



**AGENDA FOR THE WORK / STUDY MEETING
OF THE CITY COUNCIL
OF THE CITY OF SPRINGVILLE, UTAH
COUNCIL CHAMBERS, 110 SOUTH MAIN STREET
MAY 06, 2014 – 5:15 P.M.**

MAYOR AND COUNCIL DINNER – 4:45 P.M.

The Mayor and Council will meet in the Council Work Room for informal discussion and dinner. No action will be taken on any items.

CALL TO ORDER- 5:15 P.M.

COUNCIL BUSINESS

- 1) Minutes –
- 2) Calendar
 - May 11 – Mother’s Day
 - May 13 – Work/Study Meeting 5:15 pm
 - May 15 – Peace Officer’s Memorial Day
 - May 17 – Armed Forces Day
 - May 17 – Annual Art Ball 6:00 pm
 - May 17 – UTA Bike with the Mayor, Splash Pad Opening 9:30 am
 - May 20 – Work/Study Meeting 5:15 p.m., City Council Meeting 7:00 p.m.
 - May 26 – Memorial Day (City Offices Closed)
- 3) Discussion on this evening’s Regular Meeting agenda items
 - a) Invocation – Councilmember Creer
 - b) Pledge of Allegiance – Councilmember Conover
 - c) Consent Agenda
 6. Approval of all City purchase orders properly signed (SCC §2-10-110(5))
 7. Approval of a declaration of surplus equipment – Bruce Riddle, Assistant City Administrator/Finance Director
 8. Approval of an Amendment to Section XIV of the Spanish Fork/Springville Airport Standard Hangar Lease – Bruce Riddle, Assistant City Administrator/Finance Director
 9. Approval of Appointment to the Library Board - Thomas Smith
 10. Approval of Reappointment to the Parks and Recreation Board - Katie Sosa, Julie Kappas, Lyn Bartholomew and Gary R. Hooper
 11. Approval of Appointment to the Planning Commission - Genevieve Baker
 12. Approval of Reappointment to the Power Board - Clair Anderson
 13. Approval of Reappointment to the Water Advisory Board - Alton Beck and Calvin Crandall

This meeting was noticed in compliance with Utah Code 52-4-202 on May 01, 2014. Agendas and minutes are accessible through the Springville City website at www.springville.org/agendasminutes. Council Meeting agendas are available through the Utah Public Meeting Notice website at <http://www.utah.gov/pmn/index.html>. Email subscriptions to Utah Public Meeting Notices are available through their website.

In compliance with the Americans with Disabilities Act, the City will make reasonable accommodations to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Recorder at (801) 489-2700 at least three business days prior to the meeting.

THIS AGENDA IS SUBJECT TO CHANGE WITH A MINIMUM OF 24-HOURS NOTICE

14. Approval of Appointment to the Water Board - Bernell Hutchings

4) **DISCUSSIONS/PRESENTATIONS**

- a) Parks – CUWCD will be discussing a proposed program to widen the channel of Hobble Creek from 400 West to I-15 to help provide fish habitat
- b) Public Works – Water Master Plan

5) **MAYOR, COUNCIL, AND ADMINISTRATIVE REPORTS**

- a) Springville Arts Commission – Councilmember Dean Olsen
- b) South Utah Valley Solid Waste District – Councilmember Chris Sorensen

6) **CLOSED SESSION**

The Springville City Council may temporarily recess the regular meeting and convene in a closed session to discuss pending or reasonably imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205

ADJOURNMENT

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STAFF REPORT

DATE: May 1, 2014

TO: Honorable Mayor and City Council

FROM: Alex Roylance, Director of Buildings and Grounds

**SUBJECT: RECOMMENDATION FROM PARKS AND RECREATION BOARD
CONCERNING PROPOSED WORK ON HOBBLE CREEK THROUGH
THE COMMUNITY PARK BY CUWCD/ UTAH DNR**

RECOMMENDED MOTION

No motion at this time.

GOALS, OBJECTIVES AND STRATEGIES AT ISSUE

BACKGROUND

The Central Utah Water Conservatory District (CUWCD) and the Utah Division of Natural Resources has been exploring a project to widen the channel of Hobble Creek from I-15 to 400 West in Springville for a few years now. Part of this project would occur in the Community Park area. During the March 2014 meeting of the Parks and Recreation Board, representatives of both CUWCD and the Utah DNR were present to discuss the project with the Board. The Parks and Recreation Board discussed the item again during their April 2014 meeting and have developed a recommendation for the City Council concerning the proposed project.

DISCUSSION

During the March 2014 Parks and Recreation Board meeting, members of CUWCD and the Utah DNR presented their ideas for a channel widening project to the Parks and Recreation Board. The presenters discussed that the project would accomplish the following:

- Widen the channel of Hobble Creek to slow flows during high water.
- Decrease possible flooding in the areas where the channel would be widened.
- Create a more attractive creek channel.
- Create a more inviting recreation opportunity by providing easier access to Hobble Creek.
- Increase fish habitat and spawning areas.
- Add another attractive amenity to the Community Park.

CITY COUNCIL AGENDA

Meeting Date

The presentation included some options as to how wide the channel could become and how much of the Community Park would be involved in the project. Discussion was also had regarding maintenance of the channel after the project.

The Parks and Recreation Board have recommended that the Mayor and City Council support the proposed project through the Community Park with the following conditions:

- That an agreement would ensure that any land exchanges between the City and other groups be fair to both sides.
- If CUWCD and the Utah DNR propose to widen the future bridge at 1200 West, they cooperate in the costs of widening that bridge.
- If a maintenance agreement between the City and others is created in regards to the project that the agreement is fair and does not put undue burden on the City.
- The City will work with CUWCD and the Utah DNR to mitigate possible wetland issues in the Community Park into the creek widening project.

The Board voted on the recommendation, the vote was unanimous in favor.

ALTERNATIVES

- Do not participate with the CUWCD and the Utah DNR with the project through Community Park.
- Cooperate at a different level than the recommendation.

FISCAL IMPACT

There is the possibility of some fiscal impact due to selling or trading property for the project.

Depending on how the project would be maintained, there would be costs associated with that maintenance.

Name

Name: Alex Roylance

Title: Director of Buildings and Grounds

Attachments: Recommendation form

cc:



Letter of Recommendation to City Council

Springville City Board Name: Parks and Recreation Board

Applicant: CUWCD/ Staff	Request:	Date of Meeting: April 24, 2014
<p>Recommendation to pursue negotiations to come to a mutual agreement between Springville City, CUWCD, and the Utah DNR to commence with a project along Hobble Creek through the Community Park property.</p>		

Motion by: Lyn Bartholomew	Second by: Katie Sosa
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RECOMMENDATION	<input checked="" type="checkbox"/>	APPROVE		DISAPPROVE		OTHER:
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<p>CONDITIONS OF APPROVAL:</p> <ul style="list-style-type: none"> - Agreement should ensure that any land exchanges between the City and the other groups would be fair to both sides. - If the CUWCD/ Utah DNR wish to widen the proposed bridge at 1200 West, they should cover the costs of that part of the project. - The City and the other parties create an agreement for maintenance of the improvements that is fair and is not an undue burden on the City. - The City work with CUWCD/ Utah DNR to mitigate possible wetland issues in the Community Park into the creek widening project.

Voting Record:

Member Name	APPROVE	DENY	ABSTAIN
Lisa Willey	X		
Lyn Bartholomew	X		
Julie Kappas	X		
Kaite Sosa	X		
Gary Hooper (excused)			
Harold Davis (excused)			
Bob Frazier (excused)			

Lisa Willey – Interim Chairperson
Chair

April 24, 2014
Date

THIS AGENDA IS SUBJECT TO CHANGE WITH A MINIMUM OF 24-HOURS NOTICE



**AGENDA FOR THE REGULAR MEETING
OF THE REDEVELOPMENT AGENCY
OF THE CITY OF SPRINGVILLE, UTAH
COUNCIL CHAMBERS, 110 SOUTH MAIN STREET
MAY 06 – 6:40 P.M.
AMENDED MAY 2, 2014 @ 8:51 AM**

CALL TO ORDER

MOTION FOR REVIEW AND FINALIZATION OF THE MAY 06, 2014 MINUTES

PUBLIC HEARING AGENDA

1. Public Hearing to consider the Redevelopment Agency ~~Final~~ TENTATIVE Budget for Fiscal Year 2014-2015 – Bruce Riddle, Finance Director

ADJOURNMENT

This meeting was noticed in compliance with Utah Code 52-4-202 on April 18, 2014. Agendas and minutes are accessible through the Springville City website at www.springville.org/agendasminutes. Council Meeting agendas are available through the Utah Public Meeting Notice website at <http://www.utah.gov/pmn/index.html>. Email subscriptions to Utah Public Meeting Notices are available through their website.

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STAFF REPORT

DATE: May 6, 2014
TO: Honorable Mayor and City Council
FROM: Bruce Riddle, Finance Director
SUBJECT: REDEVELOPMENT AGENCY FY 2015 TENTATIVE BUDGET

RECOMMENDED MOTION

The Finance Department recommends that the Board of Directors of the Redevelopment Agency of Springville City approve a **RESOLUTION OF THE REDEVELOPMENT AGENCY OF SPRINGVILLE CITY ADOPTING THE TENTATIVE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2015.**

SUMMARY OF ISSUES/FOCUS OF ACTION

State statute (Utah Code 17B-1-607) requires the board to adopt a tentative budget on or before the first regular meeting in May for the ensuing year and set a date and time for a public hearing on the tentatively adopted budget wherein interested parties are provided an opportunity to comment on the tentatively adopted budget. State statute (Utah Code 17B-1-614) also requires that the Board of Directors adopt a budget for the ensuing fiscal year after holding the public hearing.

BACKGROUND

A budget message and tentative budget documents along with presentation materials were distributed to the Board of Directors prior to the budget retreat held in April.

DISCUSSION

The budget for the RDA is comprised of tax increment payments associated with the RDA area and associated projects established when the zone was created.

ALTERNATIVES

The Council can provide additional direction on items in the proposed Tentative Budget; however, the Council is required by State statute to adopt a final budget.

FISCAL IMPACT

The FY2014 RDA budget is \$110,000, which involves only minor expenses associated with public notices with the balance of revenues going to fund balance.

RESOLUTION NO. ____

A RESOLUTION BY THE REDEVELOPMENT AGENCY OF THE CITY OF SPRINGVILLE, UTAH TO ADOPT THE TENTATIVE BUDGET FOR FISCAL YEAR 2014-2015 AND SET A PUBLIC HEARING FOR ADOPTION OF THE FINAL BUDGET ON JUNE 3, 2014, AT 6:40 P.M.

WHEREAS on May 6, 2014, the Executive Director submitted a tentative budget to the Redevelopment Agency of the City of Springville, Utah; and

WHEREAS the Board of Directors of the Redevelopment Agency of the City of Springville, Utah desires to adopt the tentative budget as required by State law; and

WHEREAS the Board of Directors of the Redevelopment Agency of the City of Springville, Utah desires to make the tentative budget available for public review and comment at least ten days prior to the public hearing; and

WHEREAS the Board of Directors of the Redevelopment Agency of the City of Springville, Utah desires to set a public hearing for June 3, 2014, at 6:40 p.m. to receive additional public input on the budget.

NOW, THEREFORE, BE IT RESOLVED BY BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF SPRINGVILLE, UTAH, as follows:

1. The Board of Directors of the Redevelopment Agency of the City of Springville, Utah hereby adopts the tentative budget attached as Exhibit "A."
2. The Board of Directors of the Redevelopment Agency of the City of Springville, Utah will conduct a public hearing to accept the final budget for fiscal year 2014-2015 on June 3, 2014, at 6:40 p.m.

PASSED AND APPROVED this 6th day of May 2014.

Wilford W. Clyde, Chairman

ATTEST:

Kim Rayburn, Secretary

THIS AGENDA IS SUBJECT TO CHANGE WITH A MINIMUM OF 24-HOURS NOTICE



**AGENDA FOR THE REGULAR MEETING
OF THE MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SPRINGVILLE, UTAH
COUNCIL CHAMBERS, 110 SOUTH MAIN STREET
MAY 06 – 6:45 P.M.**

AMENDED MAY 2, 2014 @ 8:49 AM

CALL TO ORDER

MOTION FOR REVIEW AND FINALIZATION OF THE MAY 06, 2014 MINUTES

PUBLIC HEARING AGENDA

1. Public Hearing to consider the Municipal Building Authority Final **TENTATIVE**
Budget for Fiscal Year 2014-2015 – Bruce Riddle, Finance Director

ADJOURNMENT

This meeting was noticed in compliance with Utah Code 52-4-202 on April 18, 2014. Agendas and minutes are accessible through the Springville City website at www.springville.org/agendasminutes. Council Meeting agendas are available through the Utah Public Meeting Notice website at <http://www.utah.gov/pmn/index.html>. Email subscriptions to Utah Public Meeting Notices are available through their website.

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STAFF REPORT

DATE: May 6, 2014
TO: Honorable Mayor and City Council
FROM: Bruce Riddle, Finance Director
SUBJECT: MUNICIPAL BUILDING AUTHORITY FY 2015 TENTATIVE BUDGET

RECOMMENDED MOTION

The Finance Department recommends that the Board of Directors of the Municipal Building Authority of Springville City approve a **Resolution adopting the Municipal Building Authority Tentative Budget for the Fiscal Year ending June 30, 2015.**

SUMMARY OF ISSUES/FOCUS OF ACTION

State statute (Utah Code 17B-1-607) requires the board to adopt a tentative budget on or before the first regular meeting in May for the ensuing year and set a date and time for a public hearing on the tentatively adopted budget wherein interested parties are provided an opportunity to comment on the tentatively adopted budget. State statute (Utah Code 17B-1-614) also requires that the Board of Directors adopt a budget for the ensuing fiscal year after holding the public hearing.

BACKGROUND

A budget message and tentative budget documents along with presentation materials were distributed to the Board of Directors prior to the budget retreat held in April.

DISCUSSION

The budget for the MBA is comprised of scheduled debt service payments associated with the MBA Lease Revenue bonds issued to construct the Civic Center.

ALTERNATIVES

The Council can provide additional direction on items in the proposed Tentative Budget; however the Council is required by State statute to adopt a final budget.

FISCAL IMPACT

The FY2015 MBA budget is \$453,105, which represents principal and interest payments along with bond administration fees associated with the MBA Lease Revenue Bonds.

CITY COUNCIL AGENDA

Meeting Date: May 6, 2014

RESOLUTION NO. _____

A RESOLUTION BY THE MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SPRINGVILLE, UTAH TO ADOPT THE TENTATIVE BUDGET FOR FISCAL YEAR 2014-2015 AND SET A PUBLIC HEARING FOR ADOPTION OF THE FINAL BUDGET ON JUNE 3, 2014, AT 6:45 P.M.

WHEREAS on May 6, 2014, the Executive Director submitted a tentative budget to the Board of Directors of the Municipal Building Authority of the City of Springville, Utah; and

WHEREAS the Board of Directors desires to adopt the tentative budget as required by State law; and

WHEREAS the Board of Directors desires to make the tentative budget available for public review and comment at least ten days prior to the public hearing; and

WHEREAS the Board of Directors desires to set a public hearing for June 3, 2014, at 6:45 p.m. to receive additional public input on the budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MUNICIPAL BUILDING AUTHORITY OF SPRINGVILLE, UTAH, as follows:

1. The Board of Directors hereby adopts the tentative budget attached as Exhibit "A."
2. The Board of Directors will conduct a public hearing to accept the final budget for fiscal year 2014-2015 on June 3, 2014, at 6:45 p.m.

PASSED AND APPROVED this 6th day of May 2014.

Wilford W. Clyde, Chairman

ATTEST:

Kim Rayburn, Secretary



**AGENDA FOR THE REGULAR MEETING
OF THE CITY COUNCIL
OF THE CITY OF SPRINGVILLE, UTAH
COUNCIL CHAMBERS, 110 SOUTH MAIN STREET
May 6, 2014 – 7:00 P.M.
AMENDED MAY 02, 2014 @ 9:48 AM**

1. Oath of Office Ceremony for the 2014-2015 Youth City Council at **6:50 p.m.**

CALL TO ORDER

**INVOCATION AND PLEDGE
APPROVAL OF THE MEETING'S AGENDA
APPROVAL OF THE MINUTES
MAYOR'S COMMENTS**

CEREMONIAL AGENDA

2. Presentation by Leslie Bird Henson – Distracted Driving Awareness
3. Presentation by the Miss Pleasant Grove/Strawberry Days Royalty
4. Presentation of the CERT Graduates – Scott Finlayson, Public Safety Director
5. Proclamation for Springville City “Bike to Work” Day on May 17, 2014

PUBLIC COMMENT: *Audience members may bring any item not on the agenda to the Mayor and Council's attention. Please complete and submit a "Request to Speak" form. Comments will be limited to two or three minutes, at the discretion of the Mayor. State Law prohibits the Council from acting on items that do not appear on the agenda.*

CONSENT AGENDA*

6. Approval of all City purchase orders properly signed (Springville City Code §2-10-110(5))
7. Approval of a declaration of surplus equipment – Bruce Riddle, Assistant City Administrator/Finance Director
8. Approval of an Amendment to Section XIV of the Spanish Fork/Springville Airport Standard Hangar Lease – Bruce Riddle, Assistant City Administrator/Finance Director
9. Approval of Appointment to the Library Board - Thomas Smith
10. Approval of Reappointment to the Parks and Recreation Board - Katie Sosa, Julie Kappas, Lyn Bartholomew and Gary R. Hooper
11. Approval of Appointment to the Planning Commission - Genevieve Baker
12. Approval of Reappointment to the Power Board - Clair Anderson
13. Approval of Reappointment to the Water Advisory Board - Alton Beck and Calvin Crandall

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- Kim Rayburn, City Recorder

The next regular Council Meeting will be held on May 20, 2014 at 7:00 p.m. in the Civic Center Council Chambers, 110 South Main Street, Springville, unless otherwise noticed. In compliance with the Americans with Disabilities Act, the City will make reasonable accommodations to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Recorder at (801) 489-2700 at least three business days prior to the meeting.

*The Consent Agenda consists of items that are administrative actions where no additional discussion is needed. When approved, the recommendations in the staff reports become the action of the Council. The Agenda provides an opportunity for public comment. If after the public comment the Council removes an item from the consent agenda for discussion, the item will keep its agenda number and will be added to the regular agenda for discussion, unless placed otherwise by the Council.

14. Approval of Appointment to the Water Board - Bernell Hutchings

PUBLIC HEARING

15. MOVED TO REGULAR CITY COUNCIL MEETING MAY 20, 2014

Public Hearing to consider an Ordinance adopting the Culinary Water Master Plan, the Impact Fee Facility Plan and Impact Fee Analysis; establishing an Impact Fee Calculation Methodology and establishing a Culinary Water Impact Fee to be imposed on all new and/or expanding development – Jeff Anderson, City Engineer

REGULAR AGENDA

16. Presentation and discussion of the tentative Fiscal Year 2014/2015 Springville City Budget, and a request to schedule a Public Hearing date and time for formal adoption of the Final Budget on June 3, 2014 – Bruce Riddle, Assistant City Administrator/Finance Director

17. Presentation and discussion of the tentative Spanish Fork/Springville Airport Budget for Fiscal Year 2014-2015, and a request to schedule a Public Hearing date and time for formal adoption of the Final Budget on June 3, 2014 – Bruce Riddle, Assistant City Administrator/Finance Director

18. Presentation and discussion of the budget amendment for the FY 2014 Electric Fund and Storm Water Fund budgets for capital expenses applying to the Fiscal Year ending June 30, 2014 – Bruce Riddle, Assistant City Administrator/Finance Director

19. Consideration of Partial Property Acquisition At 1310 E 400 S – 400 S & Canyon Road Roundabout – Brad Stapley, Public Works Director

20. Consideration of Property Acquisition Exchange – Spring Haven Farms, Plat “E” Parcel 1, For A Future Storm Water Detention Basin – Brad Stapley, Public Works Director

21. Consideration of Approving a Settlement Agreement Between East Bay RV, LLC and Springville City that would settle the current litigation between the two parties. – John Penrod, Assistant City Administrator/City Attorney

22. Consideration of approving an assignment agreement and an easement that would transfer the ownership of a lift station in the East Bay RV Park to Springville City. – John Penrod, Assistant City Administrator/City Attorney

23. Presentation and Discussion of the Pressurized Irrigation Master Plan – Brad Stapley, Public Works Director

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24. Consideration of selling a 0.07 acre perpetual easement and a 0.29 acre temporary construction easement to the Bureau of Reclamation for the construction of the Mapleton Springville Pipeline, Phase 2, Utah Lake Drainage Basin Water Delivery System, Central Utah Project Completion Act – Brad Stapley, Public Works Director

MAYOR, COUNCIL AND ADMINISTRATIVE REPORTS

CLOSED SESSION

25. *The Springville City Council may temporarily recess the regular meeting and convene in a closed session to discuss pending or reasonably imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205*

ADJOURNMENT

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STAFF REPORT

DATE: May 6, 2014
TO: Honorable Mayor and City Council
FROM: Bruce Riddle, Finance Director
SUBJECT: **Declaration of Surplus Property**

RECOMMENDED MOTION:

Approve a motion declaring the equipment listed in the attached Exhibit A to be surplus property and authorizing its disposal according to the Surplus Property Policy.

SUMMARY OF ISSUES/FOCUS OF ACTION:

From time to time as vehicles, equipment and other personal property of the city reach the end of their useful lives, the property is removed from service and disposed of according to the Surplus Property Policy, which requires Council approval for items with an estimated salvage value of over \$5,000.

BACKGROUND:

The items in the attached Exhibit A were scheduled for replacement during the current budget year. Funding for replacement equipment was appropriated by the Council with the adoption of the FY 2014 budget.

DISCUSSION

The equipment proposed for surplus has been evaluated by the Central Shop and recommended for replacement according to replacement policies and as approved in the budget. The equipment has been removed from service and is recommended to be disposed of through public auction.

ALTERNATIVES

Continue to market the equipment for a better price.

FISCAL IMPACT

Proceeds from the trade in of the surplus equipment will be credited to the Department's revenue.

**Springville City
 Surplus Property Form**

This form is to be used to notify the City Administrator whenever there is a permanent change in the location of City-owned personal property or whenever an item is lost, stolen, or proposed to be placed on the surplus property list for disposal.

Date 4/8/14	Department Steve Healey	Contact Central shop	Phone 491-0487
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Items to be Transferred to Surplus Property List

Qty.	Description	Condition	Tag #	Location	Estimated Value	Proposed Method of Disposal (e.g. auction, scrap, etc.)
1	Ambulance 1997 Ford E-350	Fair	A-42	Power	\$10,000	auction
2	2006 Ford Expedition	Fair	06C	Power	\$5700	auction
3						
4						
5						
6						
7						
8						

Authorizations

Department Director Signature <i>Leon Fredrickson</i>	City Administrator Signature
Printed Name Leon Fredrickson	Printed Name
Date 4-14-14	Date

MEMO

To: Mayor and Council
From: Jason Sant, Assistant City Attorney
Date: 25 April 2014
Re: Airport Hangar Lease Amendment

On the City Council agenda, for May 6, is an item to approve an amendment to Section XIV of the standard airport hangar lease. From time to time staff reviews the standard airport hangar lease to determine if any changes need to be made. The latest change is to Section XIV, titled RIGHT OF ENTRY AND INSPECTION. The old hangar lease allowed for entry to be made into any hangar without prior notice to the hangar owner. This amendment simply brings the lease in line with the law. The change takes out the words without notice and adds a seven (7) day notice requirement and allows the hangar owner to be present for the entry and inspection. During the April 3, 2014, board meeting the Airport Board voted on the change and unanimously recommended approval of the change to the City Councils. The minutes from the board meeting, the Letter of Recommendation from the Airport Board and the updated portion of the hangar lease are attached.

Staff also recommends this change.

Since this is a minor amendment, it is on the consent agenda.



Letter of Recommendation to City Council

Springville City Board Name: Airport Board

Applicant:	Request:	Date of Meeting:
	Modification to Hangar Ground Lease agreement to allow more notice for Lessor entrance to premises and also to give lessee the opportunity to be present.	

Motion by: <u>Doug Ford</u>	Second by: <u>Clair Anderson</u>		
RECOMMENDATION	<input checked="" type="checkbox"/> APPROVE	<input type="checkbox"/> DISAPPROVE	<input type="checkbox"/> OTHER:
CONDITIONS OF APPROVAL: <u>None</u>			

Voting Record:

Member Name	APPROVE	DENY	ABSTAIN
<u>Dean Olsen</u>	<u>X</u>		
<u>Matt Taylor</u>	<u>X</u>		
<u>Kier Scoubes</u>	<u>X</u>		
<u>Doug Ford</u>	<u>X</u>		
<u>Clair Anderson</u>	<u>X</u>		

Matt Taylor
Chair

4-3-2014
Date

Spanish Fork/Springville Airport Board Meeting Minutes
Held Springville City Council Work Room
April 3, 2014 4:00 pm

Board Members in Attendance:

Doug Ford - Spanish Fork
Matt Taylor – Chairman - Spanish Fork
Keir Scoubes – Spanish Fork Councilman
Dean Olsen - Springville Councilman
Clair Anderson – Springville

Staff:

Cris Child – Airport Manager
Bruce Riddle – Springville City Finance
Dave Bradford - Airport Facilities Manager
Cory Pierce – SF City Engineering Dept.
Jason Sant - SF City Assistant Attorney
Dave Anderson – SF City Planner

Absent/Excused:

Brian Park - Springville

Public Attendees:

Ed Helmick - Diamond Flight Center Jim Mellor Steve Wilson - Utah Aviation Services
Gordon Jacobs - ImSar

Item 1. Minutes from the March meeting. A motion to approve the minutes was made by Clair Anderson and seconded by Doug Ford. The vote was unanimous.

Item 2. Facilities Report. Cris Child reviewed with the Board several of the projects undertaken at the Airport over the past several years.

Item 3. Financial Report. The attached Financial Report was presented by Bruce Riddle. A motion to approve the financial report was made by Dean Olsen and seconded by Clair Anderson. The vote was unanimous in favor.

Item 4. Progress Report Land Acquisition and Runway Shift. Cory Pierce reported that Goran will be starting Phase 2 construction on April 14th and construction will continue through mid July. Phase 3 will begin in the next annual FAA grant cycle.

Item 5. Airport Development Requests for Proposals. The area along Main Street as well as the 10 Acre pasture South of the Airport are potential sites for development of Airport Hangars and Commercial space. Requests for proposals from interested developers will be prepared over the next few weeks and will be distributed to the Board members for comments and review.

Item 6. Trapnell Hangar 73 Entrance Proposal. Continued to the May Board Meeting.

Item 7. Ground Lease Agreement modification. The attached modification to section “XIV RIGHT OF ENTRY AND INSPECTION” in the Hangar Ground Lease was presented to the board by Jason Sant. A motion was made to recommend the change to the City Councils by Doug Ford and seconded by Clair Anderson. The vote was unanimous in favor

Other Items:

- 1- The board was informed of plans to hold the Fall Utah Airport Operators Conference at our Airport in September.
- 2- Jim Mellor requested that the approval of his Hangar Construction site be expanded to include a 2nd option to locate the Hangars across the ditch to the South if he is unsuccessful in getting approvals to move the ditch. A motion was made to approve the request by Clair Anderson and seconded by Doug Ford. The vote was unanimous in favor

Meeting was adjourned at 5:57 pm. Next meeting will be held at 4pm May 1, 2014.

Modification to Hangar Ground Lease Agreement

Existing Paragraph:

XIV RIGHT OF ENTRY AND INSPECTION.

Lessor hereby reserves the right to enter into and upon the leased premises and any improvements thereon at all reasonable times and for all reasonable purposes without prior notice. The airport manager or his designated representative shall exercise this right.

Proposed Paragraph:

XIV RIGHT OF ENTRY AND INSPECTION.

Lessor hereby reserves the right to enter into and upon the leased premises and any improvements thereon at all reasonable times and for all reasonable purposes with seven (7) days prior notice to the Lessee. Lessor will also provide the Lessee with the opportunity to be present when entry is made upon the leased premises. The airport manager or his designated representative shall exercise this right.

**Spanish Fork / Springville Airport
Financial Report
Period Ended February 28, 2014**

Revenues

General Fund revenues in February were \$365 coming primarily from interest earnings and tie down fees. Year-to-date revenues are \$98,825, which is approximately 99% of budgeted revenue with 67% of the budget year transpired.

In the CIP Fund, there were revenues of \$270 in February coming from state and federal grant reimbursements. The year-to-date capital fund revenue total is \$1,102,602.

Expenditures

General Fund expenditures for February were \$3,159. Expenditures included management contract fees, and day-to-day operating expenses. Year-to-date expenditures are \$48,980, which is approximately 51% of budgeted expenditures with 67% of the budget year transpired. As of the end of the reporting period, there was a \$49,846 operating surplus.

There were capital expenditures of \$374,177 recorded in the CIP Fund in February. Total capital expenditures to date are \$915,175.

SPRINGVILLE CITY CORPORATION
BALANCE SHEET
FEBRUARY 28, 2014

AIRPORT TRUST FUND

ASSETS

83-1111000	CASH - AIRPORT TRUST	268,724.04	
83-1162000	PTIF FUND - AIRPORT	123,652.23	
83-1190000	CASH ALLOCATION FROM GENERAL F	(292,195.30)	
83-1311000	ACCOUNTS RECEIVABLE	8,632.11	
	TOTAL ASSETS		108,813.08

LIABILITIES AND EQUITY

LIABILITIES

83-2110000	ACCOUNTS PAYABLE	1,327.53	
	TOTAL LIABILITIES		1,327.53

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:			
83-2951000	BEGINNING OF YEAR	57,640.01	
	REVENUE OVER EXPENDITURES - YTD	49,845.54	
	BALANCE - CURRENT DATE	107,485.55	
	TOTAL FUND EQUITY		107,485.55
	TOTAL LIABILITIES AND EQUITY		108,813.08

SPRINGVILLE CITY CORPORATION
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 8 MONTHS ENDING FEBRUARY 28, 2014

AIRPORT TRUST FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>MISCELLANEOUS REVENUE</u>					
83-3600-610 AIRPORT INTEREST EARNINGS	48.07	472.01	500.00	27.99	94.4
83-3600-631 AIRPORT RENTALS	6.03	76,652.01	75,911.00	(741.01)	101.0
83-3600-632 AVIATION FUEL TAX	.00	1,407.69	3,000.00	1,592.31	46.9
83-3600-633 AIRPORT TIE DOWN FEES	248.75	9,843.75	10,000.00	156.25	98.4
83-3600-640 FUEL FLOWAGE FEES	.00	4,759.76	6,000.00	1,240.24	79.3
83-3600-690 AIRPORT MISC REVENUE	.00	1,360.00	.00	(1,360.00)	.0
83-3600-691 PENALTIES	62.45	303.61	250.00	(53.61)	121.4
TOTAL MISCELLANEOUS REVENUE	365.30	94,796.83	95,661.00	862.17	99.1
<u>CONTRIBUTIONS & TRANSFERS</u>					
83-3800-650 LEASE REVENUE	.00	4,026.36	4,000.00	(26.36)	100.7
TOTAL CONTRIBUTIONS & TRANSFERS	.00	4,026.36	4,000.00	(26.36)	100.7
TOTAL FUND REVENUE	365.30	98,825.19	99,661.00	835.81	99.2

SPRINGVILLE CITY CORPORATION
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 8 MONTHS ENDING FEBRUARY 28, 2014

AIRPORT TRUST FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
83-4000-150	BAD DEBT EXPENSE	.00	.00	1,000.00	1,000.00 .0
83-4000-230	TRAVEL, DUES & CONVENTIONS	.00	1,299.63	3,400.00	2,100.37 38.2
83-4000-240	OFFICE EXPENSE	.00	95.44	1,200.00	1,104.56 8.0
83-4000-250	AIRPORT SUPPLIES	.00	.00	1,000.00	1,000.00 .0
83-4000-251	VEHICLE FUEL	.00	480.61	1,200.00	719.39 40.1
83-4000-260	BUILDINGS & GROUNDS	1,158.74	10,239.80	17,500.00	7,260.20 58.5
83-4000-310	PROFESSIONAL FEES	.00	3,800.00	4,000.00	200.00 95.0
83-4000-330	PROFESSL FEES-MANAGEMENT CONTR	2,000.00	16,000.00	24,000.00	8,000.00 66.7
83-4000-340	PROFESS FEES -MAINTENANCE CONT	.00	17,064.17	34,000.00	16,935.83 50.2
83-4000-510	INSURANCE & BONDS	.00	.00	8,100.00	8,100.00 .0
	TOTAL EXPENDITURES	3,158.74	48,979.65	95,400.00	46,420.35 51.3
	TOTAL FUND EXPENDITURES	3,158.74	48,979.65	95,400.00	46,420.35 51.3
	NET REVENUE OVER EXPENDITURES	(2,793.44)	49,845.54	4,261.00	(45,584.54) 1169.8

SPRINGVILLE CITY CORPORATION

BALANCE SHEET

FEBRUARY 28, 2014

AIRPORT CIP FUND

ASSETS

85-1190000 CASH ALLOCATION FROM GENERAL F

238,260.10

TOTAL ASSETS

238,260.10

LIABILITIES AND EQUITY

LIABILITIES

85-2110000 ACCOUNTS PAYABLE

50,198.00

TOTAL LIABILITIES

50,198.00

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:

85-2951000 BEGINNING OF YEAR

635.79

REVENUE OVER EXPENDITURES - YTD

187,426.31

BALANCE - CURRENT DATE

188,062.10

TOTAL FUND EQUITY

188,062.10

TOTAL LIABILITIES AND EQUITY

238,260.10

SPRINGVILLE CITY CORPORATION
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 8 MONTHS ENDING FEBRUARY 28, 2014

AIRPORT CIP FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>CONTRIBUTIONS & TRANSFERS</u>					
85-3800-331 GRANTS FROM STATE AND FEDERAL	270.00	902,601.79	3,888,333.00	2,985,731.21	23.2
85-3800-611 TRANSFER FROM CITIES	.00	200,000.00	200,000.00	.00	100.0
TOTAL CONTRIBUTIONS & TRANSFERS	270.00	1,102,601.79	4,088,333.00	2,985,731.21	27.0
TOTAL FUND REVENUE	270.00	1,102,601.79	4,088,333.00	2,985,731.21	27.0

SPRINGVILLE CITY CORPORATION
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 8 MONTHS ENDING FEBRUARY 28, 2014

AIRPORT CIP FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CAPITAL EXPENSE</u>					
85-5000-804 RUNWAY EXTENSION 12/30 (GRADIN	374,177.03	799,519.99	2,388,889.00	1,589,369.01	33.5
85-5000-805 RUNWAY EXTENSION 12/30 (PHASE	.00	115,655.49	1,277,776.00	1,162,120.51	9.1
85-5000-806 APRON RECONSTRUCTION PHASE II)	.00	.00	450,000.00	450,000.00	.0
TOTAL CAPITAL EXPENSE	<u>374,177.03</u>	<u>915,175.48</u>	<u>4,116,665.00</u>	<u>3,201,489.52</u>	<u>22.2</u>
TOTAL FUND EXPENDITURES	<u>374,177.03</u>	<u>915,175.48</u>	<u>4,116,665.00</u>	<u>3,201,489.52</u>	<u>22.2</u>
NET REVENUE OVER EXPENDITURES	<u>(373,907.03)</u>	<u>187,426.31</u>	<u>(28,332.00)</u>	<u>(215,758.31)</u>	<u>661.5</u>

this agreement on the part of the Lessee to be performed, provided such proposed assignee shall expressly assume said obligations in writing.

XIV RIGHT OF ENTRY AND INSPECTION. Lessor hereby reserves the right to enter into and upon the leased premises and any improvements thereon at all reasonable times and for all reasonable purposes with seven (7) days prior notice to the Lessee. Lessor will also provide the Lessee with the opportunity to be present when entry is made upon the leased premises. The airport manager or his designated representative shall exercise this right.

XV RULES AND REGULATIONS. The Lessor shall have the right to adopt and enforce reasonable rules and regulations with respect to the use of the airport and the public terminal building and appurtenances, provided that such rules and regulations shall not be inconsistent with safety and with rules and regulations of the Federal Aviation Administration with respect to aircraft operations at the airport.

XVI GOVERNMENTAL RESERVATIONS AND RESTRICTIONS.

A. During the time of war or national emergency, the Lessor shall have the right to lease the landing area, or any part thereof, to the United States Government for military or naval use, and if such lease is executed, the provisions of this instrument, insofar as they are inconsistent with the provisions of the lease to the government, shall be suspended.

B. The Lessor reserves the right to further develop or improve the airport as it sees fit, regardless of the desires or views of the Lessee and without interference or hindrance from Lessee.

C. There is hereby reserved to the Lessor, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the



STAFF REPORT

DATE: May 6, 2014
TO: Honorable Mayor and City Council
FROM: Bruce Riddle, Finance Director
SUBJECT: SPRINGVILLE CITY FY 2015 TENTATIVE BUDGET

RECOMMENDED MOTION

The Finance Department recommends that the City Council approve **A RESOLUTION ADOPTING A TENTATIVE BUDGET FOR SPRINGVILLE CITY CORPORATION IN THE AMOUNT OF \$60,618,152 FOR THE FISCAL YEAR BEGINNING JULY 1, 2014 AND ENDING JUNE 30, 2015.**

SUMMARY OF ISSUES/FOCUS OF ACTION

The Uniform Fiscal Procedures Act for Utah Cities (Utah Code 10-6-111) requires that Springville City adopt a tentative budget in the first regular Council meeting in May for the ensuing year. Additionally, state statute (Utah Code 10-6-118) requires the city to adopt a final budget on or before the last June 22 of each fiscal period.

BACKGROUND

The City Council held a budget retreat on April 29, 2014 where budget materials previously distributed were presented and discussed. Taking input from the Council, the staff made minor changes to the budget documents presented in the retreat. The tentative budget will be made available for public review for at least 10 days prior to the adoption of the Final Budget, which is scheduled during a public hearing on June 3, 2014.

DISCUSSION

The Tentative Budget document is attached for reference to this report. The document includes a budget message from Administrator Fitzgerald as well as budget summaries and detail.

ALTERNATIVES

The Council can provide additional direction on items in the Tentative Budget; however the Council is required by State statute to adopt a Final Budget no later than June 22, 2012.

FISCAL IMPACT

Details of the estimated revenues and expenditures are included in the documents distributed to the Council. Utilization of reserves is proposed in certain funds.

RESOLUTION NO. _____

A RESOLUTION BY THE SPRINGVILLE CITY COUNCIL TO ADOPT THE CITY OF SPRINGVILLE TENTATIVE BUDGET FOR FISCAL YEAR 2014-2015 AND SET A PUBLIC HEARING FOR ADOPTION OF THE FINAL BUDGET ON JUNE 3, 2014, AT 7:00 P.M.

WHEREAS on May 6, 2014, the Budget Officer submitted a tentative budget to the City Council; and

WHEREAS the City Council desires to adopt the tentative budget as required by State law; and

WHEREAS the City Council desires to make the tentative budget available for public review and comment at least ten days prior to the public hearing; and

WHEREAS the City Council desires to set a public hearing for June 3, 2014, at 7:00 p.m. to receive additional public input on the budget.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPRINGVILLE, UTAH, as follows:

1. The City Council hereby adopts the tentative budget attached as Exhibit "A."
2. The City Council will conduct a public hearing to accept the final budget for fiscal year 2014-2015 on June 3, 2014, at 7:00 p.m.

PASSED AND APPROVED this 6th day of May 2014.

Wilford W. Clyde, Mayor

ATTEST:

Kim Rayburn, City Recorder



STAFF REPORT

DATE: May 6, 2014

TO: Honorable Mayor and City Council

FROM: Bruce Riddle, Finance Director

SUBJECT: FY 2015 SPRINGVILLE / SPANISH FORK AIRPORT TENTATIVE BUDGET

RECOMMENDED MOTION

The Finance Department recommends that the City Council move to ADOPT THE SPRINGVILLE / SPANISH FORK AIRPORT TENTATIVE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2015 AS PRESENTED.

SUMMARY OF ISSUES/FOCUS OF ACTION

The Uniform Fiscal Procedures Act for Utah Cities (Utah Code 10-6-111) requires that Springville City adopt a tentative budget for the ensuing year on or before the first regular Council meeting in May and set a public hearing to adopt a final budget.

BACKGROUND

Following two separate Council work sessions, direction from the Mayor and Council and input from the department directors, administrative staff has prepared the attached tentative budget. The tentative budget will be made available for public review for at least 10 days prior to the adoption of the Final Budget as required by state law.

DISCUSSION

A budget message and tentative budget documents along with presentation materials were distributed to the City Council prior to the Budget retreat held on April 29.

ALTERNATIVES

The Council can provide additional direction on items in the proposed tentative budget; however the Council is required by State statute to adopt a final budget by June 22, 2013.

FISCAL IMPACT

Budgeted expenditures for FY 2015 are \$1,478,432, which are covered by a combination of operating revenues, federal and state grants, and utilization of reserves.

CITY COUNCIL AGENDA

Meeting Date: May 6, 2014

RESOLUTION NO. ____

A RESOLUTION BY THE SPRINGVILLE CITY COUNCIL TO ADOPT THE SPRINGVILLE / SPANISH FORK AIRPORT TENTATIVE BUDGET FOR FISCAL YEAR 2014-2015 AND SET A PUBLIC HEARING FOR ADOPTION OF THE FINAL BUDGET ON JUNE 3, 2014, AT 7:00 P.M.

WHEREAS on May 6, 2014, the Budget Officer submitted a tentative budget to the City Council; and

WHEREAS the City Council desires to adopt the tentative budget as required by State law; and

WHEREAS the City Council desires to make the tentative budget available for public review and comment at least ten days prior to the public hearing; and

WHEREAS the City Council desires to set a public hearing for June 3, 2014, at 7:00 p.m. to receive additional public input on the budget.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPRINGVILLE, UTAH, as follows:

1. The City Council hereby adopts the Springville / Spanish Fork Airport tentative budget attached as Exhibit "A."
2. The City Council will conduct a public hearing to accept the final budget for fiscal year 2014-2015 on June 3, 2014, at 7:00 p.m.

PASSED AND APPROVED this 6th day of May 2014.

Wilford W. Clyde, Mayor

ATTEST:

Kim Rayburn, City Recorder



STAFF REPORT

DATE: May 6, 2014

TO: Honorable Mayor and City Council

FROM: Bruce Riddle, Finance Director

SUBJECT: FY 2014 ELECTRIC AND STORM WATER BUDGET AMENDMENT

RECOMMENDED MOTION

The Finance Department recommends adopting Resolution _____ to open and amend the Electric Fund and Storm Water Fund budgets for capital expenses applying to the Fiscal Year ending June 30, 2014 as outlined in Exhibit A (attached).

SUMMARY OF ISSUES/FOCUS OF ACTION

The Uniform Fiscal Procedures Act for Utah Cities sets forth the procedures for the governing body to review and increase or decrease the appropriations in operating and capital budgets of the city. The resolution will provide the budget authority for the city to pay invoices that have been received for the projects detailed.

BACKGROUND

Electric. This Agreement was originally presented to and approved by the City Council on April 15, 2014. The attached resolution is to open and amend the Electric Department budget in order to make the payment on the Agreement.

Storm Water. The Storm Water property purchase agreement is being considered at the May 6, 2014 Council meeting. If the agreement is approved, this budget amendment will be necessary.

DISCUSSION

Electric. Prior to Springville City annexing the area around the north end of 1400 North Main Street

it was part of Utah County. The area being in Utah County meant that the electric service for customers was the certificated right of the local public utility or what is now Rocky Mountain Power (RMP).

The customers that were being served by RMP at the time of annexation of the area have continued to be served by the RMP facilities. Those properties that have developed since annexation have followed the necessary development requirements of Springville City which would include obtaining electric service from the City. As needed new facilities were installed and the requested electric service was provided.

Both utilities have been operating facilities to their respective customer without incident.

CITY COUNCIL AGENDA

Meeting Date, May 6, 2014

This arrangement has been reviewed several times in an effort for the City and RMP to benefit from customers within each respective service area.

With proposed annexations becoming actual areas of city municipal boundaries there became facilities belonging to Springville City that were located within the service area of Spanish Fork City. Springville City during the calendar year of 2013, upon approval of City Council, transferred through purchase by Spanish Fork City facilities serving customers located along state highway 51 from 2600 to 3700 South.

Storm Water. The City is in the process of acquiring property for the construction of regional storm water detention basins within the City. The property in question is a 13.9 acre parcel located on the northwest corner of 2600 West (Spanish Fork Main Street) and 700 South in Springville City.

The City and the current owner are working together to subdivide the 13.9 acre parcel into two (2) parcels of 1.92 and 1.64 acres, with a remainder parcel reserved for future development. A preliminary plat has been drawn up by the City's surveyor and is attached herewith as Exhibit A. The city would purchase parcel #1 for \$288,000.00. The City currently operates and maintains a sewer pumping station that is located within the boundaries of parcel #1.

ALTERNATIVES

Please refer to Alternatives in the respective staff reports for these items.

FISCAL IMPACT

Please refer to the Fiscal Impact discussion in the respective staff reports for these items.

Exhibit A

**City of Springville
 Budget Amendment Form**

Fiscal Year Ending June 30, 2014

<i>Item</i>	<i>Fund</i>	<i>Dept.</i>	<i>Acct.</i>	<i>Description</i>	<i>Beginning Budget</i>	<i>Increase</i>	<i>Decrease</i>	<i>Amended Budget</i>	<i>Purpose and Funding Source</i>
Revenues									
	Utilize Impact Fee Reserves					288,000		288,000	Utilize reserves
	Utilize Reserves				0	80,000		80,000	Utilize reserves
Expenditures									
	53	6050	NEW	RMP Asset Purchase	0	80,000		80,000	Asset purchase; fund balance
	55	6800	NEW	Detention Basin Property	0	288,000		288,000	Property purchase; fund balance
	Total Expenditure Amendments				0	368,000		368,000	

Requested by:

Council Approval:

Date:

Resolution #:

Processed: (Finance Dept. Use Only)

Date: _____

By: _____

JE: _____

RESOLUTION _____

A RESOLUTION OPENING AND AMENDING THE ELECTRIC FUND AND STORM WATER FUND BUDGETS FOR CAPITAL EXPENSES APPLYING TO THE FISCAL YEAR ENDING JUNE 30, 2014 AS OUTLINED IN EXHIBIT A.

WHEREAS, the City Council has received a recommendation from the Administration that the Springville City Electric Fund and Storm Water Fund budgets be opened and amended for capital expenses; and,

WHEREAS, on May 6, 2014 the City Council held a duly noticed regular meeting to ascertain the facts regarding this matter, which facts and comments are found in the hearing record; and,

WHEREAS, all persons for and against the proposed appropriation were given an opportunity to be heard; and,

WHEREAS, after considering the Administration's recommendation, and facts and comments presented to the City Council, the Council finds the proposed appropriations reasonably further the health, safety, and general welfare of the citizens of Springville City.

NOW, THEREFORE, be it resolved by the City Council of Springville, Utah as follows:

PART I:

The Budget Officer is hereby authorized and directed to amend the budgets in the Electric Fund and Storm Water Fund for capital expenses as outlined in Exhibit A.

PART II:

This resolution shall take effect immediately.

END OF RESOLUTION.

PASSED AND APPROVED this 6th day of May, 2014.

Wilford W. Clyde, Mayor

ATTEST:

Kim Rayburn, City Recorder

Exhibit A

**City of Springville
Budget Amendment Form**

Fiscal Year Ending June 30, 2014

<i>Item</i>	<i>Fund</i>	<i>Dept.</i>	<i>Acct.</i>	<i>Description</i>	<i>Beginning Budget</i>	<i>Increase</i>	<i>Decrease</i>	<i>Amended Budget</i>	<i>Purpose and Funding Source</i>
Revenues									
				Utilize Impact Fee Reserves		288,000		288,000	Utilize reserves
				Utilize Reserves	0	80,000		80,000	Utilize reserves
Expenditures									
	53	6050	NEW	RMP Asset Purchase	0	80,000		80,000	Asset purchase; fund balance
	55	6800	NEW	Detention Basin Property	0	288,000		288,000	Property purchase; fund balance
	Total Expenditure Amendments				0	368,000		368,000	

Requested by:

Council Approval:

Date:

Resolution #:

Processed: (Finance Dept. Use Only)

Date: _____

By: _____

JE: _____



STAFF REPORT

DATE: April 30, 2014
TO: Mayor and City Council
FROM: Bradley D. Stapley, Director of Public Works
SUBJECT: PARTIAL PROPERTY ACQUISITION AT 1310 E 400 S – 400 S & CANYON ROAD ROUNDABOUT

RECOMMENDED ACTION

Motion to authorize the Mayor, pending review of the City Attorney, John Penrod, to enter into an agreement with Neil T. Child Investments, LLC., to acquire approximately 3,058 square feet of property for right-of-way purposes for the 400 South & Canyon Road roundabout as outlined in Exhibit B.

SUMMARY OF ISSUES/FOCUS OF ACTION

The City is in the process of designing a roundabout at the intersection of 400 South, 1300 East and Canyon Road in the eastern part of Springville City. This roundabout will help alleviate traffic congestion at this intersection.

The attached agreement will facilitate the acquisition of approximately 3,058 square feet of right-of-way needed for the roundabout. In return for this property acquisition the City will deed approximately 5,892 square feet of adjacent property to Neil T. Child Investments, LLC and install 224 feet of sidewalk on the south side of 400 South directly west of the proposed roundabout as shown in Exhibit A.

DISCUSSION

In June 2006 the City purchased approximately 1.4 acres of land from Neil T. Child Investments, LLC to prepare for the construction of a satellite Fire Station and the future construction of a roundabout at the intersection of 400 South, 1300 East, and Canyon Road. The satellite Fire Station has subsequently been constructed.

With the current construction of the new Springville Junior High school, traffic patterns are anticipated to change dramatically at the 400 S, 1300 E, and Canyon Road intersection. Traffic movements have been modeled and indicate a roundabout will significantly reduce traffic congestion at this intersection.

Engineering design plans have been completed and the roundabout project is out to bid.

CITY COUNCIL AGENDA

May 6, 2014

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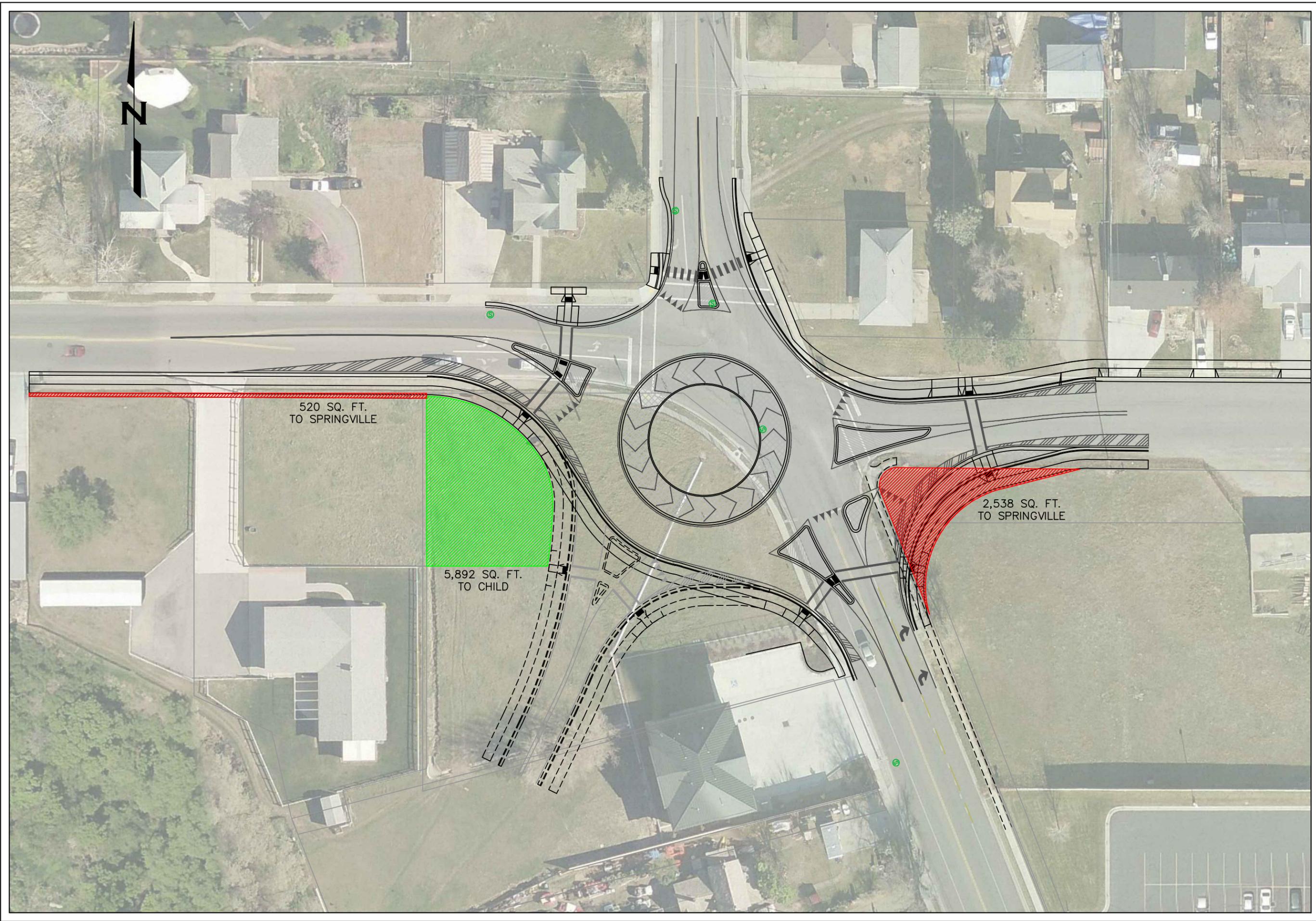
ALTERNATIVES

Option #1: Staff recommends entering into the proposed agreement to move the roundabout construction forward.

Option #2: No project (not recommended).

FISCAL IMPACT

This agreement has no exchange of funds for the property swap. The 224 feet of 5-foot wide sidewalk is valued at \$9,000, which will be funded through the roundabout project.



520 SQ. FT.
TO SPRINGVILLE

5,892 SQ. FT.
TO CHILD

2,538 SQ. FT.
TO SPRINGVILLE



STAFF REPORT

DATE: April 30, 2014

TO: Mayor and City Council

FROM: Bradley D. Stapley, Director of Public Works

**SUBJECT: PROPERTY ACQUISITION – SPRING HAVEN FARMS, PLAT “E”
PARCEL 1, FOR A FUTURE STORM WATER DETENTION BASIN**

RECOMMENDED ACTION

Motion to authorize the Mayor, pending review by the City Attorney, John Penrod, to enter into an agreement with Spring Haven Farms, LLC., to purchase approximately 1.92 acres of property on the northwest corner of 2600 West (Spanish Fork Main Street) and 700 South in the amount of \$288,000.00 (two-hundred eighty-eight thousand dollars), for the future construction of a storm water detention basin as shown in Exhibit A.

SUMMARY OF ISSUES/FOCUS OF ACTION

The City is in the process of acquiring property for the construction of regional storm water detention basins within the City. The property in question is a 13.9 acre parcel located on the northwest corner of 2600 West (Spanish Fork Main Street) and 700 South in Springville City.

The City and the current owner are working together to subdivide the 13.9 acre parcel into two (2) parcels of 1.92 and 1.64 acres, with a remainder parcel reserved for future development. A preliminary plat has been drawn up by the City’s surveyor and is attached herewith as Exhibit A.

The city would purchase parcel #1 for \$288,000.00.

The City currently operates and maintains a sewer pumping station that is located within the boundaries of parcel #1.

DISCUSSION

On March 25, 2014 the Springville City Planning Commission voted to approve the Spring Haven Farms, Plat E, minor subdivision to be located at 2590 West 700 South within the HC Highway Commercial zone (see attached Planning Commission recommendation shown as Exhibit B).

CITY COUNCIL AGENDA

May 6, 2014

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ALTERNATIVES

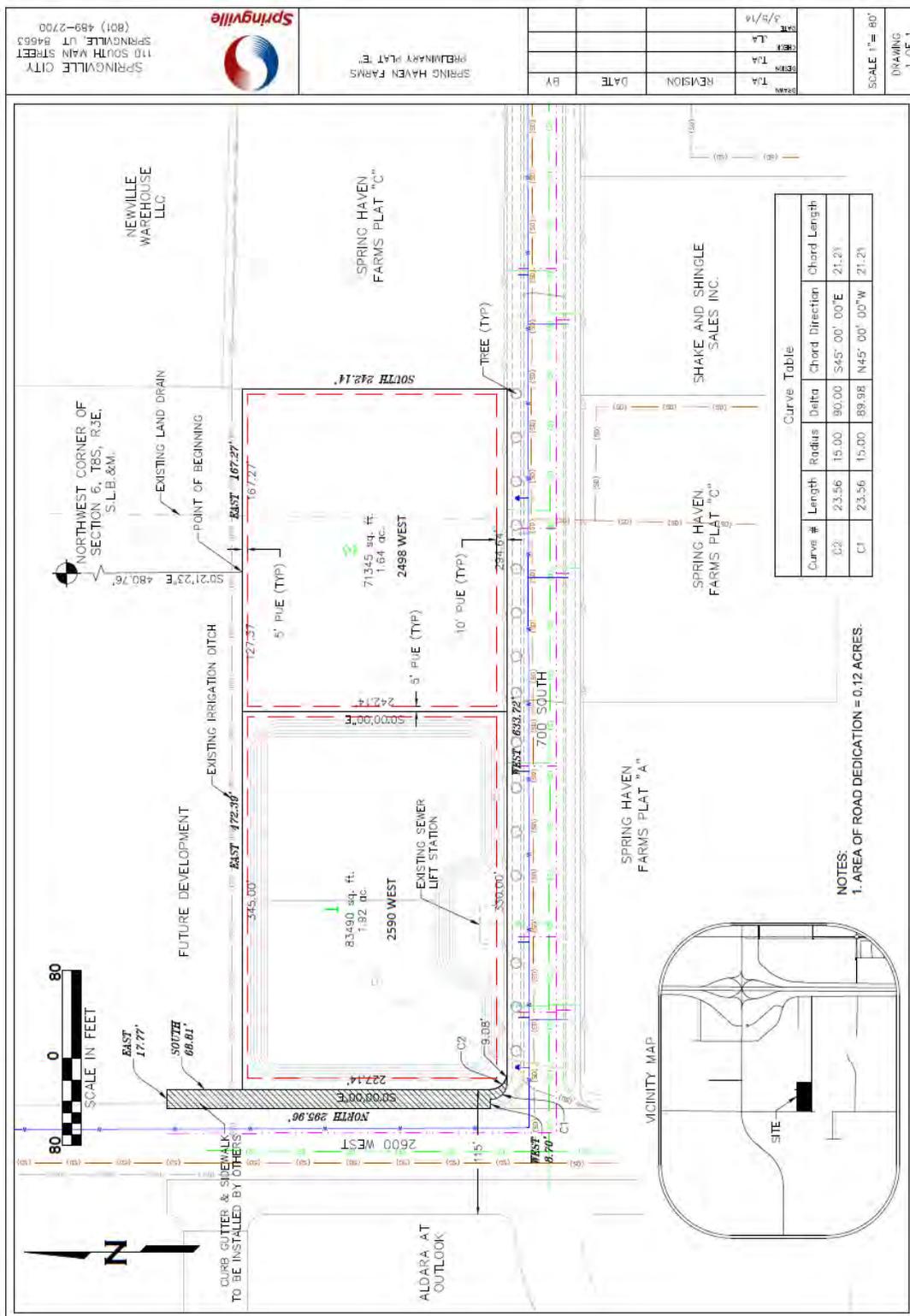
Option #1: Staff recommends entering into the proposed agreement to acquire the 1.92 acre parcel to be used as a storm water detention basin.

Option #2: No project (not recommended).

FISCAL IMPACT

Funding for this project will come through Storm Water Impact Fees.

EXHIBIT A



CITY COUNCIL AGENDA



COMMUNITY DEVELOPMENT
Springville City Corporation

EXHIBIT B

STAFF REPORT

March 21, 2014

Agenda Item #2a
Planning Commission
March 25, 2014

TO: Planning Commission Members

FROM: Brandon Snyder, Planning Staff

RE: **Springville City seeking approval for the Spring Haven Farms, Plat E, a minor subdivision to be located at 2590 West 700 South in the HC – Highway Commercial zone.**

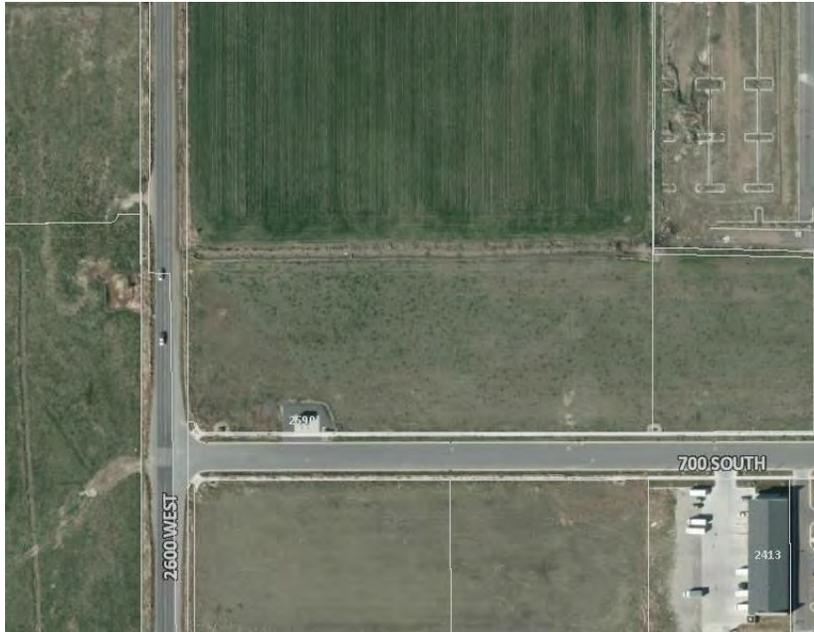
Petitioner: Springville City
110 South Main Street
Springville, UT 84663

Summary of Issues

Does the proposed minor subdivision meet the requirements set forth in Titles 11 and 14 of Springville City Code?

Background

The subject property is located at 2600 West 700 South. The property is directly to the east of the Aldara of Outlook



Development. The area is zoned for commercial uses. The City currently has a sewer lift station that will remain in proposed Lot 1. The City will be purchasing Lot 1 to construct a storm water detention basin.

Analysis

The applicant will be subdividing two lots off of 700 South. The remainder will be a future phase. The improvements for 700 South were installed as part of a

CITY COUNCIL AGENDA

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special improvement district. The 2600 West improvements will be installed during the Outlook Development construction. The Development Review Committee reviewed the site plan on March 21, 2014 and provided the applicant with the following feedback:

Planning – Brandon Snyder (801-491-7886)

1. Please fill out and submit an application form for the proposed subdivision. Fee?
2. Please submit proposed Street tree plan to Alex Roylance, Director of Buildings and Grounds for review.
3. Add this note to the plat - There is an existing Springville Drainage District drain line on Lot 2. When Lot 2 is developed in the future, the drain line will need to be replaced and relocated and an application package will need to be submitted to the Springville Drainage District.
4. Please add the outer course description and distance to the plat layout.
5. Verify with Public Works if a note needs to be added to the plat referencing the detention basin.

City Attorney – John Penrod (801-491-7801)

1. Please submit a current title report that matches the subdivision boundary description.

Irrigation/Drainage Company Engineer – Todd Adams 801-756-0309)

(tadams@fransoncivil.com)

Springville Area Irrigation & Drainage Group (SIDG)

- There is an existing Springville Drainage District drain line on Lot 2. From our understanding, only work is being performed on Lot 1. If Lot 2 has work completed in the future, the drain line will need to be replaced and relocated and an application package will need to be submitted.

No post-DRC comments were available at the time this report was due.

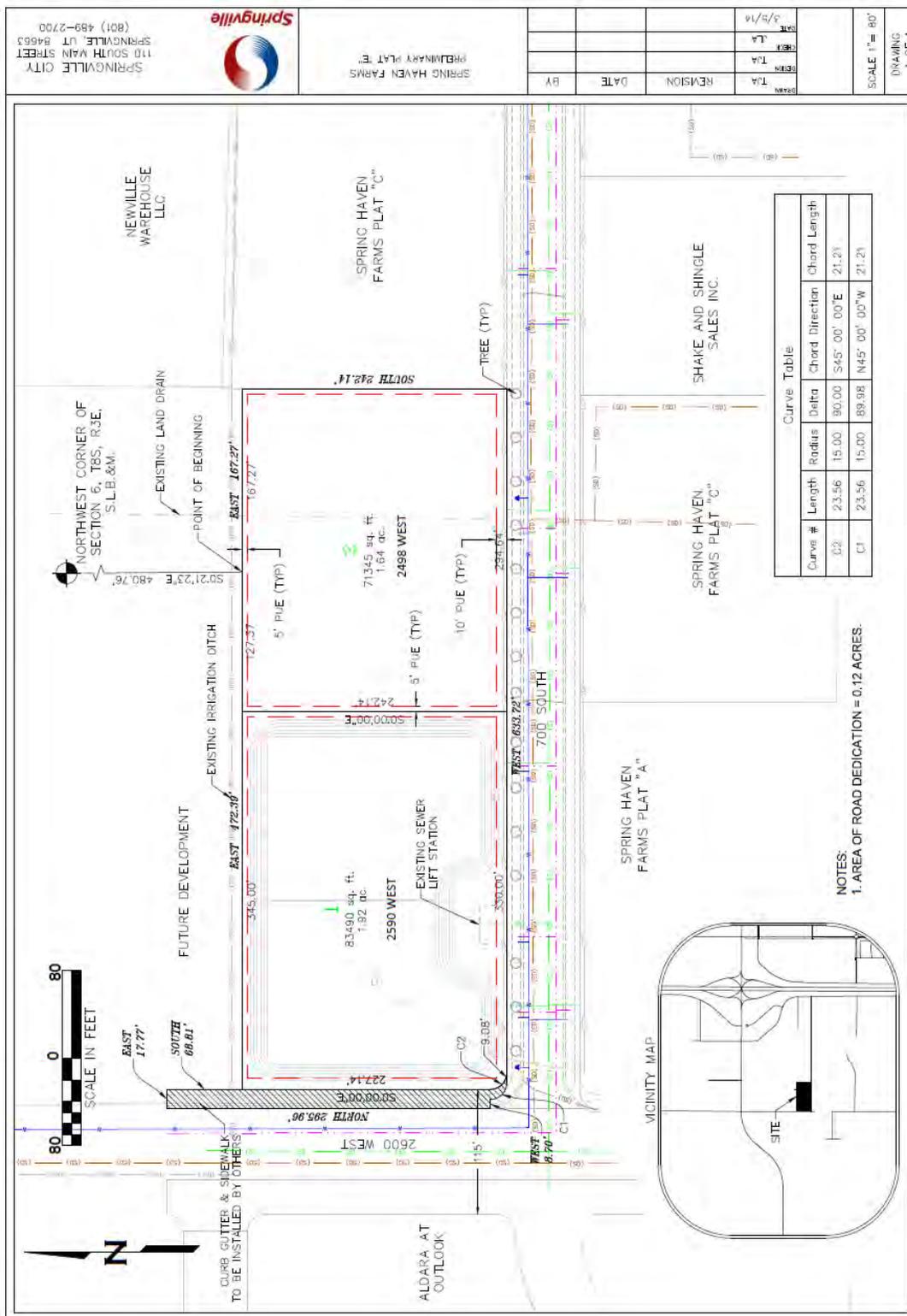
Staff Recommendation

Staff finds the proposal meets the requirements of Title 11 and Title 14 of Springville City Code.

Recommended Motion

Move to grant approval for the Spring Haven Farms Subdivision, Plat E, to be located at 2590 West 700 South in the HC – Highway Commercial zone, contingent upon the following:

1. Addressing all DRC and any post-DRC comments, and
2. Addressing all recording fees and requirements to the satisfaction of the City Engineer and City Attorney.



CITY COUNCIL AGENDA



**Springville City Planning Commission
 Letter of Recommendation to City Council**

Applicant:	Request:	Date of Meeting: March 25, 2014	
Springville City 110 South Main Springville UT 84663	Seeking approval for the Spring Haven Farms, Plat E, a minor subdivision to be located at 2590 West 700 South in the HC – Highway Commercial zone.		
Zone Classification:	Total Acreage of Site:	Number of Lots/Units:	
General Plan – Land Use Designation:	Previous Use of Property:	<input checked="" type="checkbox"/> Administrative Action	Legislative Action
Commercial		Public Hearing Required →	Planning Commission City Council

Motion by: <i>Brad Mertz</i>		Second by: <i>Brent Packard</i>	
PC RECOMMENDATION	<input checked="" type="checkbox"/> APPROVE	<input type="checkbox"/> DISAPPROVE	<input type="checkbox"/> OTHER:
CONDITIONS OF APPROVAL:			
Move to grant approval for the Spring Haven Farms Subdivision, Plat E, to be located at 2590 West 700 South in the HC – Highway Commercial zone, contingent upon the following:			
1. Addressing all DRC and any post-DRC comments, and 2. Addressing all recording fees and requirements to the satisfaction of the City Engineer and City Attorney.			

Planning Commissioners Signatures Continued on next page...



REAL ESTATE PURCHASE CONTRACT



This is a legally binding Real Estate Purchase Contract ("REPC"). Utah law requires real estate licensees to use this form. Buyer and Seller, however, may agree to alter or delete its provisions or to use a different form. If you desire legal or tax advice, consult your attorney or tax advisor.

OFFER TO PURCHASE AND EARNEST MONEY DEPOSIT

On this 14 day of April ("Offer Reference Date")

Springville City ("Buyer") offers to purchase from Spring Haven Farms LLC ("Seller") the Property described below and delivers to the Buyer's Brokerage with this offer, or agrees to deliver no later than four (4) calendar days after Acceptance (as defined in Section 23), Earnest Money in the amount of \$ _____ in the form of _____. After Acceptance of the REPC by Buyer and Seller, and receipt of the Earnest Money by the Brokerage, the Brokerage shall have four (4) calendar days in which to deposit the Earnest Money into the Brokerage Real Estate Trust Account.

Buyer's Brokerage: ~~2590 West 700 South Sp. Ut.~~ Phone: _____

Received by: _____ on _____ (Date)
(Signature of above acknowledges receipt of Earnest Money)

OTHER PROVISIONS

1. **PROPERTY:** 2590 West 700 South also described as: Spring Haven Farms Plate E lot 1 City of Springville County of Utah State of Utah, ZIP 84663 (the "Property"). Any reference below to the term "Property" shall include the Property described above, together with the Included Items and water rights/water shares, if any, referenced in Sections 1.1, 1.2 and 1.4.

1.1 **Included Items.** Unless excluded herein, this sale includes the following items if presently owned and in place on the Property: plumbing, heating, air conditioning fixtures and equipment; ovens, ranges and hoods; cook tops; dishwashers; ceiling fans; water heaters; light fixtures and bulbs; bathroom fixtures and bathroom mirrors; curtains, draperies, rods, window blinds and shutters; window and door screens; storm doors and windows; awnings; satellite dishes; affixed carpets; automatic garage door openers and accompanying transmitters; security system; fencing and any landscaping.

1.2 **Other Included Items.** The following items that are presently owned and in place on the Property have been left for the convenience of the parties and are also included in this sale (check applicable box): washers dryers refrigerators water softeners microwave ovens other (specify) N/A

The above checked items shall be conveyed to Buyer under separate bill of sale with warranties as to title.

1.3 **Excluded Items.** The following items are excluded from this sale: N/A

1.4 **Water Service.** The Purchase Price for the Property shall include all water rights/water shares, if any, that are the legal source for Seller's current culinary water service and irrigation water service, if any, to the Property. The water rights/water shares will be conveyed or otherwise transferred to Buyer at Closing by applicable deed or legal instruments. The following water rights/water shares, if applicable, are specifically excluded from this sale: _____

2. **PURCHASE PRICE** The purchase price for the Property is \$288,000. Except as provided in this Section, the Purchase Price shall be paid as provided in Sections 2(a) through 2(d) below. Any amounts shown in 2(b) and 2(d) may be adjusted as deemed necessary by Buyer and the Lender.

\$ _____ (a) **Earnest Money Deposit.** Under certain conditions described in the REPC, this deposit may become totally non refundable.

\$ _____ (b) **New Loan.** Buyer may apply for mortgage loan financing (the "Loan") on terms acceptable to Buyer: If an FHA/VA loan applies, see attached FHA/VA Loan Addendum.

\$ _____ (c) **Seller Financing** (see attached Seller Financing Addendum)

\$ 288,000 (d) **Balance of Purchase Price in Cash at Settlement**

\$ 288,000 PURCHASE PRICE Total of lines (a) through (d) 150,000 per acre @ 1.92 Acres

3. SETTLEMENT AND CLOSING.

3.1 **Settlement.** Settlement shall take place no later than the Settlement Deadline referenced in Section 24(d), or as otherwise mutually agreed by Buyer and Seller in writing. "Settlement" shall occur only when all of the following have been completed: (a) Buyer and Seller have signed and delivered to each other or to the escrow/closing office all documents

Page 1 of 6 pages Buyer's Initials _____ Date _____ Seller's Initials [Signature] Date 4/21/14

required by the REPC, by the Lender, by the title insurance and escrow/closing offices, by written escrow instructions (including any split closing instructions, if applicable), or by applicable law; (b) any monies required to be paid by Buyer or Seller under these documents (except for the proceeds of any new loan) have been delivered by Buyer or Seller to the other party, or to the escrow/closing office, in the form of cash, wire transfer, cashier's check, or other form acceptable to the escrow/closing office.

3.2 Prorations. All prorations, including, but not limited to, homeowner's association dues, property taxes for the current year, rents, and interest on assumed obligations, if any, shall be made as of the Settlement Deadline referenced in Section 24(d), unless otherwise agreed to in writing by the parties. Such writing could include the settlement statement. The provisions of this Section 3.2 shall survive Closing.

3.3 Special Assessments Any assessments for capital improvements as approved by the HOA (pursuant to HOA governing documents) or as assessed by a municipality or special improvement district, prior to the Settlement Deadline shall be paid for by: Seller Buyer Split Equally Between Buyer and Seller Other (explain)

The provisions of this Section 3.3 shall survive Closing.

3.4 Fees/Costs/Payment Obligations. Unless otherwise agreed to in writing, Seller and Buyer shall each pay one-half (1/2) of the fee charged by the escrow/closing office for its services in the settlement/closing process. Tenant deposits (including, but not limited to, security deposits, cleaning deposits and prepaid rents) shall be paid or credited by Seller to Buyer at Settlement. Buyer agrees to be responsible for homeowners' association and private and public utility service transfer fees, if any, and all utilities and other services provided to the Property after the Settlement Deadline. The escrow/closing office is authorized and directed to withhold from Seller's proceeds at Closing, sufficient funds to pay off on Seller's behalf all mortgages, trust deeds, judgments, mechanic's liens, tax liens and warrants. The provisions of this Section 3.4 shall survive Closing.

3.5 Closing. For purposes of the REPC, "Closing" means that: (a) Settlement has been completed; (b) the proceeds of any new loan have been delivered by the Lender to Seller or to the escrow/closing office; and (c) the applicable Closing documents have been recorded in the office of the county recorder. The actions described in 3.5 (b) and (c) shall be completed within four calendar days after Settlement.

4. POSSESSION. Seller shall deliver physical possession of the Property to Buyer as follows: Upon Closing; ___ Hours after Closing; ___ Calendar Days after Closing. Any contracted rental of the Property prior to or after Closing, between Buyer and Seller, shall be by separate written agreement. Seller and Buyer shall each be responsible for any insurance coverage each party deems necessary for the Property including any personal property and belongings. Seller agrees to deliver the Property to Buyer in broom-clean condition and free of debris and personal belongings. Any Seller or tenant moving-related damage to the Property shall be repaired at Seller's expense. The provisions of this Section 4 shall survive Closing.

5. CONFIRMATION OF AGENCY DISCLOSURE. Buyer and Seller acknowledge prior written receipt of agency disclosure provided by their respective agent that has disclosed the agency relationships confirmed below. At the signing of the REPC:

Seller's Agent N/A, represents Seller both Buyer and Seller as a Limited Agent;
Seller's Brokerage N/A, represents Seller both Buyer and Seller as a Limited Agent;
Buyer's Agent N/A, represents Buyer both Buyer and Seller as a Limited Agent;
Buyer's Brokerage N/A, represents Buyer both Buyer and Seller as a Limited Agent;

6. TITLE & TITLE INSURANCE.

6.1 Title to Property. Seller represents that Seller has fee title to the Property and will convey marketable title to the Property to Buyer at Closing by general warranty deed. Buyer does agree to accept title to the Property subject to the contents of the Commitment for Title Insurance (the "Commitment") provided by Seller under Section 7, and as reviewed and approved by Buyer under Section 8. Buyer also agrees to accept title to the Property subject to any existing leases, rental and property management agreements affecting the Property not expiring prior to Closing which were provided to Buyer pursuant to Section 7(e). The provisions of this Section 6.1 shall survive Closing.

6.2 Title Insurance. At Settlement, Seller agrees to pay for and cause to be issued in favor of Buyer, through the title insurance agency that issued the Commitment (the "Issuing Agent"), the most current version of the ALTA Homeowner's Policy of Title Insurance (the "Homeowner's Policy"). If the Homeowner's Policy is not available through the Issuing Agent, Buyer and Seller further agree as follows: (a) Seller agrees to pay for the Homeowner's Policy if available through any other title insurance agency selected by Buyer; (b) if the Homeowner's Policy is not available either through the Issuing Agent or any other title insurance agency, then Seller agrees to pay for, and Buyer agrees to accept, the most current available version of an ALTA Owner's Policy of Title Insurance ("Standard Coverage Owner's Policy") available through the Issuing Agent.

7. SELLER DISCLOSURES. No later than the Seller Disclosure Deadline referenced in Section 24(a), Seller shall provide to Buyer the following documents in hard copy or electronic format which are collectively referred to as the "Seller Disclosures":

- (a) a written Seller property condition disclosure for the Property, completed, signed and dated by Seller as provided in Section 10.3;
- (b) a Commitment for Title Insurance as referenced in Section 6;
- (c) a copy of any restrictive covenants (CC&R's), rules and regulations affecting the Property;
- (d) a copy of the most recent minutes, budget and financial statement for the homeowners' association, if any;
- (e) a copy of any lease, rental, and property management agreements affecting the Property not expiring prior to Closing;
- (f) evidence of any water rights and/or water shares referenced in Section 1.4;
- (g) written notice of any claims and/or conditions known to Seller relating to environmental problems and building or zoning code violations; and
- (h) Other (specify) _____

8. BUYER'S CONDITIONS OF PURCHASE.

8.1 DUE DILIGENCE CONDITION.

Buyer's obligation to purchase the Property: IS IS NOT conditioned upon Buyer's Due Diligence as defined in this Section 8.1(a) below. This condition is referred to as the "Due Diligence Condition." If checked in the affirmative, Sections 8.1(a) through 8.1(c) apply; otherwise they do not.

(a) Due Diligence Items. Buyer's Due Diligence shall consist of Buyer's review and approval of the contents of the Seller Disclosures referenced in Section 7, and any other tests, evaluations and verifications of the Property deemed necessary or appropriate by Buyer, such as: the physical condition of the Property; the existence of any hazardous substances, environmental issues or geologic conditions; the square footage or acreage of the land and/or improvements; the condition of the roof, walls, and foundation; the condition of the plumbing, electrical, mechanical, heating and air conditioning systems and fixtures; the condition of all appliances; the costs and availability of homeowners' insurance and flood insurance, if applicable; water source, availability and quality; the location of property lines; regulatory use restrictions or violations; fees for services such as HOA dues, municipal services, and utility costs; convicted sex offenders residing in proximity to the Property; and any other matters deemed material to Buyer in making a decision to purchase the Property. Unless otherwise provided in the REPC, all of Buyer's Due Diligence shall be paid for by Buyer and shall be conducted by individuals or entities of Buyer's choice. Seller agrees to cooperate with Buyer's Due Diligence. Buyer agrees to pay for any damage to the Property resulting from any such inspections or tests during the Due Diligence.

(b) Buyer's Right to Cancel or Resolve Objections. If Buyer determines, in Buyer's sole discretion, that the results of the Due Diligence are unacceptable, Buyer may either: (i) no later than the Due Diligence Deadline referenced in Section 24(b), cancel the REPC by providing written notice to Seller, whereupon the Earnest Money Deposit shall be released to Buyer without the requirement of further written authorization from Seller; or (ii) no later than the Due Diligence Deadline referenced in Section 24(b), resolve in writing with Seller any objections Buyer has arising from Buyer's Due Diligence.

(c) Failure to Cancel or Resolve Objections. If Buyer fails to cancel the REPC or fails to resolve in writing any objections Buyer has arising from Buyer's Due Diligence, as provided in Section 8.1(b), Buyer shall be deemed to have waived the Due Diligence Condition.

8.2 APPRAISAL CONDITION. Buyer's obligation to purchase the Property: IS IS NOT conditioned upon the Property appraising for not less than the Purchase Price. This condition is referred to as the "Appraisal Condition." If checked in the affirmative, Sections 8.2(a) and 8.2(b) apply; otherwise they do not.

(a) Buyer's Right to Cancel. If after completion of an appraisal by a licensed appraiser, Buyer receives written notice from the Lender or the appraiser that the Property has appraised for less than the Purchase Price (a "Notice of Appraised Value"), Buyer may cancel the REPC by providing written notice to Seller (with a copy of the Notice of Appraised Value) no later than the Financing & Appraisal Deadline referenced in Section 24(c); whereupon the Earnest Money Deposit shall be released to Buyer without the requirement of further written authorization from Seller.

(b) Failure to Cancel. If the REPC is not cancelled as provided in this section 8.2, Buyer shall be deemed to have waived the Appraisal Condition.

8.3 FINANCING CONDITION. Buyer's obligation to purchase the property: IS IS NOT conditioned upon Buyer obtaining the Loan referenced in Section 2(b). This condition is referred to as the "Financing Condition." If checked in the affirmative, Sections 8.3(a) and 8.3(b) apply; otherwise they do not. If the Financing Condition applies, Buyer agrees to work diligently and in good faith to obtain the Loan.

(a) Buyer's Right to Cancel Before the Financing & Appraisal Deadline. If Buyer, in Buyer's sole discretion, is not satisfied with the terms and conditions of the Loan, Buyer may cancel the REPC by providing written notice to Seller no later than the Financing & Appraisal Deadline referenced in Section 24(c); whereupon the Earnest Money Deposit shall be released to Buyer without the requirement of further written authorization from Seller.

(b) Buyer's Right to Cancel After the Financing & Appraisal Deadline. If after expiration of the Financing & Appraisal Deadline referenced in Section 24(c), Buyer fails to obtain the Loan, meaning that the proceeds of the Loan have not been delivered by the Lender to Seller or to the escrow/closing office as required under Section 3.5 of the REPC, then Buyer or Seller may cancel the REPC by providing written notice to the other party; whereupon the Earnest Money Deposit, or Deposits, if applicable (see Section 8.4 below), shall be released to Seller without the requirement of further written authorization from Buyer. In the event of such cancellation, Seller agrees to accept as Seller's exclusive remedy,

the Earnest Money Deposit, or Deposits, if applicable, as liquidated damages. Buyer and Seller agree that liquidated damages would be difficult and impractical to calculate, and the Earnest Money Deposit, or Deposits, if applicable, is a fair and reasonable estimate of Seller's damages in the event Buyer fails to obtain the Loan.

8.4 ADDITIONAL EARNEST MONEY DEPOSIT. If the REPC has not been previously canceled by Buyer as provided in Sections 8.1, 8.2 or 8.3(a), then no later than the Due Diligence Deadline referenced in Section 24(b), or the Financing & Appraisal Deadline referenced in Section 24(c), whichever is later, Buyer: WILL WILL NOT deliver to the Buyer's Brokerage, an Additional Earnest Money Deposit in the amount of \$_____. The Earnest Money Deposit and the Additional Earnest Money Deposit, if applicable, are sometimes referred to herein as the "Deposits". The Earnest Money Deposit, or Deposits, if applicable, shall be credited toward the Purchase Price at Closing.

9. ADDENDA. There ARE ARE NOT addenda to the REPC containing additional terms. If there are, the terms of the following addenda are incorporated into the REPC by this reference: Addendum No. _____ Seller Financing Addendum FHA/VA Loan Addendum Lead-Based Paint Disclosure & Acknowledgement (in some transactions this disclosure is required by law) Other (specify) _____

10. HOME WARRANTY PLAN / AS-IS CONDITION OF PROPERTY.

10.1 Home Warranty Plan. A one-year Home Warranty Plan WILL WILL NOT be included in this transaction. If included, the Home Warranty Plan shall be ordered by Buyer Seller and shall be issued by a company selected by Buyer Seller. The cost of the Home Warranty Plan shall not exceed \$_____ and shall be paid for at Settlement by Buyer Seller.

10.2 Condition of Property/Buyer Acknowledgements. Buyer acknowledges and agrees that in reference to the physical condition of the Property: (a) Buyer is purchasing the Property in its "As-Is" condition without expressed or implied warranties of any kind; (b) Buyer shall have, during Buyer's Due Diligence as referenced in Section 8.1, an opportunity to completely inspect and evaluate the condition of the Property; and (c) if based on the Buyer's Due Diligence, Buyer elects to proceed with the purchase of the Property, Buyer is relying wholly on Buyer's own judgment and that of any contractors or inspectors engaged by Buyer to review, evaluate and inspect the Property.

10.3 Condition of Property/Seller Acknowledgements. Seller acknowledges and agrees that in reference to the physical condition of the Property, Seller agrees to: (a) disclose in writing to Buyer defects in the Property known to Seller that materially affect the value of the Property that cannot be discovered by a reasonable inspection by an ordinary prudent Buyer; (b) carefully review, complete, and provide to Buyer a written Seller property condition disclosure as stated in section 7(a); and (c) deliver the Property to Buyer in substantially the same general condition as it was on the date of Acceptance, as defined in Section 23, ordinary wear and tear excepted. The provisions of Sections 10.2 and 10.3 shall survive Closing.

11. FINAL PRE-SETTLEMENT WALK-THROUGH INSPECTION.

11.1 Walk-Through Inspection. No earlier than seven (7) calendar days prior to Settlement, and upon reasonable notice and at a reasonable time, Buyer may conduct a final pre-Settlement walk-through inspection of the Property to determine only that the Property is "as represented," meaning that the items referenced in Sections 1.1, 1.2 and 8.1(b)(ii) ("the items") are respectively present, repaired or corrected as agreed. The failure to conduct a walk-through inspection or to claim that an item is not as represented shall not constitute a waiver by Buyer of the right to receive, on the date of possession, the items as represented. If the items are not as represented, Seller agrees to cause all applicable items to be corrected, repaired or replaced (the "Work") prior to the Settlement Deadline referenced in Section 24(d).

11.2 Escrow to Complete the Work. If, as of Settlement, the Work has not been completed, then Buyer and Seller agree to withhold in escrow at Settlement a reasonable amount agreed to by Seller, Buyer (and Lender, if applicable), sufficient to pay for completion of the Work. If the Work is not completed within thirty (30) calendar days after the Settlement Deadline, the amount so escrowed may, subject to Lender's approval, be released to Buyer as liquidated damages for failure to complete the Work. The provisions of this Section 11.2 shall survive Closing.

12. CHANGES DURING TRANSACTION. Seller agrees that from the date of Acceptance until the date of Closing, none of the following shall occur without the prior written consent of Buyer: (a) no changes in any leases, rental or property management agreements shall be made; (b) no new lease, rental or property management agreements shall be entered into; (c) no substantial alterations or improvements to the Property shall be made or undertaken; (d) no further financial encumbrances to the Property shall be made, and (e) no changes in the legal title to the Property shall be made.

13. AUTHORITY OF SIGNERS. If Buyer or Seller is a corporation, partnership, trust, estate, limited liability company or other entity, the person signing the REPC on its behalf warrants his or her authority to do so and to bind Buyer and Seller.

14. COMPLETE CONTRACT. The REPC together with its addenda, any attached exhibits, and Seller Disclosures (collectively referred to as the "REPC"), constitutes the entire contract between the parties and supersedes and replaces any and all prior negotiations, representations, warranties, understandings or contracts between the parties whether verbal or otherwise. The REPC cannot be changed except by written agreement of the parties.

15. MEDIATION. Any dispute relating to the REPC arising prior to or after Closing: SHALL MAY AT THE

OPTION OF THE PARTIES first be submitted to mediation. Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. The parties to the dispute must agree before any settlement is binding. The parties will jointly appoint an acceptable mediator and share equally in the cost of such mediation. If mediation fails, the other procedures and remedies available under the REPC shall apply. Nothing in this Section 15 prohibits any party from seeking emergency legal or equitable relief, pending mediation. The provisions of this Section 15 shall survive Closing.

16. DEFAULT.

16.1 Buyer Default. If Buyer defaults, Seller may elect one of the following remedies: (a) cancel the REPC and retain the Earnest Money Deposit, or Deposits, if applicable, as liquidated damages; (b) maintain the Earnest Money Deposit, or Deposits, if applicable, in trust and sue Buyer to specifically enforce the REPC; or (c) return the Earnest Money Deposit, or Deposits, if applicable, to Buyer and pursue any other remedies available at law.

16.2 Seller Default. If Seller defaults, Buyer may elect one of the following remedies: (a) cancel the REPC, and in addition to the return of the Earnest Money Deposit, or Deposits, if applicable, Buyer may elect to accept from Seller, as liquidated damages, a sum equal to the Earnest Money Deposit, or Deposits, if applicable; or (b) maintain the Earnest Money Deposit, or Deposits, if applicable, in trust and sue Seller to specifically enforce the REPC; or (c) accept a return of the Earnest Money Deposit, or Deposits, if applicable, and pursue any other remedies available at law. If Buyer elects to accept liquidated damages, Seller agrees to pay the liquidated damages to Buyer upon demand.

17. ATTORNEY FEES AND COSTS/GOVERNING LAW. In the event of litigation or binding arbitration to enforce the REPC, the prevailing party shall be entitled to costs and reasonable attorney fees. However, attorney fees shall not be awarded for participation in mediation under Section 15. This contract shall be governed by and construed in accordance with the laws of the State of Utah. The provisions of this Section 17 shall survive Closing.

18. NOTICES. Except as provided in Section 23, all notices required under the REPC must be: (a) in writing; (b) signed by the Buyer or Seller giving notice; and (c) received by the Buyer or the Seller, or their respective agent, or by the brokerage firm representing the Buyer or Seller, no later than the applicable date referenced in the REPC.

19. NO ASSIGNMENT. The REPC and the rights and obligations of Buyer hereunder, are personal to Buyer. The REPC may not be assigned by Buyer without the prior written consent of Seller. Provided, however, the transfer of Buyer's interest in the REPC to any business entity in which Buyer holds a legal interest, including, but not limited to, a family partnership, family trust, limited liability company, partnership, or corporation (collectively referred to as a "Permissible Transfer"), shall not be treated as an assignment by Buyer that requires Seller's prior written consent. Furthermore, the inclusion of "and/or assigns" or similar language on the line identifying Buyer on the first page of the REPC shall constitute Seller's written consent only to a Permissible Transfer.

20. INSURANCE & RISK OF LOSS.

20.1 Insurance Coverage. As of Closing, Buyer shall be responsible to obtain casualty and liability insurance coverage on the Property in amounts acceptable to Buyer and Buyer's Lender, if applicable.

20.2 Risk of Loss. If prior to Closing, any part of the Property is damaged or destroyed by fire, vandalism, flood, earthquake, or act of God, the risk of such loss or damage shall be borne by Seller; provided however, that if the cost of repairing such loss or damage would exceed ten percent (10%) of the Purchase Price referenced in Section 2, either Seller or Buyer may elect to cancel the REPC by providing written notice to the other party, in which instance the Earnest Money Deposit, or Deposits, if applicable, shall be returned to Buyer.

21. TIME IS OF THE ESSENCE. Time is of the essence regarding the dates set forth in the REPC. Extensions must be agreed to in writing by all parties. Unless otherwise explicitly stated in the REPC: (a) performance under each Section of the REPC which references a date shall absolutely be required by 5:00 PM Mountain Time on the stated date; and (b) the term "days" and "calendar days" shall mean calendar days and shall be counted beginning on the day following the event which triggers the timing requirement (e.g. Acceptance). Performance dates and times referenced herein shall not be binding upon title companies, lenders, appraisers and others not parties to the REPC, except as otherwise agreed to in writing by such non-party.

22. ELECTRONIC TRANSMISSION AND COUNTERPARTS. Electronic transmission (including email and fax) of a signed copy of the REPC, any addenda and counteroffers, and the retransmission of any signed electronic transmission shall be the same as delivery of an original. The REPC and any addenda and counteroffers may be executed in counterparts.

23. ACCEPTANCE. "Acceptance" occurs only when all of the following have occurred: (a) Seller or Buyer has signed the offer or counteroffer where noted to indicate acceptance; and (b) Seller or Buyer or their agent has communicated to the other party or to the other party's agent that the offer or counteroffer has been signed as required.

24. CONTRACT DEADLINES. Buyer and Seller agree that the following deadlines shall apply to the REPC:

- (a) Seller Disclosure Deadline April 30, 2014 (Date)
- (b) Due Diligence Deadline May 7, 2014 (Date)
- (c) Financing & Appraisal Deadline May 7, 2014 (Date)
- (d) Settlement Deadline June 1, 2014 (Date)

25. OFFER AND TIME FOR ACCEPTANCE. Buyer offers to purchase the Property on the above terms and conditions. If Seller does not accept this offer by: April 21, 2014 12:00 Noon [] AM [x] PM Mountain Time on _____ (Date), this offer shall lapse; and the Brokerage shall return the Earnest Money Deposit to Buyer.

(Buyer's Signature)	(Offer Date)	(Buyer's Signature)	(Offer Date)
_____	_____	_____	_____
(Buyer's Names)(PLEASE PRINT)	(Notice Address)	(Zip Code)	(Phone)
_____	_____	_____	_____
(Buyer's Names)(PLEASE PRINT)	(Notice Address)	(Zip Code)	(Phone)
_____	_____	_____	_____

ACCEPTANCE/COUNTEROFFER/REJECTION

CHECK ONE:

- ACCEPTANCE OF OFFER TO PURCHASE:** Seller Accepts the foregoing offer on the terms and conditions specified above.
- COUNTEROFFER:** Seller presents for Buyer's Acceptance the terms of Buyer's offer subject to the exceptions or modifications as specified in the attached ADDENDUM NO. _____
- REJECTION:** Seller rejects the foregoing offer.

Spring Haven Farms L.L.C. [Signature] 4/21/2014 9:00 AM

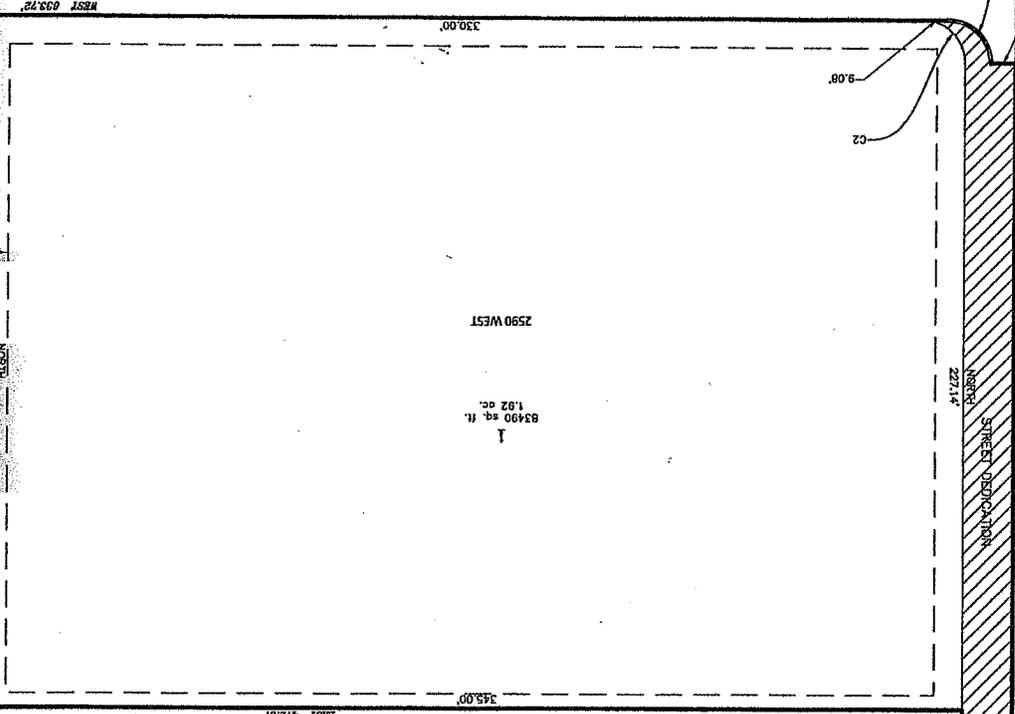
(Seller's Signature)	(Date)	(Time)	(Seller's Signature)	(Date)	(Time)
_____	_____	_____	_____	_____	_____
(Sellers' Names)(PLEASE PRINT)	(Notice Address)	(Zip Code)	(Phone)		
_____	<u>30 South 600 East Spr. Ct</u>	<u>84663</u>	<u>801-318-1987</u>		
(Sellers' Names)(PLEASE PRINT)	(Notice Address)	(Zip Code)	(Phone)		
_____	_____	_____	_____		

THIS FORM APPROVED BY THE UTAH REAL ESTATE COMMISSION AND THE OFFICE OF THE UTAH ATTORNEY GENERAL, EFFECTIVE AUGUST 27, 2008. IT REPLACES AND SUPERSEDES ALL PREVIOUSLY APPROVED VERSIONS OF THIS FORM.

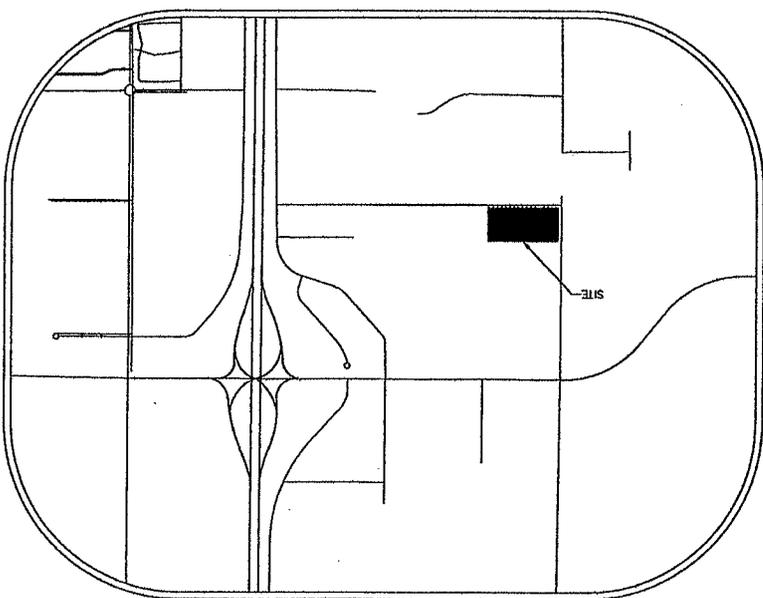
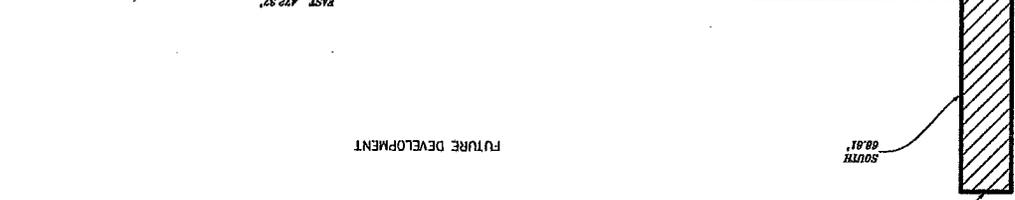
PREPARED BY:
 SPRINGVILLE CITY
 110 SOUTH MAIN STREET
 SPRINGVILLE, UTAH 84663

NOTES:
 1. WATER RIGHT WILL BE REQUIRED TO BE DEDICATED AT THE TIME OF BUILDING PERMIT IN ACCORDANCE WITH CITY CODE 11-9-124.
 2. THERE IS AN EXISTING SPRINGVILLE DRAINAGE DISTRICT DRAIN LINE ON LOT 2. WHEN LOT 2 IS DEVELOPED IN THE FUTURE, THE DRAIN LINE WILL NEED TO BE REPLACED AND RELOCATED AND AN APPLICATION PACKAGE WILL NEED TO BE SUBMITTED TO THE SPRINGVILLE DRAINAGE DISTRICT.

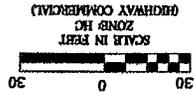
700



2600 WEST



VICINITY MAP
 NOT TO SCALE





STAFF REPORT

DATE: April 30, 2014

TO: The Honorable Mayor and City Council

FROM: John Penrod, City Attorney

SUBJECT: CONSIDERATION OF APPROVING A SETTLEMENT AGREEMENT BETWEEN EAST BAY RV, LLC AND SPRINGVILLE CITY THAT WOULD SETTLE THE CURRENT LITIGATION BETWEEN THE TWO PARTIES.

RECOMMENDATION

Motion to Approve/Disapprove the Settlement Agreement and General Release of All Claims between Springville City and East Bay RV, LLC.

BACKGROUND:

The proposed settlement agreement before the City Council would resolve the current litigation brought against Springville City by East Bay RV, LLC that centers on the allowed length of stay of patrons' recreational vehicles and East Bay owned cabin units in the East Bay RV Park. East Bay's arguments in the litigation are basically that:

- (1) East Bay is entitled to allow their patrons to stay for an indefinite period of time because of a settlement agreement, dated May 31, 2000, that allowed patrons of the East Bay RV Park to stay in the park for seven consecutive renewals of 15 day stay periods or a total of 120 consecutive days; and
- (2) The same May 2000 agreement allows East Bay to maintain its own recreational vehicle cabin units in the RV Park for patrons without their own RV's.

Since the lawsuit was filed against the City, the City has brought and won a partial motion for summary judgment that requires East Bay to abide by the City's current ordinance with respect to patron's and patron owned RV's. The City's current ordinance does not allow a patron and the patron's RV to stay in an RV park for longer than 120 days in a calendar year. The remaining issues before the Court deals with East Bay's cabin units.

The proposed settlement agreement does allow East Bay patrons to stay in the RV Park for a longer period of time than 120 days in a calendar year, with conditions, and allows East Bay to keep their current cabin units for a period of 10 years. Among other provisions, the settlement agreement includes the following:

CITY COUNCIL AGENDA

1. Vested Rights. The Agreement would provide East Bay with vested rights as a conforming use to operate under the provisions in the Agreement. This means that the City will not be able to alter the operational provisions stated in the Agreement in the future, unless East Bay violates those operational provisions four times in a calendar year.
2. Patron Stay. Patrons would be allowed to choose one of the following two stay options:
 - a. 120 Day Stay Period. The patron would be allowed to stay up to 120 days in the RV park. After staying 120 days, the patron and the patron's RV must leave the park for a period of 10 days. Any 10 day hiatus, where the patron and the patron's RV leaves the park, restarts the 120 day time period; or
 - b. Winter Stay Period. The patron would be allowed to stay uninterrupted from September 15th to April 15th of the following year. If a patron chooses the winter stay period, the patron will not be allowed to stay any other time throughout the year in the RV Park.
3. Employees - Five Stalls. East Bay may allow employees to stay in up to five stalls for a period of time greater than 120 days.
4. Park-owned Cabin Units. East Bay may keep their park-owned cabin units in the park for a period of 10 years. Once the 10 years is up, all park owned units must be removed.
5. Length of Stay in Park-owned Cabin Units. Patrons may stay up to 120 days. After 120 days, they must leave for 10 days, and when they return, they must rent a different Cabin Unit. Any 10 day hiatus will restart the 120 days.
6. Propane Tanks. Allowed size will increase from 50 to 130 gallons.
7. Guest Logs. East Bay will provide its guest logs on a monthly basis in an electronic form. The guest log must contain information that provides the City with enough detail to enforce the contract. The required information is specifically stated in the Agreement.
8. Enforcement. The enforcement will be a stepped enforcement system over a running 12 month period. It will not be considered a violation of the Agreement if East Bay cures after 10 days for violations dealing with normal circumstances and 30 days for unusual circumstances. The steps include:
 - a. First violation = a warning.
 - b. Second violation = \$500 per day of violation.

- c. Third violation = No new patrons allowed for 30 days.
 - d. Fourth violation = Non-curable default and East Bay goes back to following the City's ordinances.
9. Lift Station. City would take ownership of the lift station for the NJN Subdivision.

ALTERNATIVES:

The Council may approve or disapprove the proposed settlement agreement. If the Council disapproves the proposed settlement agreement, the litigation would continue.

FISCAL IMPACT:

If the City disapproves the settlement agreement, the City will incur costs associated with the litigation.

Attachments: Proposed Settlement Agreement

SETTLEMENT AGREEMENT AND GENERAL RELEASE OF ALL CLAIMS

East Bay R.V., LLC, a Utah limited liability company (“East Bay”), and **Springville City**, a municipality and political subdivision of the State of Utah (“City”), hereby enter into this Settlement Agreement and General Release of All Claims (the “Agreement”) as of this ___ day of _____, 2014, for the purpose of settling and resolving certain claims, controversies and disputes between them on the terms and conditions and for the considerations set forth below.

1. Intent of the Parties. There is a dispute between the parties with respect to the operation of a recreational vehicle park and campground located at 1550 North 1750 West within the City by East Bay (the “RV Park”) and the application of various City regulations governing the operation of recreation-vehicle courts which resulted in the filing of that certain legal action now pending in the Fourth Judicial District Court for Utah County, State of Utah, captioned East Bay R. V., LLC v. Springville City, Case No. 120401029 (the “Litigation”). Without waiving or conceding their respective positions in the Litigation, it is the intent and purpose of the parties to this Agreement to fully and completely settle, compromise and resolve all claims and controversies between them arising out of or in any way referring or relating to the Litigation.

2. Dismissal of Litigation. The parties hereby stipulate that a stipulation and order shall be executed by counsel for the parties and filed in the Fourth Judicial District Court dismissing the Litigation with prejudice and upon the merits, with all parties to bear their own costs and attorneys’ fees.

3. Provisions Regarding Operation of the RV Park. The parties acknowledge the existence of that certain Settlement Agreement and Release dated May 31, 2000 and the provisions of Ordinance No. 05-2012, both of which address certain operational aspects of the RV Park. This Agreement supersedes and replaces in all respects the terms of the May 31, 2000 Settlement Agreement, any other agreements between the parties relating to the RV Park and further interprets and refines the provisions of Ordinance No. 05-2012 and any other City ordinances or regulations as they may apply to the RV Park. Further, to the extent the provisions of this Agreement may be in conflict with any of the documents, ordinances or regulations described in this Section 3, the more specific provisions of this Agreement govern. This Agreement shall vest East Bay’s rights in these provisions and the Parties shall rely on its contents, so that as a result of this Agreement, the RV Park shall be a vested and legally conforming use and in compliance with all applicable zoning and land use laws. As an integral part of this Agreement, the parties agree that the following provisions shall govern the use and operation of the RV Park:

a. Length of Stay at RV Park by Patrons and Patron-Owned Recreational Vehicles. Both the patron-owned recreational vehicle and patron(s) staying in that vehicle shall be allowed to follow one of two types of stay periods within the RV Park, as follows:

- i) Winter Patrons: Certain patrons may elect to stay uninterrupted in the RV Park from September 15th to April 15th every year. Any such patron and the patron's owned vehicle may stay uninterrupted only from September 15th to April 15th, and shall not be allowed to stay within the RV Park at any other time during the year.
- ii) 120-Day Stay Patrons: Other than Winter Patrons, all patron(s) and the patron's owned vehicle may stay a total of 120 days, whether consecutive or non-consecutive days, after which both the recreational vehicle and the patron(s) must leave the RV Park for a minimum of ten (10) consecutive days before returning to the RV Park. After any ten (10) day hiatus, either the patron(s) and/or patron-owned recreational vehicle(s) shall be allowed to return for additional stays that total no longer than 120 days, whether consecutive or non-consecutive days, after which both the recreational vehicle and the patron(s) must leave the park for another ten (10) day hiatus period.

Patrons of the RV Park shall only be allowed one of the two stay period options described above, not both.

b. Five Stalls/Pads for Employees. Notwithstanding the above subsection 3a or anything in this Agreement to the contrary, the limitation on the length of stay shall not apply to any employee, servant, or contractor of East Bay, East Bay's franchisor, or of any of their affiliated entities so long as the number of stalls/pads used by such personnel shall not exceed five (5) stalls/pads at any given time.

c. Park-Owned Cabin Units. For a period of up to 10 years from and after the date of this Agreement, East Bay shall be allowed to place a total of fifteen (15) park-owned cabin units in the RV Park at the locations currently stubbed with easily removed flexible gas connections or at locations as otherwise approved by the City, which City consent shall not be unreasonably conditioned, withheld or delayed. All park-owned cabin units must be licensed, with wheels attached, have no permanent connections to utilities, and any stairs are to be removable or integrated into the unit design so that the units are ready to move. In addition to other required parking, the RV Park must provide a minimum of one (1) off-street parking stall for each park-owned cabin unit. The City acknowledges that all requirements related to the park-owned cabin units described in this subsection, including the individual parking stalls currently located on each space, are currently met.

d. Time for Removal. At the end of that 10 year period, East Bay shall remove any and all such park-owned cabin units and neither East Bay nor any

successor owner or operator of the RV Park shall place any park-owned cabin units or other park-owned recreational vehicles in the RV Park, except for up to five park-owned recreational vehicles used solely for the purposes described in subsection 3.b.

e. Length of Patron Stays in Park-Owned Cabin Units. The time periods during which patrons can stay in a park-owned cabin unit shall be the same as the length of stays allowed for patrons and their recreational vehicles in the RV Park under 3.a. However, after a stay has been concluded and the patron has left the RV Park for a minimum ten (10) consecutive day hiatus, the patron can return to the RV Park but cannot stay in the same park-owned cabin unit the patron was in during the last stay.

f. Propane Tanks. Irrespective of any existing ordinances or regulations to the contrary, including but not limited to Ordinance No. 11-6-119(2)(d), East Bay and the RV Park have the vested right to allow for propane tanks of a capacity up to 130 gallons to service the RV Park and/or its patrons.

g. Log Transmittal. East Bay shall provide to the City's Community Development Director, by electronic transmittal or by electronic access, a copy of its guest log or daily register ("guest log") which is required to be kept under the provisions of §7-5-102 of the City Code on a monthly basis in order to allow the City to monitor compliance with these provisions. At a minimum, East Bay's guest log shall contain the following information:

- i) the name and address of each patron;
- ii) the date and time of arrival;
- iii) the number of the cabin or trailer unit to which the patron(s) is assigned or, if the patron(s) is staying in a patron owned unit, the stall number assigned;
- iv) the automobile make and license plate number with state of registration;
- v) the RV unit license number and identity of manufacturer;
- vi) the date and time of departure;
- vii) the number of days the patron(s) has stayed in the RV Park for the current calendar year, without a ten (10) day hiatus; and
- viii) The type of stay period the patron has chooses under subsection 3.a. A patron who initially choose to be a Winter Stay patron may later choose to be a 120-day stay patron or vice versa so long as the change is made before the stay has reached 100 days and East Bay has advised the City in writing of the change.

The information contained in the guest log will be for a rolling twelve (12) month period, except for the start-up period described in the next paragraph below. The parties acknowledge and agree that the guest log contains commercial information regarding East Bay's confidential business interests and shall be classified as "protected records" by the City for purposes of the Utah Government Records Access and Management Act. City agrees that it will not use any of the information obtained from East Bay to compete with East Bay commercially.

East Bay shall provide to the City's Community Development Director by electronic transmittal or electronic access a copy of the first delivery of the guest log within sixty (60) days after the date of this Agreement. Thereafter, East Bay shall provide by electronic transmittal or by electronic access a copy of the guest log within twenty (20) days after the expiration of each month. The information in the first report shall contain information for the first month this Agreement is in effect. The second report due the month after the first report shall contain information for the first two months this Agreement is in effect. The third report shall contain information for the first three months this Agreement is in effect, and so on through the twelfth report which shall contain information for the first twelve months the Agreement is in effect. The following reports shall contain information for the prior twelve months. East Bay shall allow any City staff member to visit the RV Park during normal business hours to verify the accuracy and completeness of the RV Park's guest log or make an inspection to determine compliance with the other provisions of this Agreement.

h. Current Patron Violators. If East Bay currently has patrons in violation of the stay periods under subsection 3.a., East Bay shall act in good faith and with its best efforts to have such violators removed from the RV Park within fifteen (15) days of the effective date of this Agreement.

i. Enforcement. The following provisions shall govern the enforcement of the operational provisions of this Section 3.

i) Notice of Violation. If at any time City staff determines that there has been a violation of any of these operational provisions in this Section 3, the City shall provide written notice (by certified mail) to East Bay at the two addresses listed in Section 16 below describing the violation in reasonable detail.. If requested by East Bay, the City will use reasonable efforts to meet with East Bay within three (3) business days of the request to meet to discuss the City's concern, including acceptable remedies. East Bay shall have ten (10) business days from the date the City mails the violation notice to remedy the alleged violation; provided, however, if, in unusual circumstances beyond their control where, with reasonable diligence and sustained effort, a cure cannot be achieved within such ten (10) business day period, East Bay shall have a reasonable period to remedy the violation, not to exceed thirty (30) days.

ii) Definition of Violation. A “Violation” for enforcement purposes under this subsection 3.i means a violation that is not cured within the appropriate cure periods listed in subsection 3.i.i. The City shall not consider a reporting error in the guest log a violation(s) as long as East Bay is able to demonstrate that the error was unintentional, has been or can be immediately corrected, and that it will not contribute to further violations of the operational provisions in this Section 3.

iii) Enforcement Remedies. The following enforcement schedule shall be followed:

A. First Violation. Upon the first Violation, East Bay shall be issued a written warning.

B. Second Violation. Upon a second Violation within a rolling twelve (12) month period, East Bay shall pay a fine of \$500 per day until East Bay cures the violation.

C. Third Violation. Upon a third Violation within a rolling twelve (12) month period, East Bay shall not lease any space or pads to any new patrons for a period of thirty (30) days.

D. Fourth Violation. Upon a fourth Violation within a rolling twelve (12) month period, East Bay shall immediately commence operating the RV Park pursuant to the City’s current ordinances and the City shall have the right to declare East Bay and the RV Park to be in a default that is not curable pursuant to these provisions. The City may then seek a termination of this Agreement pursuant to the provisions of Section 14, except that the thirty (30) day cure provision for other defaults as set forth in Section 14 shall not be applicable for a default arising pursuant to these operational provisions. In the event a court terminates the operational provisions of Section 3 by order, pursuant to the provisions of Section 14, East Bay and the RV Park shall return to the same status that it had as a conforming use prior to this Agreement and be governed by the applicable Springville City land use regulations, that were in effect on the date of this Agreement, with the exception of the rights in Subsection 3.f above (which shall continue as described in this Agreement regardless of any termination).

2. Single Electrical Meter. As part of this Agreement, East Bay shall be allowed to have one (1) single electrical meter for the entire RV Park to replace (and/or override) the four (4) electrical meters currently in place. East Bay shall be responsible to pay for the cost of converting to the single electrical meter. However, East Bay shall have the right to utilize any infrastructure relating to the existing electrical meters in the conversion and/or operation of the new meter at no cost to the RV Park or East Bay.

3. Sewer Lift Station. Once the agreements described in this Section have been executed, East Bay shall immediately allow all entities within the NJN Subdivision to connect to the lift station located on the East Bay RV Park property (the "Lift Station"). East Bay shall charge no entity fees for connecting to the Lift Station. Furthermore, East Bay shall enter into an agreement with the City that transfers the Lift Station at no cost to the City and provides the City at no cost with easements to access and expand the Lift Station as shown on the plan attached as Exhibit "A." The terms of the agreement(s) entered into between the parties that transfers the Lift Station to the City and provides those easements shown on Exhibit "A" shall be acceptable to the City and East Bay.

4. General Release of Claims.

a. East Bay Release. As part of this Agreement, except for the specific obligations and/or requirements of the City as described in this Agreement, East Bay RV, for and on behalf of itself and its agents, indemnitors, insurers, successors, and assigns, hereby releases and forever discharges the City, together with its officers, employees, agents, indemnitors, insurers, successors, and assigns, from any and all claims, demands, liabilities, damages, causes of action, costs and expenses, including attorneys' fees, arising out of or in any way related to the Litigation and operation of the RV Park. The foregoing release shall be conditioned upon approval of this Agreement by the Order prior to the dismissal of the Litigation.

b. City Release. As part of this Agreement, except for the specific obligations and/or requirements of the City as described in this Agreement, City, for and on behalf of itself and its agents, indemnitors, insurers, successors, and assigns, hereby releases and forever discharges, together with its officers, employees, agents, indemnitors, insurers, successors, and assigns, from any and all claims, demands, liabilities, damages, causes of action, costs and expenses, including attorneys' fees, arising out of or in any way related to the Litigation and operation of the RV Park.

5. Integration. This Agreement contains the entire agreement and understanding of the parties with respect to the subject matter hereof, and integrates all prior conversations, discussions or undertakings of whatever kind or nature and may only be modified by a subsequent writing duly executed by the parties hereto.

6. Counterparts. This document may be executed in one or more counterparts, which together shall constitute one and the same document.

7. Amendment. This Agreement or the rights and obligations contained herein may not be modified, superseded, or supplemented except by an instrument in writing signed by the parties hereto.

8. Additional Acts. The parties shall do such further acts and things and shall execute and deliver such additional documents and instruments as may be necessary or

reasonably requested by a party or its counsel to obtain approvals or other benefits described herein. Each individual executing this Agreement does thereby represent and warrant to the other signers that the individual has been duly authorized to execute and deliver this Agreement in the capacity and for the party specified.

9. Mutual Participation in Document Preparation. Each party has participated materially in the negotiation and preparation of this Agreement and any related items; in the event a dispute concerning the interpretation of any provision of this Agreement or any related item, the rule of construction to the effect that certain ambiguities are to be construed against the party drafting a document will not apply.

10. No Third-Party Beneficiary Interests. Nothing contained in this Agreement is intended to benefit any person or entity other than the parties to this Agreement; and no representation or warranty is intended for the benefit of, or to be relied upon by, any person or entity which is not a party to this Agreement.

11. Binding Effect. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, representatives, officers, agents, employees, members, successors and assigns. This Agreement and the rights granted herein shall run with the land for the benefit of the RV Park.

12. Default and Remedies. Except as provided for and subject to compliance with the enforcement provisions of Section 3(g), if either party believes a default by the other has occurred or is occurring, the non-defaulting party shall notify the other party, in writing, of the potential default and the other party shall have thirty (30) days to cure the default (except when the nature of the default is such that more than thirty (30) days are required to cure the default, then the defaulting party shall not be in default if it commences performance within the thirty (30) day period and thereafter diligently pursues the cure to completion) (the "Cure Period"). The terms and conditions of this Section 14 are not intended to duplicate similar provisions in Section 3, and when applicable, the terms of Section 3 control. If the potential default has not been remedied within the Cure Period, the potential default shall be deemed a default and non-defaulting party shall have the right to pursue legal and/or equitable remedies as allowed by this Agreement and state law to obtain redress for the default.

13. Attorneys' Fees and Costs. In the event of any legal proceedings between the parties related to or arising from this Agreement, the prevailing party shall be entitled to reimbursement of reasonable attorneys' fees and costs (including paralegal fees, court fees, and discovery costs) from the non-prevailing party.

14. Notice. All notices described in this Agreement shall be delivered or transmitted to the following:

East Bay R.V., LLC
Attn: F. Mckay Winkel
3651 North 100 East Suite 125
Provo, Utah 84604
(801) 836-1314

Springville Provo KOA
Attn: Manager
1550 North 1750 West
Springville, Utah 84663
(801) 491-0700

East Bay may amend or modify these notice provisions to update the information as it deems appropriate by sending written notification to the Springville City Manager. Notice is deemed provided upon delivery.

15. Notice of Pending Actions. No less than ten (10) days prior to any public hearing by Springville City of a proposed law change which would limit the rights of an RV park owner, the City agrees to provide written notice to East Bay pursuant to Section 16 above.

WHEREFORE, the parties have executed the foregoing to be effective the date first appearing above.

[Signatures and Acknowledgments on Next Page]



STAFF REPORT

DATE: April 30, 2014

TO: The Honorable Mayor and City Council

FROM: John Penrod, City Attorney

SUBJECT: CONSIDERATION OF APPROVING AN ASSIGNMENT AGREEMENT AND AN EASEMENT THAT WOULD TRANSFER THE OWNERSHIP OF A LIFT STATION IN THE EAST BAY RV PARK TO SPRINGVILLE CITY.

RECOMMENDATION

Motion to Approve/Disapprove the execution of a General Assignment and Bill of Sale Agreement and an Easement Agreement between Springville City and East Bay RV, LLC that would transfer the lift station that services the NJN Subdivision to Springville City.

GOALS, OBJECTIVES AND STRATEGIES AT ISSUE

Goal - To develop and maintain a wastewater collection and treatment system that protects the health and safety of the City, is economical, and is designed to meet the needs of Springville City now and in the future.

One of the strategies that has been adopted to meet the above goal is to adopt and carry out a system maintenance program (e.g., viewing the lines to identify problems, cleaning out line to ensure capacity is maintained and the chance for back-up reduced).

The City's wastewater division has developed a program to ensure that lift stations within the city are regularly inspected and maintained in order to avoid back-ups and spills and to properly serve users of the system.

BACKGROUND:

In 2000, NJN Subdivision was recorded. As part of the NJN Subdivision improvements, a lift station was placed on the property where the East Bay RV Park is currently located. The lift station was constructed and installed to handle the sewage for the entire NJN Subdivision. Since 2000, the Maverick and the State Liquor Store have connected into the lift station. Currently, a hotel is being constructed in front of the East Bay RV Park that is planning to connect to the NJN Subdivision's lift station.

With several users connected into the lift station, the City's engineers and division of wastewater staff have expressed concern that the lift station is not being properly maintained. As such, the City's staff recommends that the City take over control of the lift station in order to properly

CITY COUNCIL AGENDA

inspect and maintain it and to more readily have the ability to increase the capacity of it as more development in the NJN Subdivision occurs.

The proposed General Assignment and Bill of Sale Agreement and Easement Agreement between Springville City and East Bay RV, LLC transfers ownership of the lift station to the City and provides the needed easements for the City to properly access, maintain, repair, replace and add capacity to the lift station. Particularly, the agreements do the following:

1. **Bill of Sale and Assignment.** East Bay transfers all of its rights, title and interest in the lift station and associated pipelines and facilities to the City.
2. **Easement.** East Bay will grant a perpetual easement to the City easement on, over, and across East Bay's property for the purpose of accessing, using, operating, maintaining, reconstructing, inspecting, repairing, protecting, removing, and/or replacing the existing sewer lift station, sewer pipelines, manholes, and other sewer transmission and/or collection lines, manholes, structures and/or facilities between the lift station and the existing public right-of-way. This easement also grants to the City the right to access all of these facilities.
3. **Sewer Capacity Retention.** East Bay will retain the right to use an average daily flow of 27,680 gallons per day and a peak hourly flow of 77 gallons per minute through the lift station. This number has been confirmed by the City engineer as the flow East Bay current has access to through the lift station.
4. **Impact Fees.** East Bay will not be required to pay for any new sewer or water impact fees, unless East Bay increases its capacity to greater than the six inch water line that currently services the property. This is the City's standard practice and would happen whether or not it was in an agreement.
5. **Indemnification.** The City will be required to indemnify East Bay for damages caused to East Bay's property by the lift station and the City's access to the lift station.

By the City taking over the control and ownership of the sewer lift station, the City will incur greater liability than it does now have with respect to the lift station. The liability of the lift station will transfer from East Bay to the City. This is part of the cost associated with owning and controlling the facility.

ALTERNATIVES:

Decide not to take over the lift station. This would require East Bay to continue to maintain the lift station.

FISCAL IMPACT:

The City will incur costs for inspecting, maintaining and repairing the lift station. Initial costs could be as much as \$25,000. Also, the City's costs could include possible future liabilities

associated with the lift station. However, it will allow the City to ensure that the lift station is being properly maintained and that increased capacity to the lift station may occur.

Attachments: Proposed Agreement

GENERAL ASSIGNMENT AND BILL OF SALE

THIS GENERAL ASSIGNMENT AND BILL OF SALE (this “**Assignment**”) is entered into as of this ___ day of _____, 2014 (the “**Effective Date**”), by and between EAST BAY R.V., LLC, a Utah limited liability company (“**Assignor**”), and SPRINGVILLE CITY, a Utah municipal corporation (“**Assignee**”).

RECITALS

A. Assignor presently owns the real property described in Exhibit A to this Assignment, that certain sewer lift station (the “**Lift Station**”), and any and all other improvements and/or personal property located thereon (collectively, the “**Property**”).

B. Assignor is, simultaneously with the execution of this Assignment, transferring to Assignee a perpetual sewer and access easement on, over and across the Property for the purposes set forth therein (the “**Easement**”).

C. In connection with the Easement, Assignor desires to assign, transfer, give and convey to Assignee, and Assignee desires to acquire from Assignor, all of Assignor’s interest, in and to the following described rights, interests and property relating to the Property.

AGREEMENTS

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee each hereby agree as follows:

1. **Recitals**. The recitals set forth above are true, correct and complete in all material respects, and the parties incorporate the above recitals by this reference.

2. **Easement**. In conjunction with this Assignment, Assignor hereby agrees to convey to Assignee the Easement over the Property in the form attached hereto as Exhibit B.

3. **Bill of Sale**. Assignor hereby transfers, grants, assigns, and conveys to Assignee, to the extent owned by Assignor, all of Assignor’s right, title and interest in and to certain personal property and improvements relating to the Lift Station including, without limitation, the Lift Station, and all fixtures, pipes, lines (including, but not limited to, all lines running from the Lift Station to the City-owned mainlines), machinery, facilities, housing stations, and any other equipment related to the Lift Station, and all other personal property of any kind used, stored, or located on, or associated with, the Lift Station on the Property (collectively, the “**Personal Property**”).

Assignor hereby conveys, and Assignee hereby accepts, the Personal Property and all aspects thereof in an “as is”, “where is” condition, without warranties, either express or implied, “with all faults”, including but not limited to both latent and patent defects, and the existence of hazardous materials, if any. Assignee hereby waives all warranties, express or implied, regarding the condition and use of the Personal Property, including, but not limited to any warranty of merchantability or fitness for a particular purpose. Assignor has disclosed to

Assignee all known defects and hazardous conditions related to the Personal Property. Assignor shall be responsible to repair any defects and hazardous conditions related to the Personal Property that are known by Assignor and are not disclosed to Assignee prior to the Effective Date of this Assignment.

4. **Assignment.** Assignor assigns, transfers, sets over, and conveys to Assignee, to the fullest extent the same are assignable, all of Assignor's right, title, and interest, in and to (i) any and all warranties and/or guaranties of any kind, express or implied, written or oral, relating to the Personal Property, including without limitation, any and all warranties and/or guaranties from contractors, builders, manufacturers, and/or suppliers, (ii) any and all licenses, contracts, zoning work, benefits from development agreements, consents, approvals or permits relating to the Personal Property (including, without limitation, certificates of occupancy; entitlements; permits; development, zoning or land use work; or submittals) (collectively, the "**Entitlements**"), (iii) any applications, reports, surveys, drawings, studies, plans, site plans, master plans, plans, assessments, and all other documents, information and materials in any way related to the Personal Property, and/or the Entitlements, (iv) any and all benefits, rights and intangible property, intellectual property or assets in any way related to the Personal Property, and (v) any accounts or obligations to utility providers related to the Personal Property. Notwithstanding the above language in this Section 4, Assignee shall not assume any licenses, contracts, covenants, obligations, or liabilities associated with the Personal Property that exist and are known to Assignor as of the Effective Date, and are not disclosed by Assignor to Assignee as of the Effective Date of this Assignment.

5. **Assumption.** Assignee hereby accepts the forgoing assignment and assumes the obligations and liabilities of Assignor thereunder, and agrees to timely perform, fulfill and comply with all covenants and obligations to be performed, fulfilled or complied with or by Assignor arising as of the date of this Assignment. Any covenants, obligations or liabilities known to Assignor and arising on or before the Effective Date that Assignor fails to disclose to Assignee as of the Effective Date, shall continue to be performed, fulfilled and complied with by Assignor. Furthermore, but without limiting the foregoing, Assignee hereby agrees to contact the electrical service provider servicing the Lift Station, to take any and all steps necessary to change the obligated party on the Lift Station meter from Assignor to Assignee, and to assume any and all obligations associated therewith (financial or otherwise) as of the date of this Assignment.

6. **Binding Effect.** This Assignment shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

7. **Construction; Definitions.** This Assignment shall be construed according to Utah law. Capitalized terms used and not otherwise defined herein shall have the meanings given to such terms in the Agreement.

8. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and all of which shall together constitute one and the same instrument. A copy, facsimile or email transmission of any part of this Amendment, including the signature page, shall have the same force and effect as an original.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the Effective Date.

ASSIGNOR:

EAST BAY R.V., LLC,
a Utah limited liability company

By: _____
Name (Print): _____
Its: _____

ASSIGNEE:

SPRINGVILLE CITY,
a Utah municipal corporation

By: _____
Name (Print): _____
Its: _____

EXHIBIT A

[Legal Description of the Property]

Lot 5, Plat "A", NJN Subdivision, Springville, Utah, according to the official plat thereof on file and of record in the office of the Utah County Recorder.

Exhibit B

[Sewer Lift Station Easement]

When Recorded, Mail To:

Springville City
110 South Main
Springville, Utah 84663

With A Copy To:

East Bay R.V., LLC,
3651 N. 100 E., Ste. 125
Provo, Utah 84604
Attn: McKay Winkel

Affecting Tax Parcel Nos. 47-201-0005, 47-201-0007

(Space above for Recorder's use only)

SEWER LIFT STATION EASEMENT

THIS SEWER LIFT STATION EASEMENT (this "**Agreement**") is entered into this ____ day of _____, 2014, by and between EAST BAY R.V., LLC, a Utah limited liability company ("**Grantor**"), and SPRINGVILLE CITY, a Utah municipal corporation ("**Grantee**").

R E C I T A L S

A. Grantor owns certain real property (the "**Grantor's Parcel**") located in Utah County, State of Utah. The Grantor's Parcel is more particularly depicted on Exhibit A, a copy of which is attached hereto and incorporated herein by this reference.

B. Grantor previously conveyed to Grantee, by General Assignment and Bill of Sale of even date herewith, the Improvements (defined below) located within the Easement Area. Grantee hereby confirms its ownership of the Improvements.

C. Grantee desires to obtain a perpetual, non-exclusive easement on, over, and across a portion of the Grantor's Parcel (the "**Easement Area**") in order to access, maintain, replace and repair the Improvements. A portion of the Easement Area is limited to pedestrian and vehicular access only and is described on Exhibit B (the "**Access Area**"). Grantee shall have the right to park its vehicles/equipment in the parking portion (the "**Parking Area**" and the "**Limited Parking Area**") of the Access Area as described on Exhibit B. The Grantee shall utilize the Limited Parking Area only on those limited occasions when the City needs to utilize a Vactor/Jetter truck, line-truck, or other large vehicle to perform emergency or mandatory maintenance on the lift station. When occupying the Limited Parking Area, and except in the case of an emergency, the City will use reasonable efforts to limit its use of the Limited Parking Area between the hours of 8 a.m. to 11a.m., Monday through Friday. Furthermore, Grantee further agrees to provide Grantor with 24 hours prior notice before using the Limited Parking Area (except in the case of an emergency) and to keep its use of the Limited Parking Area to a minimum period of time. The remainder of the Easement Area (also described on Exhibit B) may be used for the rights described in Section 2 below (the "**Maintenance Area**"). The total

Easement Area is also more particularly described on Exhibit B and depicted on the drawing on Exhibit C, both of which are attached hereto and incorporated herein by this reference. Should there be any discrepancy between the legal description and the drawing, the legal description shall control.

TERMS AND CONDITIONS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and based upon the mutual promises and subject to the conditions set forth below, the parties agree as follows:

1. **Recitals**. The foregoing recitals are incorporated by reference as part of this Agreement.

2. **Easement**. Grantor hereby grants, transfers and conveys to Grantee a perpetual, non-exclusive easement on, over, and across the Maintenance Area for the sole purpose of accessing, using, operating, servicing, maintaining, adding capacity to, reconstructing, inspecting, repairing, protecting, removing, and/or replacing the existing sewer lift station, sewer pipelines, manholes, and other sewer transmission and/or collection lines, manholes, structures and/or facilities related to the lift station and within the Maintenance Area (collectively, the “**Improvements**”). The Improvements also include the offsite sewer lines that service properties other than the Grantor’s Parcel. The Improvements do not include any sewer lines, including collection lines, manholes, structures and/or facilities that exclusively serve Grantor’s Parcel. Grantor also hereby grants transfers and conveys to Grantee a perpetual, non-exclusive easement on, over and across the Access Area for the sole purposes of accessing the Improvements and for parking its vehicles/equipment (only in the Parking Area and Limited Parking Area of the Access Area) while performing the aforementioned purposes.

3. **Access**. Grantee and its agents, servants, employees, consultants, contractors and subcontractors (collectively, “**Grantee’s Agents**”) shall have the right to enter upon the Easement Area for the purposes permitted by this Agreement. Grantee shall enter upon the Easement Area at its sole risk and hazard, and Grantee and its successors and assigns, hereby release Grantor from any claims relating to the condition of the Easement Area and the entry upon the Easement Area by Grantee and Grantee’s Agents.

4. **Reservations by Grantor**. Except as otherwise specifically provided in this Agreement, Grantor hereby reserves the right to use the Easement Area for any use not inconsistent with Grantee’s permitted use of the Easement Area. Without limiting the above, Grantor reserves the right: (a) for pedestrian and vehicular ingress to and egress on and over the Easement Area; (b) for the placement and maintenance of landscaping, traffic regulation signs, sidewalks, curbs and gutters, ditches and irrigation pipes fences, asphalt roadways and parking lots, utilities of any type or nature, and driveways and other similar improvements; and (c) to convey or transfer any or all of its interests in Grantor’s Parcel or the Easement Area to any party at any time. Notwithstanding the foregoing, without the consent of Grantee, no structure or obstruction will be installed by Grantor or permitted by Grantor to be installed within the

Maintenance Area which interferes or might interfere with Grantee's service or endanger the Improvements.

5. **Sewer Capacity Retention.** The parties recognize that the sewer lift station has limited capacity. Therefore, as a part of the consideration for this Agreement, Grantee agrees that Grantor's Parcel is hereby allotted the right to pump an average daily flow of 27,680 gallons per day and a peak hourly flow of 77 gallons per minute through the lift station without charge or other fees, except for Grantee's standard sewer user fees. Grantor, or subsequent owners of Grantor's Parcel, may exercise this average daily flow and/or peak hourly flow allotment right at any time, in whole or in part, in its/their sole and absolute discretion.

6. **Impact Fees.** Grantor's Parcel has been approved for service by a six (6) inch water line. Grantee hereby agrees that future water and/or sewer impact fees will only be assessed against Grantor, its successors and/or assigns, and/or Grantor's Parcel, if a larger water line is necessary to facilitate future development of Grantor's Parcel. In such an instance, the water and/or sewer impact fees shall equal the proportionate difference between the six (6) inch water line and the larger, required line. Furthermore, any other impact fees assessed against Grantor's Parcel shall give credit for conditions existing on Grantor's Parcel as of the date of this Agreement. The capacity of the lift station shall not be associated with any future sewer impact fees, nor shall any impact fees assessed against Grantor, its successors and/or assigns, or Grantor's Parcel, include fees associated with future lift stations developed in the nearby vicinity of Grantor's Parcel, unless Grantor's future development of Grantor's Parcel requires greater daily and/or peak hourly flows than what is described in Section 5 above.

7. **Condition of the Easement Area.** Grantee accepts the Easement Area and Improvements and all aspects thereof in "as is", "where is" condition, without warranties, either express or implied, "with all faults", including but not limited to both latent and patent defects, and the existence of hazardous materials, if any. Grantee hereby waives all warranties, express or implied, regarding the condition and use of the Easement Area and/or Improvements, including, but not limited to any warranty of merchantability or fitness for a particular purpose. Grantee shall obtain any and all consents, approvals, permissions, and agreements to cross, encumber or encroach upon any other easements or rights of others related to its use and improvement of the Easement Area and/or Improvements. Grantor has disclosed to Grantee all known defects and hazardous conditions related to the Improvements. Grantor shall be responsible to repair any defects and hazardous conditions related to the Improvements that are known by Grantor and not disclosed to Grantee prior to the effective date of this Agreement.

8. **Maintenance, Restoration.** Grantee, at its sole cost and expense, shall maintain, operate and repair the Improvements and any and all related improvements in good order and condition. Grantee shall promptly repair any damage to the Grantor's Parcel and Grantor's improvements located thereon (including, without limitation, any and all landscaping, fences, water and/or irrigation pipes, lines and ditches, curbs, gutters, asphalt surfaces, fences, signs, etc.) caused by Grantee and/or Grantee's Agents, and shall restore the Grantor's Parcel and the improvements thereon to substantially the same or better condition as they existed prior to any entry onto or work performed on the Grantor's Parcel by Grantee and Grantee's Agents.

Furthermore, Grantee agrees to allow Grantor to maintain its garbage dumpster in its current location until Grantee decides to expand the lift station. At such time, Grantee, at its sole cost and expense, agrees to pour a new concrete pad in the approximate area of the “**Future Dumpster Area**” depicted on Exhibit C attached hereto (the exact location to be determined by Grantor in its sole, but reasonable, discretion) to accommodate the necessary relocation of Grantor’s dumpster.

9. Compliance with Laws. Grantee will comply with all present or future laws, statutes, codes, acts, ordinances, rules, regulations, orders, judgments, decrees, injunctions, regulations, permits, licenses, authorizations, directions and requirements of and agreements with all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen or unforeseen, ordinary or extraordinary, including, without limitation, any building, zoning and land use laws.

10. Relocation. Grantor reserves the right to relocate, or require the relocation of, the Improvements and/or the Easement Area (or portions of the Easement Area) at any time at Grantor’s cost and expense, provided that Grantee is provided an acceptable alternative easement agreement for the Improvements, and provided that Grantor agrees to pay all costs associated with the relocation of the Improvements (should such relocation be required), the Improvements are relocated to the reasonable satisfaction of Grantee, there is no interruption of service to Grantee’s customers, and the new easement agreement is recorded in the office of the Utah County Recorder.

11. Taxes. Intentionally omitted.

12. Liens. Grantee shall keep the Grantor’s Parcel free from any liens arising out of any work performed, materials furnished, or obligations incurred by, through, for or under Grantee, and shall indemnify, hold harmless and agree to defend Grantor from any liens that may be placed on the Grantor’s Parcel and/or the Easement Area pertaining to any work performed, materials furnished or obligations incurred by, through, for, or under Grantee or any of Grantee’s Agents. Any such liens shall be released of record within thirty (30) days of written notice to Grantee or, should Grantee in good faith dispute the said lien, Grantee may post a bond or other reasonable assurance and diligently prosecute the removal of the lien.

13. Insurance. Grantee shall ensure that, prior to entering onto the Easement Area, all of Grantee’s Agents and other such parties who assist with the construction on, maintenance on or use of the Easement Area are covered under the terms of Grantee’s insurance policies as set forth below, or that each obtain similar policies which, at a minimum, provide Grantor the same protections.

13.1 Liability Insurance Coverage and Limits. Prior to taking possession of the Easement Area, Grantee shall obtain and maintain a policy of general commercial liability insurance insuring Grantee’s interests against claims for personal injury, bodily injury, death, property damage occurring on, in or about the Easement Area and the ways immediately adjoining the Easement Area, with a “Combined Single Limit” (covering personal injury liability, bodily injury liability and property damage liability) of not less than Two Million

Dollars (\$2,000,000.00). Grantee shall require any of Grantee's Agents that are not covered by Grantee's Utah Local Government Trust insurance policy to name Grantor on their respective policy(ies) as an additional insured on such policy(ies) on ISO Form CG 20 10 (10/93) or its equivalent.

13.2 Workers' Compensation Insurance. Grantee agrees to maintain and keep in force, during the term hereof, all applicable Workers' Compensation and Employers' Liability Insurance required under applicable Workers' Compensation Acts and/or applicable law.

13.3 Automobile Insurance. Grantee agrees to maintain and keep in force, during the term hereof, Automobile Liability Insurance with a minimum limit of not less than One Million Dollars (\$1,000,000.00) Combined Single Limit per accident, and coverage applying to "Any Auto."

14. Indemnification. Grantee and its successors and assigns hereby agree to indemnify, defend (with counsel acceptable to Grantor) and hold harmless Grantor, and any entity controlling, controlled by or under control with Grantor ("**Affiliates**"), and its and their Affiliates' officers, directors, employees, managers, members, agents, servants, successors, and assigns from and against any and all liens, encumbrances, costs, demands, claims, judgments, and/or damage caused by or arising out of: (i) the negligent acts and omissions of Grantee and its agents, servants, employees, and/or contractors; and (ii) any work performed on Grantor's Parcel by Grantee or its successors or assigns, and their agents, servants, employees, consultants and/or contractors. The terms and conditions of this provision shall remain effective after the expiration or termination of this Agreement, so long as the event to which the indemnification applies occurred prior to such expiration or termination.

15. Notices. Any notice required or desired to be given under this Agreement shall be considered given either: (i) when delivered in person to the recipient named below, (ii) three (3) days after deposit in the United States mail in a sealed envelope or container, either registered or certified mail, return receipt requested, postage prepaid, addressed by name to the person and party intended. All notices shall be given at the following addresses:

If to Grantor:

East Bay R.V., LLC
Attn: McKay Winkel
3651 North 100 East, Suite 125
Provo, Utah 84604

If to Grantee:

Springville City
Attn: Community Development Department
110 South Main
Springville, Utah 84663

Either party may designate a different individual or address for notices, by giving written notice thereof in the manner described above.

16. Default. In the event Grantee fails to perform any of its obligations under this Agreement, or is otherwise in default of any term or condition hereunder, and Grantee does not cure such default within ten (10) business days after receipt of written notice from Grantor (or if such cure cannot be completed within such ten (10) business day period, Grantee has diligently commenced to cure such default), Grantor shall have the right to cure such default and seek reimbursement from Grantee. Grantee shall reimburse Grantor within thirty (30) days after receipt of an invoice from Grantor itemizing the costs incurred by Grantor to cure such default.

17. Miscellaneous.

17.1 Interpretation. Section titles and captions to this Agreement are for convenience only and shall not be deemed part of this Agreement and in no way define, limit, augment, extend, or describe the scope, content, or intent of any part of this Agreement. This Agreement has been arrived at through negotiation between Grantor and Grantee. As a result, the normal rule of contract construction that any ambiguities are to be resolved against the drafting party shall not apply in the construction or interpretation of this Agreement.

17.2 Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Utah.

17.3 Run with the Land/Successors. Subject to the terms and conditions of this Agreement, the easements granted herein shall run with the land, and the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the parties, their successors and assigns.

17.4 Integration. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof, and supersedes all prior agreements and understandings pertaining thereto. No covenant, representation, or condition not expressed in this Agreement shall affect or be deemed to interpret, change, or restrict the express provision hereof. Any amendment or modification to this Agreement shall be in writing and signed by authorized agents or officers of the parties.

17.5 Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any rights or remedy for a breach of this Agreement shall constitute a waiver of any such breach or of such right or remedy or of any other covenant, agreement, term, or condition.

17.6 Rights and Remedies. The rights and remedies of any of the parties stated herein are not intended to be exclusive, and the exercise of one or more of the provisions of this Agreement shall not preclude the exercise of any other provisions. Each of the parties confirms that damages at law may be an inadequate remedy for a breach or threatened breach of any provision hereof. The respective rights and obligations hereunder shall be enforceable by

specific performance, injunction, or other equitable remedy, but nothing herein contained is intended to or shall limit or affect any rights at law or by statute or otherwise of any party aggrieved as against the other party for a breach or threatened breach of any provision hereof, it being the intent of this Section to make clear the agreement of the parties that the respective rights and obligations of the parties hereunder shall be enforceable in equity as well as at law or otherwise.

17.7 Enforceability and Litigation Expenses. If any action, suit, or proceeding is brought by a party hereto with respect to a matter or matters covered by this Agreement or if a party finds it necessary to retain an attorney to enforce its rights under this Agreement, all costs and expenses of the prevailing party incident to such proceeding or retention, including reasonable attorneys' fees, shall be paid by the non-prevailing party.

17.8 Authorization. Each individual executing this Agreement represents and warrants that he or she has been duly authorized by appropriate action of the governing body of the party for which he/she signs to execute and deliver this Agreement in the capacity and for the entity set forth where he/she signs and that as a result of his/her signature, this Agreement shall be binding upon the party for which he/she signs.

17.9 No Public Use/Dedication. Grantor's Parcel is and shall at all times remain the private property of Grantor. The use by Grantee of Grantor's Parcel is permissive and shall be limited to the express purposes contained herein. Neither Grantee, nor its successors or assigns, nor the public shall acquire nor be entitled to claim or assert any rights to Grantor's Parcel beyond the express terms and conditions of this Agreement.

17.10 Termination. This Agreement and all easement rights set forth herein will be automatically terminated once (a) Grantee decides that it will no longer use the easement granted herein, or (b) Grantee is provided an acceptable alternative or relocated easement for the Improvements, and provided that the new easement is recorded in the office of the Utah County Recorder. Upon the occurrence of an event set forth in the preceding sentence, Grantor may record an instrument terminating this Agreement, as well as any and all other easements, rights-of-way or licenses Grantee may have (or may claim to have) to use Grantor's Parcel.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

GRANTOR:

EAST BAY R.V., LLC,
a Utah limited liability company

[Exhibit, do not execute.]

By: _____

Name (Print): _____

Its: _____

GRANTEE:

SPRINGVILLE CITY,
a Utah municipal corporation

[Exhibit, do not execute.]

By: _____

Name (Print): _____

Its: _____

[Acknowledgments on following page]

STATE OF UTAH)
 :SS
COUNTY OF SALT LAKE)

On this ____ day of _____, 2014 personally appeared before me _____, personally known to me to be the _____ of EAST BAY R.V., LLC, a Utah limited liability company, who acknowledged before me that he signed the foregoing instrument on behalf of said company and that said company executed the same.

WITNESS my hand and official seal.

Notary Public

STATE OF UTAH)
 :SS
COUNTY OF SALT LAKE)

On this ____ day of _____, 2014, personally appeared before me _____, known or satisfactorily proved to me to be the _____ of SPRINGVILLE CITY, a Utah municipal corporation, who acknowledged to me that he/she signed the foregoing instrument as _____ for said municipal corporation.

Notary Public

EASEMENT--EXHIBIT A

(Legal Description of Grantor's Parcel)

Lot 5, Plat "A", NJN Subdivision, Springville, Utah, according to the official plat thereof on file and of record in the office of the Utah County Recorder.

Parcel Nos.: 47-201-0005, 47-201-0007

EASEMENT--EXHIBIT B

(Legal Description of Easement Area)

The real property situated in the County of Utah, State of Utah, specifically described as:

Access Area (including the Parking Area and Limited Parking Area):

The real property situated in the County of Utah, State of Utah, specifically described as:

BEGINNING AT A POINT THAT IS SOUTH 89°48'25" WEST 1436.36 FEET AND NORTH 292.94 FEET FROM THE SOUTHEAST CORNER OF SECTION 19, TOWNSHIP 7 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN;

THENCE NORTH 42°50'27" WEST 25.00 FEET; THENCE NORTH 47°09'33" EAST 24.00 FEET; THENCE NORTH 42°50'27" WEST 40.78 FEET; THENCE SOUTH 89°48'00" WEST 32.63 FEET; THENCE NORTH 42°50'27" WEST 30.17 FEET; THENCE NORTH 47°09'33" EAST 24.00 FEET; THENCE NORTH 42°50'27" WEST 75.04 FEET; THENCE NORTH 85°56'06" WEST 109.65 FEET; THENCE NORTH 00°11'35" WEST 20.05 FEET; THENCE SOUTH 85°56'06" EAST 119.03 FEET; THENCE SOUTH 42°50'27" EAST 175.98 FEET; THENCE SOUTH 04°12'28" EAST 32.02 FEET; THENCE SOUTH 47°09'22" WEST 24.00 FEET TO THE POINT OF BEGINNING.

Parking Area:

The real property situated in the County of Utah, State of Utah, specifically described as:

BEGINNING AT A POINT THAT IS SOUTH 89°48'25" WEST 1436.36 FEET AND NORTH 292.94 FEET FROM THE SOUTHEAST CORNER OF SECTION 19, TOWNSHIP 7 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN;

THENCE NORTH 42°50'27" WEST 25.00 FEET; THENCE NORTH 47°09'33" EAST 24.00 FEET; THENCE SOUTH 42°50'27" EAST 25.00 FEET; THENCE SOUTH 47°09'22" WEST 24.00 FEET TO THE POINT OF BEGINNING.

Limited Parking Area:

The real property situated in the County of Utah, State of Utah, specifically described as:

BEGINNING AT A POINT THAT IS SOUTH 89°48'25" WEST 1496.11 FEET AND NORTH 357.57 FEET FROM THE SOUTHEAST CORNER OF SECTION 19, TOWNSHIP 7 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN;

THENCE NORTH 42°50'27" WEST 30.17 FEET; THENCE NORTH 47°09'33" EAST 24.00 FEET; THENCE SOUTH 42°50'27" EAST 52.27 FEET; THENCE SOUTH 89°48'00" WEST 32.63 FEET TO THE POINT OF BEGINNING.

Maintenance Area:

The real property situated in the County of Utah, State of Utah, specifically described as:

BEGINNING AT A POINT THAT IS SOUTH 89°48'25" WEST 1453.36 FEET AND NORTH 311.33 FEET FROM THE SOUTHEAST CORNER OF SECTION 19, TOWNSHIP 7 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN;

THENCE NORTH 42°50'27" WEST 62.88 FEET; THENCE NORTH 89°48'00" EAST 32.63 FEET; THENCE SOUTH 42°50'27" EAST 40.78 FEET; THENCE SOUTH 47°09'33" WEST 24.00 FEET TO THE POINT OF BEGINNING.

SPRINGVILLE CITY, UTAH

PRESSURE IRRIGATION SYSTEM

MASTER PLAN & CAPITAL FACILITIES PLAN For the WEST FIELDS

February 2013

Prepared by:

J-U-B ENGINEERS, INC.

240 West Center Street, Suite 200
Orem, Utah 84057
(801) 226-0393



J-U-B ENGINEERS, INC.

SPRINGVILLE
THE ART CITY

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SPRINGVILLE CITY
Pressure Irrigation System
Master Plan & Capital Facilities Plan
For the West Fields

I. Administrative Information

A. Project Name: Springville City Pressure Irrigation System

B. Administrative Contact:

Wilford W. Clyde, Mayor
Jeff Anderson, City Engineer
Springville City
50 South Main Street
Springville, Utah 84663
Phone: (801) 489-2700
Fax: (801) 489-2709

C. Technical Contact:

Marty Beaumont
J-U-B Engineers, Inc
240 West Center Street, Suite 200
Orem, UT 84057
Phone: (801) 226-0393
Fax: (801) 226-0394

II. Introduction

A. Purpose

The purpose of this plan is to develop a pressure irrigation system master plan and integrated capital facility plan for the West Fields area of Springville City. This master plan addresses future pressure irrigation infrastructure needs in general and provides planning direction to Springville City as growth and development occur. The recommendations herein are based on conclusions that were reached using growth projections and computer modeling of the City's proposed pressure irrigation system.

B. Background

Springville City has studied the current and future status of their culinary water supply system and has determined it to be in their best interest to pursue the installation of a secondary (pressure irrigation) water system. In May of 2006 Hansen, Allen & Luce, Inc. (HAL) conducted a study of the existing culinary water system and prepared a Drinking and Secondary Water Systems Master Plan. This study included the evaluation of installing a secondary water system in the City to reduce the demand on the culinary water system. The study recommended that a partial secondary water system be installed in the West Fields area. The West Fields area is a large portion of Springville City that is mostly undeveloped, which will allow a significant portion of the secondary system to be installed as development occurs. For the purposes of this master plan the West Fields area includes the area in the City's Annexation Declaration Boundary that is west of approximately 400 West. The pressure irrigation boundary shown on Figure 1-1 in Appendix A defines the West Fields area. The HAL study also recommended that future considerations be made for phase 2 (areas east of approximately 400 West) which would include a secondary water system for the already developed portions of the City (i.e. a city-wide system). During development and preparation of the HAL study, the Springville City Council considered providing secondary water service to the entire city but determined that at that time it would not pursue a secondary water system in the phase 2 area of the city. In keeping with this decision, this master plan does not address the Phase 2 area indicated in the HAL report.

Although not specifically studied or addressed as part of this master plan, there are a few locations beyond the proposed West Fields service boundary where development has installed pressure irrigation improvements (see Figure 1-2 in Appendix A). These locations include parts of Cherrington, Hunters Valley, areas on the east bench, and some residential and business areas in the north end of the City. Although there are some existing pressure irrigation improvements in these areas, currently there is neither equalization storage nor a source of water to supply them.

Not all improvements outside of the West Fields service boundary have been identified so far as line size, pipe material, valves, capacities, etc. If the City decides to provide service to these areas at some point in the future, additional field verification, modeling, analysis, planning and design will need to be completed in order to address supplying and conveying water to these areas. If service is provided only to these areas (not as a part of HAL defined Phase 2, I.e. City wide system) the

infrastructure costs to do so would be significant compared to the small number of potential system users.

According to the HAL 2006 Master Plan, with the upgrade of the Canyon Road Well, the existing culinary water system at the time would have been able to meet all of the State of Utah Public Drinking Water Standards for Springville City (as of 2006). As development continues to occur within the City, more demand on the culinary water system will require that additional water rights be transferred into the City's existing wells, which have limited capacity. Additional wells can be added to the system but will come at a large expense to install, operate and maintain. In order to help limit the amount of culinary water needed in the system, the installation of a partial pressure irrigation system to provide for the outside watering needs for the West Fields area will significantly help to relieve future demands on the culinary system. Information in tables within the HAL Master Plan show that at build out, the partial (West Fields) pressure irrigation system will decrease city-wide culinary water demand by 26% to 29% from the scenario where no pressure irrigation system were installed and the culinary system would need to supply all watering needs (indoor and outdoor).

In August of 2010 J-U-B Engineers, Inc. (J-U-B) prepared a Pressure Irrigation, Feasibility Study for Springville City. Two purposes of that study were: 1) to study the feasibility of a pressure irrigation system in the West Fields area and 2) to assist Springville City in applying for a grant from the Central Utah Water Conservancy District (CUWCD, (AKA: CUP)) Water Conservation Credit Program funding. The proposed project in the feasibility study included an irrigation pond, a main transmission line from the mouth of Hobble Creek Canyon down to the West Fields area, a transmission line from the Highline Ditch to the pond, and the installation of pipes to connect the existing pipes to each other in the West Fields.

In exchange for a portion of Springville City's South Utah Valley Municipal Water Association (SUVMWA) water allotment, CUP has agreed to fund a portion of the startup system (see Section III) through a grant. It is anticipated, as indicated in the 2010 Feasibility Study, that funding for the startup system infrastructure will be provided through a combination of grant monies and City funding.

C. Scope

This master plan includes a discussion of system modeling efforts and summary results, capital facilities planning and implementation of a pressure irrigation system in the West Fields area, to build-out. Based on the model findings, the master plan includes an implementation plan with recommended capital improvement projects. The capital improvement projects portion of the plan includes planning level cost estimates for the recommended improvements.

This plan includes conclusions and recommendations that are limited to the accuracy of the modeling, growth projections and other assumptions. It is recommended that, in the future, the City review and update this master plan as needed in order to amend projections and update data as necessary.

D. Plan Outline

Data sources used in the preparation of this master plan include the two previously cited studies prepared by HAL & J-U-B, GIS information and water source data provided by the City and future land use planning and zoning information from the current Springville City General Plan.

This master plan is organized into seven sections, including:

1. Introduction (Section II)
2. Master plan service area (Section III)
3. System level of service (Section IV)
4. System evaluation and modeling (Section V)
5. Startup and build-out water sources (Section VI)
and water rights discussion
6. System storage (Section VII)
7. Capital improvement projects (Section VIII)

Additional detail of plan organization is provided in the Table of Contents.

E. Master Plan Objectives

The objectives of this master plan are to:

1. Evaluate startup system operation and build-out scenarios using the computer model
2. Determine system demand, required supply and required storage for both startup operation as well as build-out conditions
3. Determine approximate layout and sizing of major system components
4. Determine future system capital improvements and costs
5. Provide clear direction to Springville City for planning and future improvement projects necessary as growth occurs
6. Make recommendations for implementation of the pressure irrigation system

III. Master Plan Service Area

This master plan addresses the implementation of a pressure irrigation system in the West Fields portion of Springville City (See PI System Boundary Figure 1-1). Providing service to the developed portions of Springville (primarily east of 400 West) **is not** addressed in this master plan.

A system startup scenario for the West Fields area is shown in Figure 1-1. This Figure shows the infrastructure that is either existing or will be installed for the operation of the initial West Fields pressure irrigation system. The initial startup system is planned to begin operating in the spring of 2016. As of the date of this master plan, only the existing infrastructure shown on Figure 1-1 has been installed. The lines labeled as Phase I on Figure 1-1 will be installed with a future project funded through the CUP.

This master plan addresses planning and City infrastructure needs beginning at the startup system up through final build-out. Figure 1-2 shows the build-out pressure irrigation system for the West Fields area.

IV. Level of Service

This plan identifies a specific level of service provided for the system. The necessary system improvements listed in this plan will allow the City to provide new users with the same level of service as the initial system users at project startup. The level of service criterion for the pressure irrigation system is defined as follows:

A. Minimum Pressure at Peak Demands

The distribution system was designed with the ability to maintain a minimum pressure of 40 psi during peak day demand (4.00 gpm per irrigated acre).

B. Minimum Storage

The system storage facility was designed to the State of Utah standard for outdoor watering needs for peak day demands. The peak day demands were estimated to be 4.00 GPM per irrigated acre.

C. Ability of the System to Meet Peak Demands

The overall system was designed to meet peak demands. This was accomplished by appropriately sizing pipes to meet peak demands while maintaining a maximum velocity to avoid damage to the system infrastructure. The maximum velocity for water in the pipes used for modeling the system was 5 feet per second.

V. System Evaluation & Modeling

A. Evaluation of System

Both the startup and build-out condition scenarios discussed in this report were evaluated using the computer hydraulic model. System demands were evaluated using the outdoor water use component of the Utah Division of Drinking Water Rule R309-510-5(3) with a peak day demand of 4.00 GPM per irrigable acre. A peaking factor of 2 was used to calculate a peak hour flow rate of 2.76 CFS for the System startup condition and a peak day flow rate of 33.01 CFS at build-out.

There are approximately 155 acres of irrigable land within the initial reach of the project to be serviced with the startup system. The total estimated irrigable land when the system is built out is 1,852 acres.

The startup pressure irrigation system will initially provide service for a small number of residential units (approximately 955) and a few commercial lots, churches and parks.

B. Level of Service

The startup and build-out systems will provide a level of service that meets, or exceeds, the criterion and measurements outlined and described in Section IV - Level of Service.

C. System Deficiencies

The startup system will have no deficiencies with regard to providing the designated level of service to the initial service area connections.

The industrial and commercial areas located in the northeast corner of the build-out West Fields system boundary (see figure 1-3 in Appendix A) will have system deficiencies. Significant system improvements will be required to provide service in this industrial and commercial area. A list of improvements to address these needed system improvements is included as a capital improvement project in this plan.

D. Computer Modeling

A computer model was developed for the system using InfoWater[®], a graphically-based water modeling software that runs within ArcGIS. The model uses essential hydraulic data input to simulate the effect it has on the system under a specified scenario. The types of data used for the model include the graphical layout and connectivity of the system, pipe lengths, pipe diameter, pipe roughness (Hazen-Williams coefficient), demand at each node, and elevation of each node. Given the required data, the model determines the flow through each pipe and the pressure at each node that will result when the system meets the given demand at each node. No calibration was done on the model since the system is not currently in operation.

The layout and connectivity of the system as well as the pipe diameters can be determined from Figure 2-1 “Model Information – Demand Nodes” in Appendix B. The Hazen-Williams roughness coefficient used for all pipes in the model is 140. Figure 2-1, also shows all demand nodes for the build-out system with their corresponding ID labels.

The demand at each node was determined by dividing the entire service area into separate demand regions and then assigning the calculated demand for each region to a node. The demand for each region was calculated by determining the acreage of each type of land use zone from the City’s General Plan within the region and then multiplying that acreage by a land use factor used to determine the amount of irrigable acreage per gross acreage for a specified land use. The factors used as well as the resultant peak demand per acre are shown in the following table:

Zone	Land Use Factor (Irrigable Acre/Acre)	Peak Hour (GPM/ Irrigable AC)
Agricultural	0.60	4.80
Cemetery	0.90	7.20
Commercial	0.15	1.20
Commercial / Residential Option	0.25	2.00
Golf Course	1.00	8.00
Industrial Manufacturing	0.10	0.80
Low Density Residential	0.39	3.12
Medium Density Residential	0.31	2.48
Medium High Density Residential	0.30	2.40
Medium Low Density Residential	0.36	2.88
Mixed Use	0.15	1.20
Parks	1.00	8.00

TABLE 1 – LAND USE FACTORS

Figure 2-2 “Model Information – Demand Regions” in Appendix B shows the designated demand regions for the system along with the City’s General Plan land designations. Table 3-1 (see Appendix B) “Model Information” gives the relevant information for each demand region and node, including a land use acreage breakdown for each demand region with its corresponding demand node and the elevation of that node.

VI. Water Sources

A. Existing Sources

Springville City currently owns sufficient water shares in the Springville Irrigation Company (SIC) to provide for the demands required of the initial startup system. The City’s shares in SIC will also provide some additional source water shares that can be applied towards build-out system demands, but currently not all of the needed water shares have been acquired. The City also has water shares in multiple deep wells and springs although these sources are not currently planned to be used in the pressure irrigation system. A summary of Springville City’s culinary and secondary water rights can be found in Appendix C.

Due to the variable flows that can occur from most sources redundancy and flexibility should be planned and built into the system. For example during a very wet year Hobble Creek may be able to provide sufficient water into the system well into the month of July. During dry year however, Hobble Creek may only be able to provide sufficient water into the system through May. The system must be designed to allow for fluctuations in the flow rates from the different sources.

It is anticipated that water to meet startup system demands will be provided using Springville City’s existing shares in Springville Irrigation Company (SIC). This water from SIC will be diverted into the system at two locations: 1) the “City Diversion” located on Hobble Creek a short distance above the existing debris basin and 2) the Mapleton/Springville Lateral which will be connected to the 36” main line out of the pond. Springville City anticipates approximately 1-2 cfs from each of

these two diversions being available for West Fields system use, as a worst case scenario, in a very dry year, or possibly in consecutive dry years.

B. Startup Source Requirements

Approximately 3 cfs is required in order to provide sufficient water for startup system demands under peak hour conditions. Between the two water source diversions listed above in Part A “Existing Sources”, there is sufficient water to provide for the required startup system demand. The City anticipates that the startup system will have no deficiencies with regard to providing adequate water supply for the initial service area.

C. Build-out Source Requirements

As discussed above, there are sufficient sources to provide for the startup system demands, but no excess water, especially during dry years. Therefore, the system will require additional water sources as more services are added in order to meet system demands. Future sources will need to be able to supply water, at build-out, at a constant rate of 19 cfs (peak day demand) for the West Fields area.

D. Recommendations

There are multiple water sources that should be pursued, acquired and developed in order to meet future demands to build out. A list of potential sources is given below.

- Hobble Creek at the Swenson Diversion
- Hobble Creek at the City Diversion and piping of the Highline Ditch
- Dry Creek
- Packard Drain
- Madsen Well
- Little Spring Creek
- Hobble Creek at the Island Diversion
- Hobble Creek at the Sage Creek Diversion
- Re-use of effluent from Springville City’s Waste Water Treatment Plant (WWTP) (Requires significant upgrades to the treatment plant)
- Use of SUVMWA water through the turnout provided by CUWCD near 400 South 400 East
- Additional Strawberry water through the Mapleton/Springville Lateral

These potential sources are not listed in any particular order of necessity or priority. In order to develop and implement each one of these sources, additional study and evaluation will need to be conducted.

In order to address the projected 10 year demands on the system, an Impact Fee Facility Plan (IFFP) prepared by J-U-B concurrent with this plan, addresses the need to construct source water improvements, specifically the Highline Ditch piping and the Swenson diversion as development begins to occur. Both of these sources were evaluated as part of the development of this master plan and the IFFP. A description of these two projects can be found in that document.

Discussions with SIC led to the conclusion that providing adequate source for the startup system can be met with the existing diversions, ditches, pipelines, etc. These are existing City and SIC facilities that can currently feed into the proposed irrigation reservoir. This is only the case because of the small amount of demand required for the startup system. It will be critical that source water into the system be maximized early in the spring from Hobbles Creek as the West Fields area further develops. This will facilitate SIC delaying use of Strawberry storage water through the Mapleton/Springville lateral until later in the irrigation season.

Currently during normal and dry years, in order to meet demands in the SIC irrigation system (not the City's pressure irrigation system) use of water from Strawberry reservoir through the Mapleton/Springville lateral is generally diverted starting very early in the season because of the limited amount of flow that can be diverted from Hobbles Creek into the Highline Ditch. If the Highline ditch is piped and its capacity increased significantly, a majority of the SIC upper system demands could be met during the early part of the irrigation season using this source. This would allow the valuable Strawberry storage water from the Mapleton/Springville lateral to be used later in the irrigation season when Hobbles Creek flows diminish.

Because the anticipated primary sources into the system will be the Highline Ditch and the Mapleton/Springville Lateral the Highline Ditch piping is a necessary project for the City as well to ensure future source water into the system later in the irrigation season.

It was determined, based on planning discussions with SIC, that the Highline ditch piping and the Swenson pump station project are the preferred projects to address immediate source needs during the next 10 years as growth occurs in the West Fields area.

VII. System Storage

A. Storage Facility

The pressure irrigation system will utilize the proposed Bartholomew Pond for system equalization storage. The Bartholomew Pond will have approximately 34 acre-feet of volume. The amount of the storage volume in the Pond that is intended to be used for the West Fields pressure irrigation system at system build out is approximately 13 acre-ft. The volume needed at system startup is approximately 1.5 acre-ft.

The pond was oversized for several reasons; 1) it is planned to be used as both a recreational facility and a pressure irrigation storage reservoir. 2) if the City decides in the future to expand the pressure irrigation service area beyond the West Fields area (east of 400 West) the proposed irrigation reservoir would provide sufficient storage capacity to service an additional portion of the already developed area of the City.

If the City decides to service a portion of the developed area of the City that is to the east of 400 West, the proposed design of the irrigation reservoir and piping would allow servicing of this area up to the boundary labeled "40 PSI Service Boundary" on Figure 1-1. The amount of the storage volume in the irrigation reservoir necessary to

service the area up to the 40 PSI service boundary is approximately 19 acre-ft. The proposed size of the irrigation reservoir accounts for this volume in its design.

B. System Storage Requirements

The amount of the system storage required for at build-out of the West Fields system is 13 acre-ft.

C. Storage Deficiencies

It is anticipated that the irrigation reservoir will have no deficiencies with regard to providing the designated level of service to all users up through build-out.

D. Recommendations

Springville City should maintain and operate the irrigation reservoir in an efficient and effective manner in order to provide for adequate system storage up through build-out.

VIII. Capital Improvements

A. Improvements

As discussed previously, at system startup there is one area of the City that is mostly developed that will require capital improvements in order to be able to provide service to existing residents and businesses within the West Field system boundary. That area is the industrial and commercial area in the northeast corner of the West Fields service boundary. See Figure 1-3 for a map of these improvements. A list of necessary improvements to provide service to this area is included below. Additional system improvements that are necessary and are directly related to growth are addressed in the IFFP.

Springville City Pressure Irrigation				
Cost for distribution lines and services				
Capital Facilities in Northeast Industrial and Commercial Zone				
DESCRIPTION	UNIT	QUANTITY	UNIT COST	AMOUNT
Pipe and Fittings				
6"	LF	29,586	\$ 18.00	\$532,548.00
SUBTOTAL PIPE COSTS				\$532,548.00
Valves				
6"	EA	30	\$ 1,000.00	\$30,000.00
SUBTOTAL VALVE COSTS				\$30,000.00
Trenching				
Asphalt Replacement w/ Roadbase	SF	88,758	\$ 3.00	\$266,274.00
Pipe Foundation	TON	500	\$ 11.00	\$5,500.00
Pipe Embedment	TON	6,931	\$ 15.00	\$103,959.19
Final Backfill	TON	3,328	\$ 11.00	\$36,612.68
SUBTOTAL TRENCHING COSTS				\$412,345.87
SUBTOTAL OF CONSTRUCTION COSTS				\$974,893.87
Engineering & Contingency Costs				
Engineering Costs (20% of construction costs)				\$194,978.77
Contingency Costs (20% of construction costs)				\$194,978.77
SUBTOTAL OF ENGINEERING & CONTINGENCY COSTS				\$389,957.55
TOTAL OPINION OF COSTS				\$1,364,851.42

TABLE 2 – CAPITAL FACILITIES NORTHEAST INDUSTRIAL & COMMERCIAL ZONE

B. Funding Sources

There are a number of possible funding sources the City could use to fund the above listed capital improvements in the industrial and commercial areas, they are:

- General City Water Funds
- User Fees
- Bonds
- Loans

The City should pursue funding options as they see necessary for planning and constructing these improvements.

C. Recommendations

The City should implement these improvements as funding can be identified and appropriated for constructing them.

APPENDICES

DRAFT

APPENDIX A
SYSTEM MAPS

DRAFT

Springville City, Utah
 Pressure Irrigation System
 System Startup
 Figure 1-1

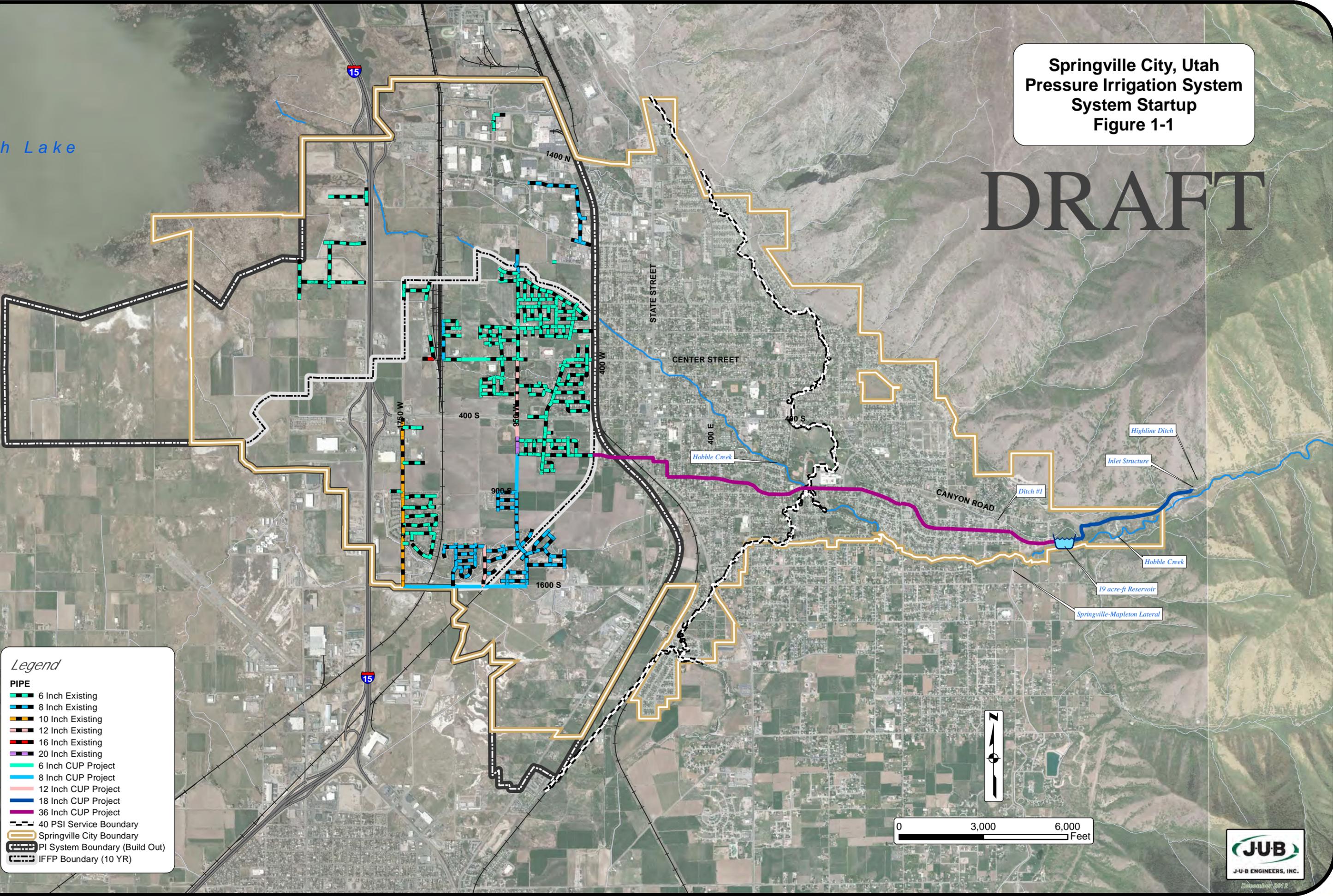
DRAFT

Utah Lake

Legend

PIPE

- 6 Inch Existing
- 8 Inch Existing
- 10 Inch Existing
- 12 Inch Existing
- 16 Inch Existing
- 20 Inch Existing
- 6 Inch CUP Project
- 8 Inch CUP Project
- 12 Inch CUP Project
- 18 Inch CUP Project
- 36 Inch CUP Project
- 40 PSI Service Boundary
- Springville City Boundary
- PI System Boundary (Build Out)
- IFFP Boundary (10 YR)



Highline Ditch

Inlet Structure

Ditch #1

Hobble Creek

19 acre-ft Reservoir

Springville-Mapleton Lateral

CENTER STREET

Hobble Creek

CANYON ROAD

1400 N

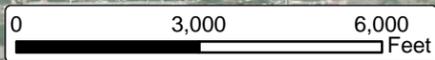
400 W

400 S

900 S

1600 S

1750 W

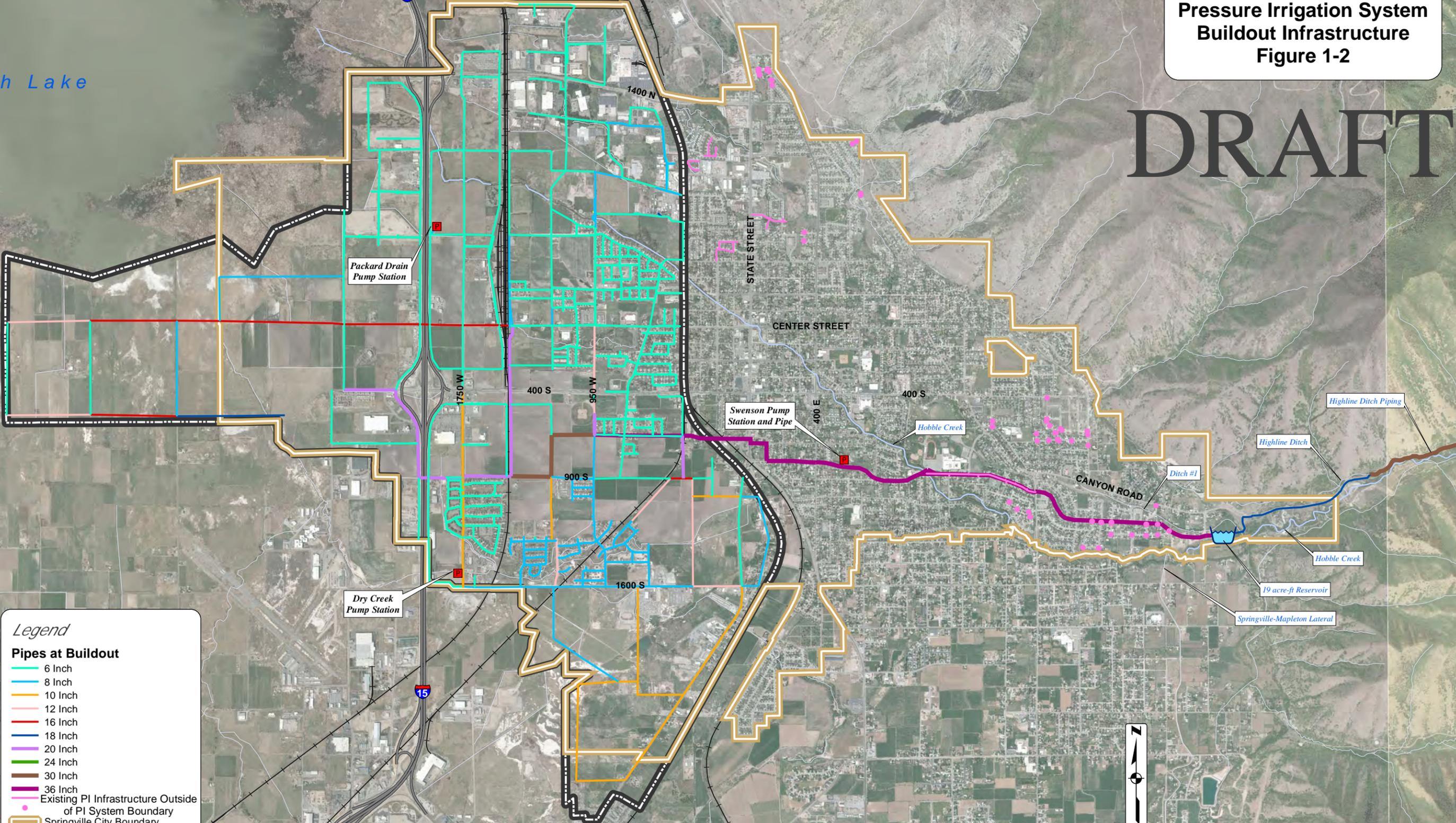


December 2012

Springville City, Utah
 Pressure Irrigation System
 Buildout Infrastructure
 Figure 1-2

DRAFT

Utah Lake



Legend

Pipes at Buildout

- 6 Inch
- 8 Inch
- 10 Inch
- 12 Inch
- 16 Inch
- 18 Inch
- 20 Inch
- 24 Inch
- 30 Inch
- 36 Inch
- Existing PI Infrastructure Outside of PI System Boundary
- Springville City Boundary
- PI System Boundary (Build Out)

Springville City, Utah
 Pressure Irrigation System
 Industrial Manufacturing System Improvements
 Figure 1-3

DRAFT

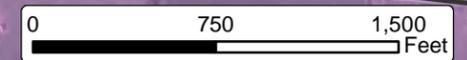
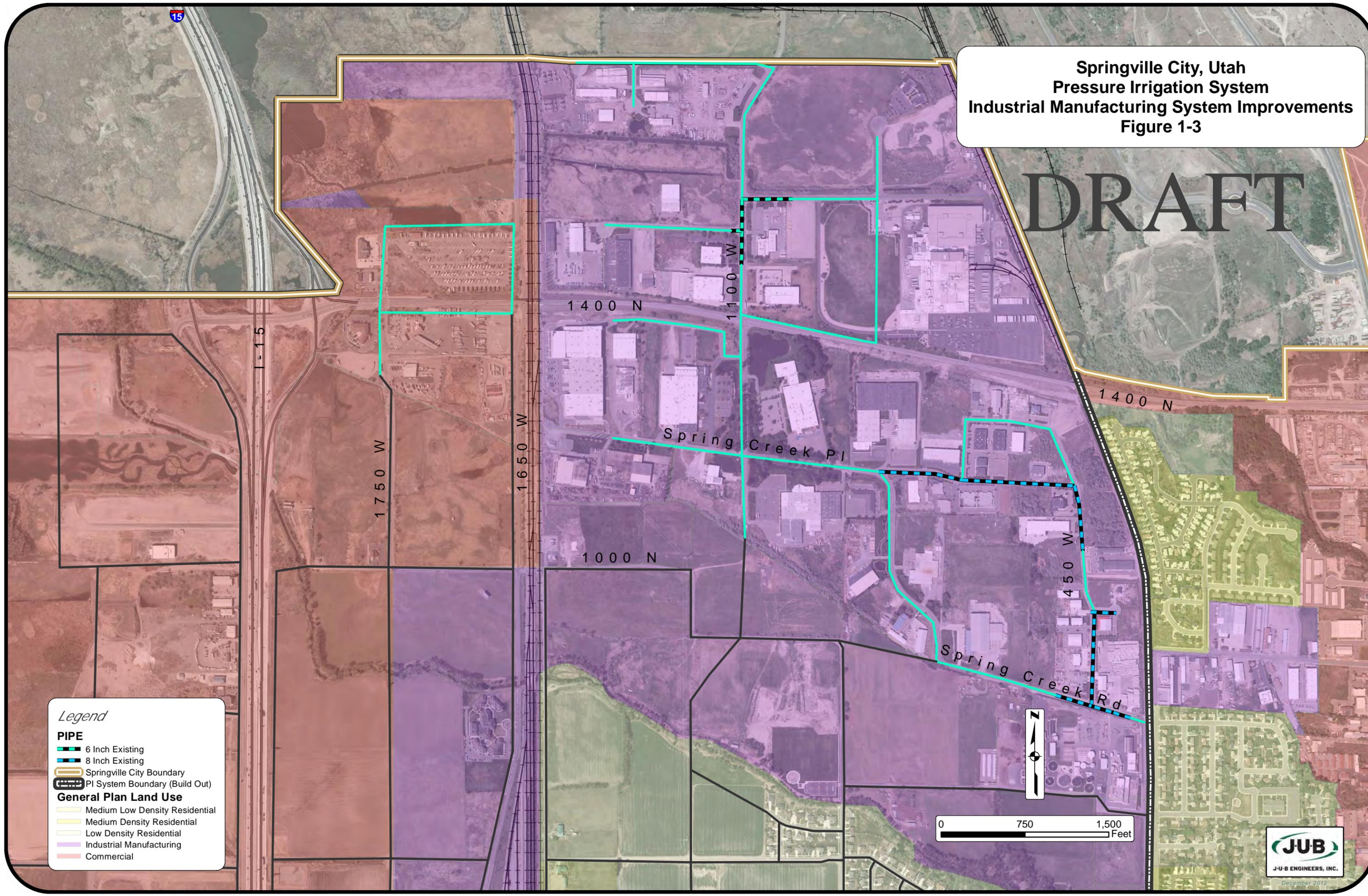
Legend

PIPE

-  6 Inch Existing
-  8 Inch Existing
-  Springville City Boundary
-  PI System Boundary (Build Out)

General Plan Land Use

-  Medium Low Density Residential
-  Medium Density Residential
-  Low Density Residential
-  Industrial Manufacturing
-  Commercial



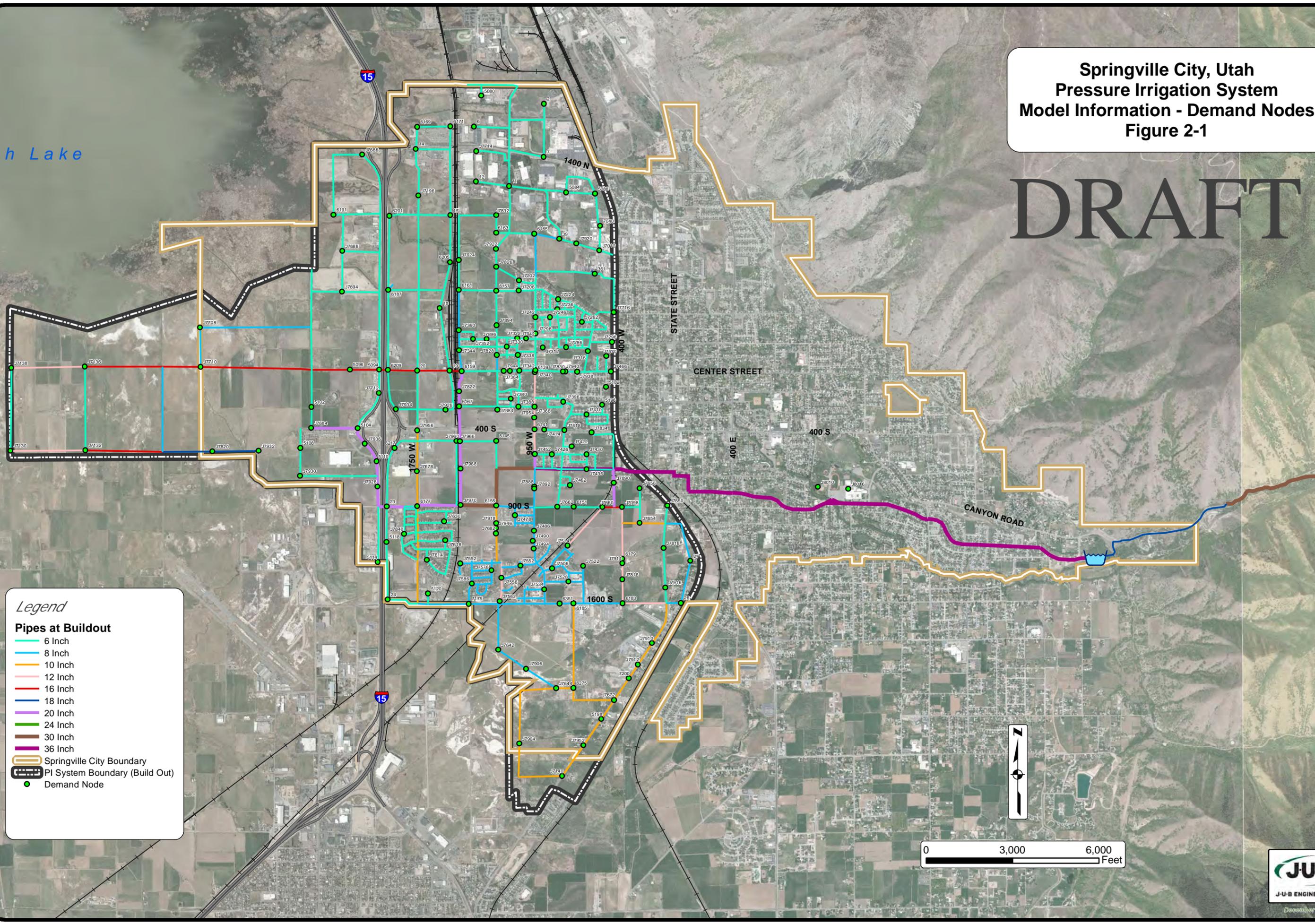
APPENDIX B
MAPS AND MODELING DATA

DRAFT

Springville City, Utah
 Pressure Irrigation System
 Model Information - Demand Nodes
 Figure 2-1

DRAFT

Utah Lake



Legend

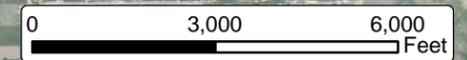
Pipes at Buildout

- 6 Inch
- 8 Inch
- 10 Inch
- 12 Inch
- 16 Inch
- 18 Inch
- 20 Inch
- 24 Inch
- 30 Inch
- 36 Inch

Springville City Boundary

PI System Boundary (Build Out)

Demand Node

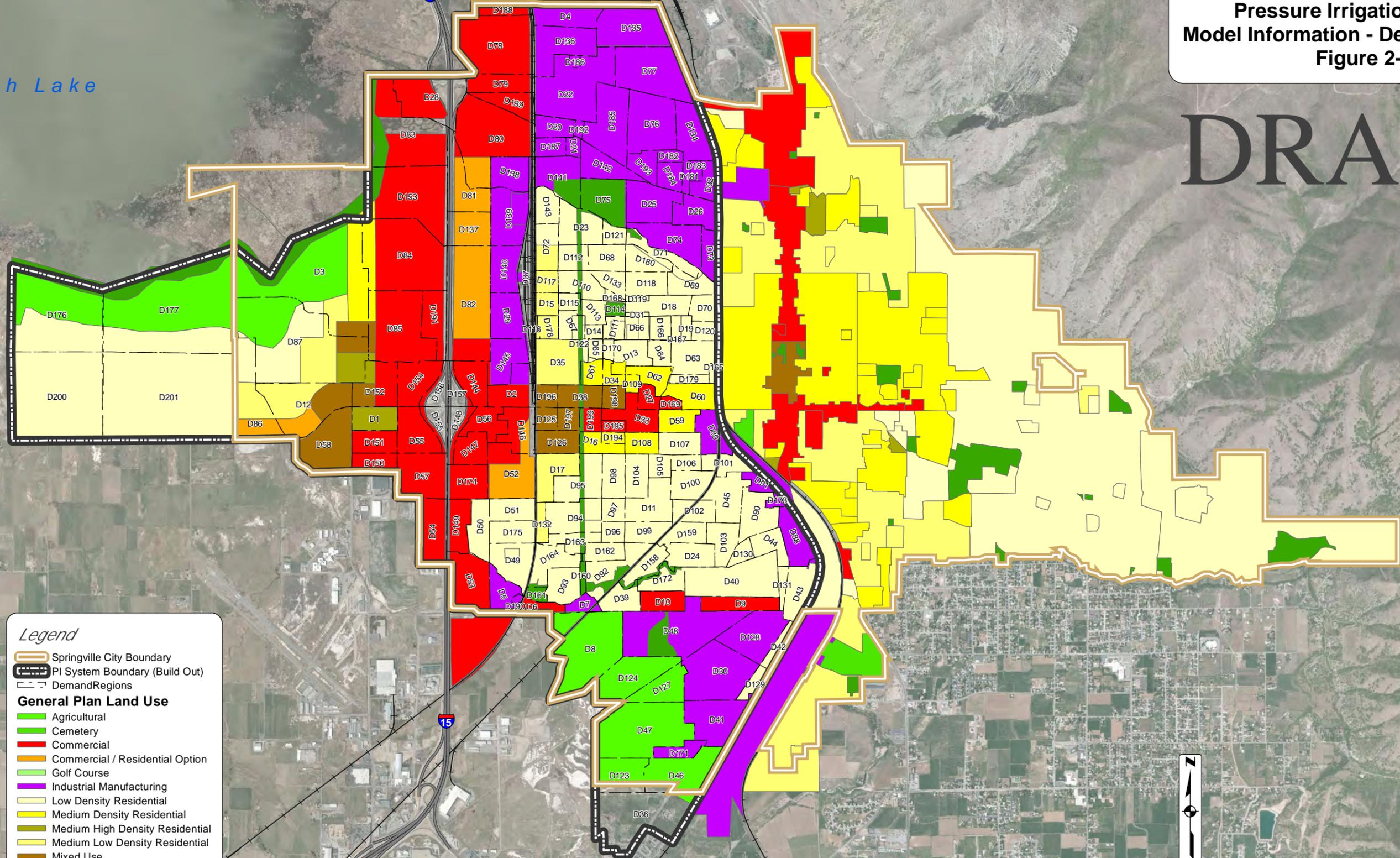


December 2012

Springville City, Utah
 Pressure Irrigation System
 Model Information - Demand Regions
 Figure 2-2

DRAFT

Utah Lake



Legend

- Springville City Boundary
- PI System Boundary (Build Out)
- DemandRegions
- General Plan Land Use**
- Agricultural
- Cemetery
- Commercial
- Commercial / Residential Option
- Golf Course
- Industrial Manufacturing
- Low Density Residential
- Medium Density Residential
- Medium High Density Residential
- Medium Low Density Residential
- Mixed Use
- Parks

0 3,000 6,000 Feet



STAFF REPORT

DATE: May 1, 2014

TO: Mayor and City Council

FROM: Bradley D. Stapley, Director of Public Works

**SUBJECT: EASEMENT DEDICATION TO UNITED STATES OF AMERICA –
MAPLETON SPRINGVILLE PIPELINE PHASE 2 – RIVERS
SUBDIVISION**

RECOMMENDED ACTION

Motion to authorize the Mayor to enter into an agreement with the United States of America (U.S.A.), wherein Springville City will dedicate to the U.S.A. a perpetual easement comprising 0.07 acres and a temporary construction easement comprising approximately 0.29 acres within the Rivers Subdivision in Springville, Utah, as described in Exhibit A attached herewith.

SUMMARY OF ISSUES/FOCUS OF ACTION

The Mapleton Springville Pipeline project, Phase 2 is now under construction. This project is part of the Utah Lake Drainage Basin Water Delivery System managed by the Central Utah Water Conservancy District (CUWCD) under the Central Utah Project (CUP) Completion Act.

The easements in question will allow pipeline connections of the Mapleton Springville Lateral to Springville Irrigation Company (SIC) and Springville City (City) facilities in and near 1100 South (River Bottom Road). The purpose of the easements is to allow construction of a diversion vault to allow delivery of Springville Irrigation Company water, and the means for Springville City to receive Central Utah Project (CUP) water via the Mapleton Springville Lateral.

DISCUSSION

On March 5, 2014, the United States Department of the Interior, Bureau of Reclamation contacted Mayor Wilford W. Clyde with a Contract and Grant of Easement as shown in Exhibit A. These documents describe perpetual and temporary easements that will allow a pipeline vault structure to be built on property owned by the City within the Rivers subdivision.

The easements are located within an existing storm water detention basin located within the Rivers Subdivision along 1100 South (River Bottom Road) as shown in the photograph below.

CITY COUNCIL AGENDA

May 6, 2014

U:\City Council\Staff Reports\2014\05-2014\05_06_2014\SR_EasementDedicationCUWCDRiversSubdivision.doc



Engineering drawings prepared by the CUWCD indicate the relationship of the easements with the pipeline and vault facilities to be constructed in a portion of the existing storm water detention basin shown in Figure 1.

ALTERNATIVES

Option #1: Staff recommends entering into the proposed agreement granting the U.S.A. perpetual and temporary easements as described in Exhibit A.

Option #2: No project (not recommended).

FISCAL IMPACT

The City will receive \$3,100 for granting the perpetual and temporary easements.

CITY COUNCIL AGENDA

Figure 1





United States Department of the Interior

BUREAU OF RECLAMATION
Upper Colorado Regional Office
125 South State Street, Room 6107
Salt Lake City, UT 84138-1102

IN REPLY REFER TO:

UC-426

LND-3.00

HAND DELIVERED

MAR 05 2014

Mayor Wilford W. Clyde
City Hall
110 South Main Street
Springville, UT 84663

Subject: Land Acquisition, The Rivers at Hobblecreek Owners Association, Inc., Parcel No. MSL-2-8(P) and MSL-2-8(T), Mapleton Springville Pipeline, Phase 2, Utah Lake Drainage Basin Water Delivery System, Central Utah Project Completion Act

Dear Mayor Clyde:

The Bureau of Reclamation is in the process of acquiring right-of-way in connection with the construction of the Mapleton Springville Pipeline, Phase 2, Utah Lake Drainage Basin Water Delivery System, Central Utah Project Completion Act. We propose to purchase from you 0.07 of an acre of land in Perpetual Easement and 0.29 of an acre of land in Temporary Easement, designated as Parcel Nos. MSL-2-8 (Perpetual Easement) and MSL-2-8 (Temporary Easement).

In accordance with Section 301(3) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894), as amended, we are furnishing the following information concerning the proposed acquisition. An appraisal of this property has been made by a qualified professional appraiser in accordance with the regulations governing Federal acquisition of land. As required by law, any increase or decrease in the fair market value of your property caused by the project, except with respect to severance damages, if any, has been disregarded. The just compensation has been determined by Reclamation to be \$3,100, of which the amount is not less than the approved appraisal.

Enclosed for your review and consideration is the original and one copy of a Contract and Grant of Easement. If the terms and provisions of this contract meet with your approval, please sign the contract exactly as your name(s) appear. The signatures must be properly acknowledged (notarized). The original contract should then be returned to this office for further processing.

Should you desire additional information concerning this proposed acquisition, please call Mr. Bruce Whiting at 801-379-1061.

Sincerely,



Malcolm M. Wilson
Acting Realty Officer

Enclosures - 2

Contract No. _____

Parcel Nos. MSL-2-8(P) and MSL-2-8(T)

UNITED STATES
DEPARTMENT OF THE INTERIOR

MAPLETON SPRINGVILLE PIPELINE, PHASE 2

UTAH LAKE DRAINAGE BASIN WATER DELIVERY SYSTEM

CENTRAL UTAH PROJECT COMPLETION ACT

CONTRACT AND GRANT OF EASEMENT

THIS CONTRACT AND GRANT OF EASEMENT, made this _____ day of _____, 20____, pursuant to the Act of Congress of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, all of which acts are commonly known and referred to as Reclamation Laws, and the Colorado River Basin Project Act (Act of September 30, 1968, Public Law 90-537, 82 Stat. 885), Sec. 501 (a), and the Reclamation Projects Authorization and Adjustment Act of 1992, P.L. 102-575, as amended, among the UNITED STATES OF AMERICA, its successors and assigns, hereinafter referred to as the United States, and SPRINGVILLE CITY, A UTAH MUNICIPAL CORPORATION, hereinafter referred to as the Grantor,

WITNESSETH, That for and in consideration of the mutual agreements herein contained, the parties hereto do covenant and agree as follows:

1. The Grantor shall sell and by this Contract and Grant of Easement, with covenants of warranty, grant to the United States, free of lien or encumbrance, except as otherwise provided herein, the following described interests in real property situated in the County of Utah, State of Utah, to-wit:

Perpetual easement to construct, reconstruct, operate and maintain underground water pipeline or pipelines, appurtenant structures, on, over, under, or across the following-described land:

Two parcels of land situated in Section Two (2), Township Eight (8) South, Range Three (3) East, Salt Lake Base and Meridian, containing an area of 0.07 of an acre, more or less, of perpetual easement and 0.29 of an acre, more or less, of temporary easement, more or less, and more particularly described as follows:

Parcel No. MSL-2-8 (P) (Perpetual Easement)

Commencing at the Southeast Corner of Section 2, Township 8 South, Range 3 East, Salt Lake Base and Meridian; thence South 89°29'11" West 1186.73 feet along the South Section Line of said Section 2, and North 00°30'49" West 1482.10 feet to the true POINT OF BEGINNING; thence North 8°37'00" East 113.24 feet; thence South 50°04'40" East 40.08 feet, thence 18.78 feet along the arc of a 233.50 foot radius curve to the left, chord bears South 52°22'57" East 18.77 feet; thence South 39°55'20" West 97.51 feet to the point of beginning.

Parcel No. MSL-2-8 (P) contains a total of Seven Hundredths (0.07) of an acre more or less.

ALSO;

Parcel No. MSL-2-8 (T) (Temporary Easement)

Commencing at the Southeast Corner of Section 2, Township 8 South, Range 3 East, Salt Lake Base and Meridian; thence South 89°29'11" West 1107.88 feet along the South Section Line of said Section 2, and North 00°30'49" West 1358.40 feet to the true POINT OF BEGINNING; thence South 89°14'24" West 98.80 feet; thence North 8°37'00" East 125.72 feet; thence North 39°55'20" East 97.51 feet; thence 10.85 feet along the arc of a 233.50 foot radius curve to the left, chord bears South 56°01'04" East 10.85 feet; thence 20.13 feet along the arc of a 15.00 foot radius curve to the right, chord bears South 18°54'00" East 18.65 feet; thence 152.70 feet along the arc of a 239.00 foot radius curve to the left, chord bears South 1°14'46" West 150.11 feet; thence 24.65 feet along the arc of a 180.99 foot radius curve to the right, chord bears South 13°09'17" East 24.63 feet, to the point of beginning.

Parcel No. MSL-2-8 (T) contains a total of Twenty-nine (0.29) of an acre, more or less, of temporary easement.

1a. The Grantor warrants that Grantor is the owner of the real property whereon the above-described easement lies.

1b. The Grantor, for itself, its successors and assigns, agrees that, within the perpetual easement area described herein they shall not: (i) erect, construct, or permit to be constructed, any permanent building, structure, or improvement of any kind (except as may be approved or defined hereafter), nor shall Grantor construct or permit others to construct or install any fences, hard surfaced areas, or other permanent or temporary obstructions or improvements within the boundaries of the easement area that might interfere with the United States' ability to gain access to the easement for operation, maintenance, repair or replacement purposes unless the Grantor first obtains consent in writing from the United States for such construction or installation, including access across the easement area to facilitate such construction or installation, which consent

shall not be unreasonably withheld. The United States shall grant or deny such consent within 30 days of receipt of the request from Grantor. If the United States approves the requested access for construction or installation, Grantor shall not be required to pay any cost to the United States for the portion of the easement affected by the access. Any such obstruction installed or permitted to be constructed, installed, or maintained within the boundaries of the easement area shall be removed at Grantor's sole expense; (ii) plant any tree or shrubs on any portion of the easement, nor dig or drill any holes or wells, nor increase or decrease the ground elevations existing at the time this document is executed, on all or any portion of the easement; (iii) remove materials from the area without the approval of the United States, its agents or assigns; (iv) damage to the road or appurtenant structures will be repaired by the Grantor, at the sole cost of the Grantor.

1c. In the event that Grantor, its heirs, successors, or assigns, places or permits to be placed, any encroachment on any portion of the easement, the United States shall have the right to remove the encroachment after five (5) days written notice to Grantor, and Grantor, its heirs, or successors, or assigns, agrees to pay all costs incurred by the United States in removing the encroachment. All costs shall earn interest at the rates set by Utah law for interest on judgments until Grantor has reimbursed the United States for the cost of removal of any such encroachment. Any damage to the United States' property or appurtenant structures caused by the Grantor's use or encroachment of the easement shall be repaired at the sole cost and expense of the Grantor.

1d. The Grantor, for itself, its successors and assigns, understands and agrees that any alteration, modification, change, or placement of improvements, by Grantor or any third party, within the above-described easement area, subsequent to the date of execution of this Contract and Grant of Easement, shall be made at Grantor's own risk, and Grantor hereby releases the United States from liability for any and all loss or damage of every description or kind whatsoever which is caused by or as a direct result of such alteration, modification, change, or placement of improvements within said area; provided, however, that nothing in this Article shall be construed as releasing the United States from liability for its own negligence or the negligence of its employees, agents or contractors.

1e. It is understood and agreed that the rights to be granted to the United States, as described in Article 1 hereof, shall be free from lien or encumbrance except: (i) coal, oil, gas, and other mineral rights reserved to or outstanding in Grantor and/or in third parties as of the date of this contract; (ii) rights-of-way for roads, railroads, telephone lines, transmission lines, ditches, conduits, or pipelines, on, over, under, or across said lands in existence on such date; and (iii) court liens, judgments or financial encumbrances, such as Deeds of Trust, for which a formal consent has been obtained from the court or the lien holder.

1f. It is understood and agreed that the United States or its assigns shall have the right to install gates where the pipeline or access road crosses existing fences, and also to install temporary construction fencing during construction.

1g. It is understood and agreed that the temporary easement herein granted shall begin on July 1, 2014 and terminate on June 30, 2015 or at the end of construction, whichever comes first.

1h. The United States, at its sole cost and expense, will: (i) replace any boundary fence damaged during construction with a fence of similar construction and materials. The United States may, in its sole discretion, erect, maintain, or use gates in all fences which now cross or later may cross any portion of the easement(s) to enable the United States to take equipment along the easement(s) to perform required maintenance and repair. Grantor may lock any such gate to prohibit the public from unlawful access to the easement area, but Grantor shall provide the United States a key to any such lock at Grantor's expense. The United States shall also be entitled to trim, cut, or clear away trees, brush, or other vegetation or flora from time to time as the United States determines in its sole discretion without additional compensation; (ii) grade to reasonably even and regular surfaces, all fills, cuts, and waste banks within the easement area; (iii) replace topsoil within the easement area.

1i. The United States also agrees that if damage occurs to existing driveways or other landscaping within the easement area as a result of and during construction, of said Mapleton Springville Pipeline and appurtenant structures, (i) payment will be made by the United States to the owner thereof on the basis of an appraisal approved by the United States, or (ii) the United States will, at its option, make replacement or repair with material of like kind and equal quality.

2. The acquiring federal agency is the Department of the Interior represented by the officer executing this Contract, its duly appointed successor, or its duly authorized representative.

3. The United States shall purchase said perpetual and temporary easements on the terms herein expressed, and on execution and delivery of this Contract and Grant of Easement, and approval by the proper officials of the United States, it shall cause to be paid to the Grantor as full purchase price the sum of Three Thousand One Hundred dollars (\$3,100.00).

4. The Grantor shall, at its own cost, procure and have recorded all assurances of title and affidavits which the Grantor may be advised by the United States are necessary and proper to show in the Grantor complete fee simple unencumbered title to the property whereon the above-described easement lies, subject only to the interests, liens, or encumbrances expressly provided herein. Abstracts or certificates of title or title insurance will be procured by the United States at its expense unless otherwise provided in this Contract and Grant of Easement. The expense of recording this Contract and Grant of Easement shall be borne by the United States.

The United States shall reimburse the Grantor in an amount deemed by the United States to be fair and reasonable for the following expenses incurred by the Grantor:

(a) Recording fees, transfer taxes and similar expenses incidental to granting the easement described herein to the United States; and

(b) Penalty cost for prepayment of any pre-existing recorded mortgage entered into in good faith encumbering said real property.

The Grantor agrees to furnish the United States evidence that these items of expenses have been billed to and paid by it and further agrees that the United States alone shall determine the fairness and reasonableness of the expenses to be paid.

5. In the event that liens or encumbrances other than those expressly provided herein, do exist, the United States may, at its option, remove any and all such outstanding liens and encumbrances by reserving from the purchase price herein set forth the necessary amount and discharge same with the money so reserved, but this provision shall not be construed to authorize the incurrence of any lien or encumbrance as against this Contract and Grant of Easement, nor as an assumption of any lien or encumbrance by the United States.

6. It is agreed that, at its election, the United States may draw its check in payment for granting the above-described easement to the order of the title contractor or closing agent, and the Grantor hereby authorizes the said contractor or agent to cash the check and make disbursements out of the proceeds to satisfy and pay any taxes, assessments, and encumbrances which are a lien against the real estate; to pay any State and local recording or transfer taxes where required, and any other expenses incident to the closing of title which are properly chargeable to the Grantor; and to remit the balance of the proceeds to Grantor; together with an itemized statement of the payments made on Grantor's behalf.

7. This Contract and Grant of Easement shall become effective to bind the United States to purchase said easement immediately on its execution by the contracting officer acting under the authority of the Secretary of the Interior and shall inure to the benefit of and be binding on the heirs, executors, administrators and assigns of the Grantor, and the assigns of the United States.

8. After execution of this contract by the United States, the proper officers, agents, and assigns of the United States shall, at all times, have unrestricted access to said easements for any purpose including the construction, reconstruction, operation, or maintenance of the pipeline and appurtenant facilities, free of any claim for damage or compensation on the part of the Grantor, except as otherwise provided for in this contract. Notwithstanding the foregoing, the United States agrees to compensate the Grantor for any damage to Grantor's real and personal property outside of the easement areas resulting from or arising out of the construction, reconstruction, operation or maintenance of the pipeline and appurtenant facilities.

9. If the Secretary of the Interior determines that the title to the easement should be acquired by the United States by judicial procedures, either to procure a safe title or to

obtain title more quickly, then the award to be made for the interest acquired in said lands in said proceedings shall be the same amount as the purchase price herein provided.

10. The Grantor warrants that the Grantor has not employed any person to solicit or secure this Contract and Grant of Easement upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the United States the right to annul the Contract and Grant of Easement, or, in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commissions payable by contractors upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the Grantor for the purpose of securing business with others than the United States.

11. No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this Contract and Grant of Easement, or to any benefit that may arise therefrom, but this restriction shall not be construed to extend to this contract if made with a corporation or company for its general benefit.

12. Time is of the essence in the performance of this Contract and Grant of Easement.

13. The terms of this Contract and Grant of Easement will survive the grant provided for herein.

IN WITNESS WHEREOF, the parties hereto have signed their names the day and year first above-written.

THE UNITED STATES OF AMERICA

By _____
Realty Officer,

SPRINGVILLE CITY, A UTAH
MUNICIPAL CORPORATION

By: _____
Title _____, Grantor

By: _____
Title _____, Grantor

ACKNOWLEDGMENT

State of)
) ss.
County of)

On this _____ day _____, 20 __, personally appeared before me _____ and _____, who, being by me duly sworn, did say, each for themselves, that he/she, is _____ the and that he/she, is the _____ of, the Corporation, and that the within and foregoing instrument was signed in behalf of said Corporation by authority of a Special Meeting of its Board of Directors, and said _____ and _____ each duly acknowledged to me that said Corporation executed the same and that the seal affixed is the seal of said Corporation.

IN WITNESS WHEREOF, I have hereunto set my had and affixed by official seal the day and year first above written.

(SEAL)

Notary Public in and for the
State of
Residing at