

STATE OF UTAH



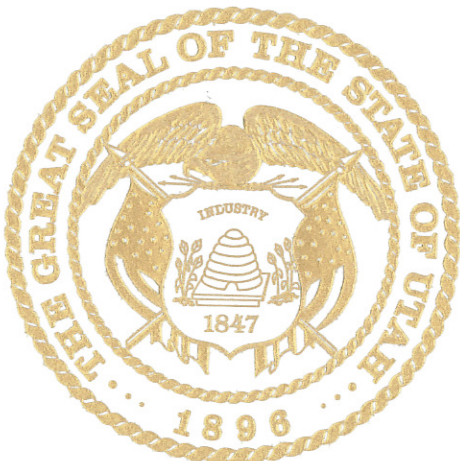
OFFICE OF THE LIEUTENANT GOVERNOR

CERTIFICATE OF CREATION

I, GREG BELL, LIEUTENANT GOVERNOR OF THE STATE OF UTAH, HEREBY CERTIFY THAT there has been filed in my office a notice of creation of the CANYON LAND SPECIAL SERVICE DISTRICT, dated November 23rd, 2009, complying with Section 17D-1-209, Utah Code Annotated, 1953, as amended.

NOW, THEREFORE, notice is hereby given to all whom it may concern that the attached is a true and correct copy of the notice of creation, referred to above, on file with the Office of the Lieutenant Governor pertaining to the CANYON LAND SPECIAL SERVICE DISTRICT, located in Kane County, State of Utah.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Utah at Salt Lake City, this 10th day of February, 2010.




GREG BELL
Lieutenant Governor

NOTICE OF IMPENDING BOUNDARY ACTION

ESTABLISHMENT OF THE
CANYON LAND SPECIAL SERVICE DISTRICT

To the Utah Lieutenant Governor:

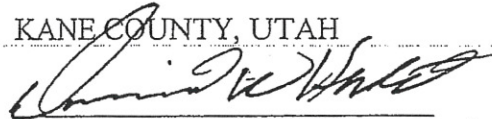
Pursuant to the provisions of UCA § 17D-1-20(1)(a)(i), Kane County, Utah, a body corporate and politic of the State of Utah hereby gives notice that on November 23, 2009, the County Commission of Kane County, Utah adopted a Resolution establishing the Canyon Land Special Service District.

Accompanying this Notice is an approved final local entity plat as defined in UCA § 67-1a-6.5 and as required by UCA § 17D-1-209(1)(a)(ii).

I hereby certify that Kane County, Utah has completed all of the legal requirements necessary for the establishment of the Canyon Land Special Service District.

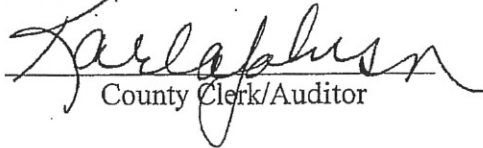
Dated: November 23, 2009.

KANE COUNTY, UTAH



Chairman / Daniel W. Hulet

ATTEST



County Clerk/Auditor



Received

FEB - 9 2010

Greg Bell
Lieutenant Governor

**KANE COUNTY, UTAH
COUNTY COMMISSION**

NOVEMBER 23, 2009

Resolution No. 2009-23

A RESOLUTION APPROVING THE CREATION OF THE CANYON LAND SPECIAL SERVICE DISTRICT; ESTABLISHING AN ADMINISTRATIVE CONTROL BOARD TO MANAGE THE AFFAIRS OF THAT DISTRICT AND APPOINTING MEMBERS TO THE ADMINISTRATIVE CONTROL BOARD; AND RELATED MATTERS.

WHEREAS, in a Resolution adopted on August 24, 2009, the County Commission of Kane County, Utah gave a Notice of Intention to create the Canyon Land Special Service District (the "District"), within Kane County, Utah having the boundaries set out in that Notice of Intention, to potentially provide the services described in that Notice of Intention.

WHEREAS, the County Clerk/Auditor gave public notice of the Commission's intention and of the time and place of a public hearing called for October 19, 2009, through (a) the publication of the Notice of Intention in a newspaper published and of general circulation in Kane County, Utah, once a week during three consecutive weeks, the first publication having been at least 21 days but not more than 35 days before the date of the public hearing, and (b) the posting of the Notice of Intention on the Utah Public Notice Website at least 35 days before the public hearing.

WHEREAS, the October 19, 2009, public hearing was properly noticed and held at the designated time and place, the Commission considered all protests filed and heard and considered all interested persons desiring to be heard.

WHEREAS, the Commission has determined to create the District with the boundaries and to provide the services as noticed in the August 24, 2009 Resolution and Notice of Intention, except that the District will not provide electrical or ambulance services as originally noticed.

WHEREAS, the Commission has determined, under Section 17D-1-301 of the Utah Code, to create and delegate certain rights, powers, and authority to an administrative control board for the governing of the District.

WHEREAS, the County Clerk/Auditor provided notice of vacancies on the administrative control board by (i) posting notice in at least four public locations within the District, (ii) publishing notice in a newspaper of general circulation within the District, and (iii) posting notice on the Utah Public Notice Website, and the deadline for submitting applications, as provided in the notice, has passed.

THEREFORE, be it resolved by the County Commission of Kane County, Utah:

Section 1. The County Commission declares:

(a) That the Kane County Clerk/Auditor caused public notice of the hearing regarding the establishment of the District to be given by (a) publication of an appropriate notice in a newspaper published and of general circulation in Kane County, Utah, once a week for three consecutive weeks, the first publication having been made at least 21 days but not more than 35 days before the date of the public hearing, and (b) posting the same notice on the Utah Public Notice Website at least 35 days before the date of the public hearing.

(b) That a public hearing on the establishment of the District and the furnishing of the services described in Section 3 below was held and conducted by this Commission as required by law and the Resolution giving notice of the public hearing, on October 19, 2009 at 4:00 p.m. or as soon thereafter as feasible, at the regular meeting place of the Commission in Kane County at which public hearing the Commission considered all interested persons desiring to be heard.

(c) That the Commission considered all protests, comments, and public input filed within 15 days following the public hearing.

(d) That after careful consideration of all factors involved and of all objections and protests, the District will be created with the boundaries and to provide the services described in this resolution and the August 24, 2009 Resolution and Notice of Intention (except that the District will not provide electrical services or ambulance services as originally noticed), and that all proceedings already taken in establishing the District have been in compliance with law.

Section 2. There is established a special service district within Kane County, Utah, named the "**Canyon Land Special Service District.**" The boundaries and service area of the District are the same as those found in the August 24, 2009 Resolution and Notice of Intention. The boundaries of the District are specifically described in the legal description and shown on the map included in the plat attached as **Exhibit A** hereto. The plat is hereby approved and all applicable staff and officers are directed to sign and approve the plat as a final local entity plat.

Section 3. The District is created to provide drinking water, wastewater collection and treatment, and fire services within the District's boundaries.

Section 4. The County Commission declares that neither more than 33% of the qualified voters of the territory to be included within the District, nor the owners of more than 33% of the taxable value of the taxable property to be included within the District, have filed written protests with the County Clerk/Auditor against either (1) the establishment of the District, or (2) a specified type or types of services within the District.

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Section 5. Any person who filed a written protest at the public hearing or within 15 days after the conclusion of the public hearing held on October 19, 2009, with the County, against the establishment of the District or against the furnishing of a specified type or types of services within the District or to the effect that his or her land will not be directly benefited by the District's services and who is a qualified voter residing within the District or whose property has been included within the boundaries of the District notwithstanding such protest, may, within 30 days after the adoption of this resolution, apply to Sixth Judicial District Court for a writ of review of the actions of the County Commission in establishing the District. Under Section 17D-1-212 of the Utah Code the only grounds upon which a person may apply for a writ of review is that the protestor's property will not be benefited by one or more of the types of services authorized to be furnished by the District or that the proceedings taken in establishing the District have not been in compliance with law. A person who fails to file a written protest as provided in this section will be deemed to have consented to the inclusion of their land within the District.

Failure to timely apply for a writ of review forecloses the right of all owners of property and of qualified voters within the District to further object.

3

Section 6. The District will be a separate body politic and a quasi-municipal public corporation distinct from Kane County, Utah. The Commission will control and have supervisory authority over all activities of the District, except that the Commission may by resolution delegate authority to an administrative control board established under Section 17D-1-301 of the Utah Code the performance of any activities and the exercise of any rights, powers and authority of the District, to the extent permitted by law. The District will have all rights, powers and authority granted to special service districts under the Utah Special Service District Act, Chapter 1 of Title 17D of the Utah Code, including the power to impose taxes, the power of eminent domain, and the power to incur authorized types of indebtedness. However, the power to impose a tax or to incur indebtedness secured by real property taxes is not and cannot be delegated to the Administrative Control Board.

Section 7. Under the requirements of Section 17D-1-209 of the Utah Code the County Clerk/Auditor is directed to file the required notification of the establishment or the District with the Lieutenant Governor within 30 days after the adoption of this resolution in substantially the form attached as **Exhibit B** together with a copy of the plat in substantially the form attached as **Exhibit A**.

3

Section 8. An Administrative Control Board is hereby created to manage the affairs of the District to the full extent permitted by Utah law. The Administrative Control Board of the Canyon Land Special Service District is composed of three Members to be appointed by the County Commission. The County Commission hereby delegates to the Administrative Control Board of the District all delegable powers with respect to the services for which the District is authorized to provide, especially all delegable powers referenced in Section 17D-1-301 of the Utah Code. As required in the

Act, the Administrative Control Board is not delegated any powers with respect to property taxes or to issue bonds secured by property taxes or special tax assessments.

The County Clerk/Auditor provided notice of vacancies on the administrative control board by (i) posting notice in at least four public locations within the District, (ii) publishing notice in a newspaper of general circulation within the District, and (iii) posting notice on the Utah Public Notice Website, and the deadline for submitting applications, as provided in the notice, has passed. The Commission has received applications from Homi Vazifdar, John Olberg, and Jim Matson, who are the same three individuals who currently serve on the Board of Trustees for the Canyon Land Improvement District.

Section 9. Homi Vazifdar, John Olberg, and Jim Matson, are hereby appointed to serve as District's Administrative Control Board. As determined by lot, John Olberg will serve an approximately two-year initial term to expire on December 31, 2011, and Homi Vazifdar and Jim Matson will each serve an approximately four-year initial term to expire on December 31, 2013.

Section 10. The Commission intends that the District created herein will replace the Canyon Land Improvement District (the "Improvement District"). The Commission hereby authorizes the transfer of all funds, fund balances, agreements, and other records of the Improvement District to the District created herein, and the District is authorized to accept all such transfers from the Improved District.

Section 11. The Administrative Control Board of the District created herein is authorized to hold electronic meetings.

1. Any meeting of the District may be held electronically as set forth herein pursuant to UCA § 52-4-207.
2. The initial anchor location, as defined in UCA §§ 52-4-103(1) & 52-4-207(3)(c), for all electronic meetings of the District shall be the offices of the Commission located at 76 North Main Street in Kanab, Utah.
3. The Administrative Control Board of the District may establish up to two anchor locations in addition to or to replace the initial anchor location in Kanab, Utah, if circumstances arise making such additional locations necessary or desirable; provided at least one such anchor location is in the building in Kane County, Utah, where the District's Administrative Control Board would normally meet if it were not holding an electronic meeting.
4. All or part of a District meeting may be held electronically only if
 - a. not less than 3 days prior to the meeting, a member of the District's Administrative Control Board requests that the meeting be held electronically;

b. notice of the electronic meeting is provided to each member of the District's Administrative Control Board at least 24 hours before any such meeting, including a description of how the members will be connected to the meeting;

c. public notice of the meeting is given in accordance with UCA § 52-4-202 and is posted at each anchor location for the meeting; and

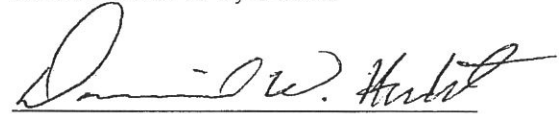
d. space and facilities are provided at each anchor location for the meeting so that interested persons and the public may attend, monitor and, if the meeting includes a public hearing, participate in the open portions of the meeting.

Section 12. All acts and resolutions in conflict with any part of this resolution are repealed.

Section 13. This resolution will take effect immediately upon its adoption.

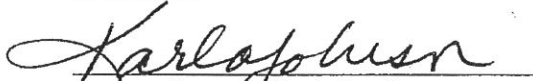
Adopted by majority vote at a duly called meeting on November 23, 2009.

KANE COUNTY, UTAH



Chairman / Daniel W. Hulet

ATTEST:


County Clerk/Auditor
(SEAL)

Karla Johnson

Kane County Clerk/Auditor

Attest: The foregoing instrument was acknowledged before me

by: Daniel W. Hulet
on Nov. 23, 2009

SEAL:



RECORD OF PROCEEDINGS

COUNTY COMMISSION, KANE COUNTY, UTAH

The County Commission (the "Board") of Kane County, Utah (the "County"), met in public session at the regular meeting place of the Board in Kanab, Utah, on November 23, 2009 (the "Meeting"), at the hour of 2:30 p.m. or as soon thereafter as feasible, with the following members of the Board being present:

Daniel W. Hulet	Chair
Mark W. Habbeshaw	Commissioner
Douglas Heaton	Commissioner

Also present:

Karla Johnson	County Clerk/Auditor
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Absent:

which constituted all the members thereof.

After the Meeting had been duly called to order and after other matters were discussed, the foregoing resolution (the "Resolution") was introduced in written form and fully discussed.

A motion to adopt the Resolution was then duly made by *Commissioner Habbeshaw* and seconded by *Commissioner Heaton* and the Resolution was put to a vote and carried, the vote being as follows:

Those voting YEA: *Commissioner Daniel W. Hulet*
Commissioner Mark W. Habbeshaw
Commissioner Doug Heaton

Those voting NAY: *None*

Those Abstaining: *None*

Other business not pertinent to the Resolution appears in the minutes of the Meeting. Upon the conclusion of all business on the Agenda and motion duly made and carried, the Meeting was adjourned.

CERTIFICATE OF COUNTY CLERK/AUDITOR

I, Karla Johnson, the duly appointed and qualified County Clerk/Auditor of Kane County, Utah (the "County"), do hereby certify that the attached Resolution is a true, accurate and complete copy thereof as adopted by the Board at a public meeting duly held on November 23, 2009 (the "Meeting"). The Meeting was called and noticed as required by law as is evidenced by the attached Certificate of Compliance with Open Meeting Law. The persons present and the result of the vote taken at the Meeting are all as shown above. The Resolution, with all exhibits attached, was deposited in my office on November 23, 2009 and is officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of the County, this November 23, 2009.

Karla Johnson

County Clerk/Auditor



CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Karla Johnson, the undersigned County Clerk/Auditor of Kane County, Utah (the "County") do hereby certify, according to the records of the County in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the November 23, 2009, public meeting held by the County as follows:

(a) By causing a Meeting Notice, to be posted at the principal office of the County at least twenty-four (24) hours prior to the convening of the meeting, the Meeting Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of the Meeting Notice to be delivered to a newspaper of general circulation in the geographic jurisdiction of the County at least twenty-four (24) hours prior to the convening of the meeting.

(c) By causing a copy of the Meeting Notice to be posted on the Utah Public Notice Website at least 24 hours before the meeting.

In addition, the Notice of 2009 Annual Meeting Schedule for the County, attached, specifying the date, time and place of the regular meetings of the governing body of the County to be held during the calendar year 2009 was posted on December 24, 2008, at the principal offices of the County and provided to at least one newspaper of general circulation within the geographic jurisdiction of the County on December 24, 2008.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this November 23, 2009.

Karla Johnson

County Clerk/Auditor



EXHIBIT A
FINAL LOCAL ENTITY PLAT

NOTICE OF IMPENDING BOUNDARY ACTION

ESTABLISHMENT OF THE
CANYON LAND SPECIAL SERVICE DISTRICT

To the Utah Lieutenant Governor:

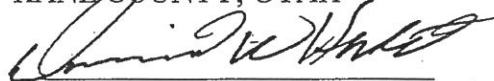
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Accompanying this Notice is an approved final local entity plat as defined in UCA § 67-1a-6.5 and as required by UCA § 17D-1-209(1)(a)(ii).

I hereby certify that Kane County, Utah has completed all of the legal requirements necessary for the establishment of the Canyon Land Special Service District.

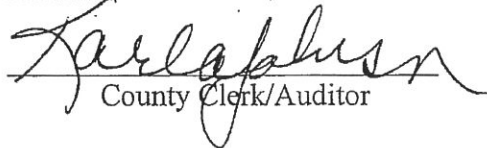
Dated: November 23, 2009.

KANE COUNTY, UTAH



Chairman / Daniel W. Hulet

ATTEST



County Clerk/Auditor



CANYON LAND SPECIAL SERVICE DISTRICT BOUNDARIES PLAT

SECTIONS 31 & 32

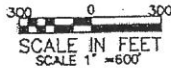
TOWNSHIP 43 SOUTH, RANGE 3 EAST,

SLB&M

SECTIONS 5 & 6

TOWNSHIP 44 SOUTH, RANGE 3 EAST,

SLB&M



District Boundary Description:

BEGINNING at the Northwest Corner of Section 32, Township 43 South, Range 3 East, Salt Lake Base and Meridian, and running thence S89°52'29"E 838.25 feet to the southwesterly right of way line of U.S. Highway 89; thence along said right of way line the following 3 courses; S59°07'16"E 644.39 feet to a point on a 11319.20 foot radius curve to the right (whose radius point bears S30°52'44"W) and a long chord which bears South 50°14'19" East 3495.57 feet; thence 3509.61 feet along the arc of said curve through a central angle of 17°45'54"; thence S41°21'22"E 1810.69 feet to the section line; thence S00°04'05"W 1359.78 feet along the section line to the Southeast Corner of said section 32; thence N89°54'12" W 989.46 feet along the section line to the NE Corner of the W $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 5, Township 44 South, Range 3 East, Salt Lake Base and Meridian; thence S00°09'48"W 987.54 feet to the NW Corner of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 5; thence S89°54'29"E 329.57 feet to the NE Corner of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 5; thence S00°10'42"W 658.34 feet to the NE Corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 5; thence N89°54'40"W 329.40 feet to the SW Corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 5; thence S00°09'48"W 658.36 feet to the SE Corner of the NW $\frac{1}{4}$ /4, SW $\frac{1}{4}$ /4, SE $\frac{1}{4}$ /4, NE $\frac{1}{4}$ /4 of Section 5; thence N89°54'51"W 987.68 feet to the SW Corner of the N $\frac{1}{2}$ of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 5; thence S00°07'09"W 329.21 feet to the SE Corner of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 5; thence S00°05'59"W 329.36 feet to the SE Corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 5; thence N89°54'29"W 329.11 feet to the SW Corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 5; thence S00°05'41"W 658.63 feet to the SE Corner of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 5; thence N89°53'32"W 329.05 feet to the SW Corner of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 5; thence N89°54'46"W 660.42 feet to the SW Corner of the N $\frac{1}{2}$ of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 5; thence N00°05'57"E 329.26 feet to the NW Corner of the N $\frac{1}{2}$ of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 5; thence N89°54'50"W 1981.08 feet to the SW Corner of the N $\frac{1}{2}$ of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 5; thence S00°07'41"W 1975.34 feet to the SE Corner of Section 6, Township 44 South, Range 3 East, Salt Lake Base and Meridian; thence S89°59'49"W 4620.31 feet along the Section Line to the SW Corner of the East $\frac{1}{2}$ of Government Lot 4, Section 6; thence N00°11'03"E 2633.07 feet to the NW Corner of the East $\frac{1}{2}$ of Government Lot 3, Section 6; thence N00°03'11"E 2643.86 feet to the NW Corner of the East $\frac{1}{2}$ of Government Lot 1, Section 6; thence N00°03'21"E 2648.60 feet to the NW Corner of the East $\frac{1}{2}$ of Government Lot 3, Section 31, Township 43 South, Range 3 East, Salt Lake Base and Meridian; thence N00°00'03"W 1315.08 feet to the NW Corner of the East $\frac{1}{2}$ of Government Lot 2 Section 31; thence S89°47'16"E 1320.40 feet to the SW Corner of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 31; thence N00°00'47"E 164.40 feet to the NW Corner of the S $\frac{1}{2}$ of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 31; thence S89°47'19"E 330.11 feet to the NE Corner of the S $\frac{1}{2}$ of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 31; thence N00°01'00"E 164.41 feet to the NW Corner of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 31; thence S89°47'22"E 330.12 feet to the NE Corner of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 31; thence N00°01'12"E 328.83 feet to the SW Corner of the SW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 31; thence S89°54'52"E 165.06 feet to the SW Corner of the E $\frac{1}{2}$ of the SW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 31; thence N00°01'37"E 328.89 feet to the NW Corner of the E $\frac{1}{2}$ of the SW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 31; thence S89°56'12"E 165.10 feet to the SW Corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 31; thence N00°02'02"E 328.95 feet to the NW Corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 31; thence S89°57'32"E 2311.91 feet to the NE Corner of Section 31 and the POINT OF BEGINNING. (Containing 1837.21 acres, more or less).

Surveyor's Certificate

I, Michael W. Purdy a Registered Utah Land Surveyor do hereby certify that I hold a license in accordance with title 58, chapter 22, Professional Engineers and Land Surveyors Licensing Act, Utah Code Annotated, 1953 as amended, Certificate No. 334571. I further certify that this plat correctly shows a survey made under my direct supervision of the property described on this plat in accordance with section 17-23-17, Utah Code Annotated, 1953 as amended, have verified all measurements, and have placed monuments as represented on this plat. And that this plat is true and correct.

 12/8/09

Michael W. Purdy

