

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, (the "Act"), that on December 14, 2011, the Town Council (the "Council") of the Town of Castle Valley, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Sales Tax Revenue Bonds, Series 2012 (the "Series 2012 Bonds") and called a public hearing to receive input from the public with respect to (a) the issuance of the Series 2012 Bonds and (b) any potential economic impact that the Project described herein to be financed with the proceeds of the Series 2012 Bonds may have on the private sector.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on January 18, 2012, at the hour of 6:30 p.m. at the Castle Valley Community Center, #2, Castle Valley Drive, Castle Valley, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of the Series 2012 Bonds and (b) any potential economic impact that the Project to be financed with the proceeds of the Series 2012 Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2012 BONDS

The Series 2012 Bonds will be issued for the purpose of (a) financing the construction of a metal building to house road equipment and related improvements (the "Project"), and (b) paying costs of issuance of the Series 2012 Bonds.

PARAMETERS OF THE SERIES 2012 BONDS

The Issuer intends to issue its Sales Tax Revenue Bonds, Series 2012, in the aggregate principal amount of not more than One Hundred Sixty-Three Thousand Dollars (\$163,000), to mature in not more than thirty-two (32) years from their date or dates, to be sold at a price not less than one hundred percent (100%) of the total principal amount thereof, and bearing interest at a rate or rates not to exceed 2.5% per annum. The Series 2012 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a Master Resolution (the "Master Resolution") which were before the Council and attached to the Resolution in substantially final form at the time of the adoption of the Resolution and said Master Resolution is to be executed by the Council in such form and with such changes thereto as shall be approved by the Mayor; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2012 Bonds will not exceed the maximums set forth above.

EXCISE TAXES PROPOSED TO BE PLEDGED

The Issuer proposes to pledge 100% of the sales and use tax revenues received by the Issuer pursuant to the Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2 of Utah Code Annotated 1953, as amended, to the payment of the Bonds.

A copy of the Resolution and the Master Resolution are on file in the office of the Town of Castle Valley Recorder, #2 Castle Valley Drive, Castle Valley, Utah, where they may be examined during regular business hours of the Town Recorder from 9:00 a.m. to 12:00 p.m., Monday through Thursday and 2:00 p.m to 5:00 on Tuesday and Thursday, for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which (i) any person in interest shall have the right to contest the legality of the Resolution, the Master Resolution, or the Series 2012 Bonds, or any provision made for the security and payment of the Series 2012 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever and (ii) registered voters within the Town of Castle Valley, Utah may sign a written petition requesting an election to authorize the issuance of the Series 2012 Bonds. If written petitions which have been signed by at least 20% of the registered voters of the Town of Castle Valley, Utah are filed with the Issuer during said 30-day period, the Issuer shall be required to hold an election to obtain voter authorization prior to the issuance of the Series 2012 Bonds. If fewer than 20% of the registered voters of the Town of Castle Valley, Utah file a written petition during said 30-day period, the Issuer may proceed to issue the Series 2012 Bonds without an election.

DATED this December 14, 2011.

/s/ Jil Kulander
Town Recorder