other evidence thereof, and to pledge its System revenues and other lawfully available funds of the City as security for the payment thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF DRIGGS, TETON COUNTY, IDAHO, as follows:

Section 1: The foregoing recitations are hereby adopted as findings of fact by the Council.

Section 2: Subject to the entry of a final order of the District Court of the Seventh Judicial District of the State of Idaho, in and for the County of Teton (the "District Court"), confirming the authority of the City to enter into a promissory note or other debt instrument to finance improvements to the City's System, the Council hereby approves such financing. The appropriate officials of the City are hereby further authorized to execute such additional documents and certifications as may be required to carry out the intent of this Resolution.

Section 3: The law firm of MSBT Law, Chartered, Boise, Idaho, is hereby authorized to file such Petition on behalf of the City in the District Court, and to take all actions necessary with respect thereto in order to obtain a judgment of the District Court in accordance with the prayer of the Petition.

Section 4: The City hereby finds and declares that the proposed indebtedness, and any evidence of indebtedness executed pursuant thereto, for the financing of the Project, constitute an ordinary and necessary expense of the City authorized by the general laws of the State of Idaho within the meaning of Article 8, Section 3, Idaho Constitution, for which no approving vote of the electors of the City is required, for the following reasons:

A. The proposed expenditure is necessary to protect the health, safety, and welfare of the inhabitants of the Petitioner, and to comply with state and federal wastewater system requirements.

B. The proposed expenditure is for the construction of necessary upgrades and improvements to existing City services in order to continue to provide wastewater treatment services, as opposed to the purpose of undertaking a new endeavor.

C. The proposed Project is authorized by the general laws of the State.

D. Petitioner has operated the existing System for many years and has determined that

the Project is indispensable to the efficient continued provision of wastewater treatment services in a manner to provide adequate and legally compliant wastewater treatment services.

E. The cost of the Project is not grossly disproportionate to the Petitioner's overall budget.

Section 6: This Resolution shall take effect and be in force immediately upon its passage and approval.

DATED this 3rd day of September, 2024.

CITY OF DRIGGS, IDAHO

By_____
Mayor

ATTEST:

_____
City Clerk