



MOUNTAIN REGIONAL WATER
SPECIAL SERVICE DISTRICT

MEMORANDUM

To: Summit County Council
From: Mountain Regional Administrative Control Board
Date: August 7, 2014
Subject: 2014 Capital Budget Amendment Recommendation

Mountain Regional's Administrative Control Board recommends a 2014 capital budget amendment for adoption by the Summit County Council, related to three key property acquisitions:

Promontory Property Purchases

Mountain Regional acquired two pieces of property from the Promontory developer as part of its settlement agreement over the recently adopted impact fees that Promontory was protesting.

<u>Property</u>	<u>Cost</u>	<u>Funding Sources</u>
Well 15C Easement	\$30,000	Impact Fees \$30,000

This easement is needed to construct Well 15C within the Promontory development. The existing Well 15B is one of Mountain Regional's largest district-wide sources – despite being a test well. Construction of Well 15C is an important component of regionalization, and was included in the impact fee facilities plan the County Council adopted last month.

<u>Property</u>	<u>Cost</u>	<u>Funding Sources</u>
Office/Shop Property	\$195,000	Promontory Note \$146,250
		Existing Capital Budget 48,750

This 1.16 acre property will be used to build Mountain Regional's first ever shop as part of an operations facility that will include an office. A shop is needed for several reasons including a place to park heavy equipment. Funds to build an operations facility were allocated in 2006, but following the economic crash of 2008, they were redirected to critical water projects. Now the economy has improved, Mountain Regional hopes to start construction of the shop in about two years.

Mountain Regional plans to sell its existing office to apply to the cost of the new facility - plus a \$25,000 annual office lease would also be terminated.

This property is located close to Mountain Regional's main office building – which is another benefit. The property purchase will have only a limited impact on rates as it was funded with a three year note with payments under \$40,000 per year.

Lost Canyon Property Purchase

<u>Property</u>	<u>Cost</u>	<u>Funding Sources</u>	
Lost Canyon	\$315,000	Lease/Purchase	\$310,000
		Existing Capital Budget	5,000

This property is right next to the Mountain Regional's Lost Canyon booster station that currently provides about 5,000 acre feet of water to Mountain Regional and Park City customers; and has capacity to provide up to 7,500 acre feet.

It is likely this property will be necessary to expand the Lost Canyon booster station within the next ten years. There is also a home on the property that could be rented to cover about half of the \$20,000 annual debt payment. Another advantage to acquiring this property is that the booster station is very noisy and a new property owner could make complaints.

This purchase will have a limited impact on rates as it is being financed over 20 years at 2.9%, plus the home could be rented until the booster station is expanded.

Total Amended Capital Budget

The total amended capital budget is shown on the following page.

MOUNTAIN REGIONAL WATER
2014 Amanded Capital Budget - Cash Basis

	Prior Year Carryforward	2014 Budget	Total Adopted Budget	Recommended Amendments	Total Amended Budget
Funds Available					
Previous Capital Budget Carryforward	355,047	-	355,047		355,047
Excess Cash	-	576,600	576,600		576,600
Transfers from Repair Funds	-	200,000	200,000		200,000
Due from Synderville Basin Rec District	28,000	-	28,000		28,000
Rocky Mountain Power Grant	35,981	-	35,981		35,981
Series 2011 Green Bond Proceeds	426,863	-	426,863		426,863
Impact Fees	-	-	-	30,000	30,000
Promontory Promissory Note	-	-	-	146,250	146,250
Zions Lease/Purchase Agreement	-	-	-	310,000	310,000
Total Proceeds Available	845,891	776,600	1,622,491	486,250	2,108,741
Capital Projects					
Green Projects	426,863	15,100	441,963		441,963
Northridge Pumps	67,000	23,000	90,000		90,000
Summit Park Phase IV	-	375,000	375,000		375,000
US-40 Pipe Sleeve	28,000		28,000		28,000
Woodside Pump Upsizing	-	80,560	80,560		80,560
Other Projects	324,028	(118,660)	205,368	(53,750)	151,618
Well 15C Easement				30,000	30,000
Promontory Property Purchase (Impact Fee Settlement)	-	-	-	195,000	195,000
Lost Canyon Expansion Property Purchase	-	-	-	315,000	315,000
Total Capital Projects	845,891	375,000	1,220,891	486,250	1,707,141
Capital Equipment					
System Improvements	-	294,300	294,300		294,300
Vehicles	-	75,000	75,000		75,000
Operations & Maintenance	-	31,100	31,100		31,100
Unallocated	-	1,200	1,200		1,200
Total Capital Equipment	-	401,600	401,600	-	401,600
Total Capital Budget	845,891	776,600	1,622,491	486,250	2,108,741
NET CASH REMAINING FOR CAPITAL PROJECTS	-	-	-	-	-

MOUNTAIN REGIONAL WATER

PROPOSED RATE ADJUSTMENTS
AND
RESTRUCTURING

Regionalization Impact on Finances

Phase I - Nearly \$60 M in Debt Issued

Lost Canyon Booster, Pipelines, and Treatment Plant

Water Rights, Wells, Power Substation

Wheel up to 2,900 acre feet of raw water to Park City annually

Related Costs as Percent of Total Expenditures:

Debt Payments – 40%

Annual Weber Basin Lease Fees - 15%

Power Costs 10%

Phase 2 – Summit Water Settlement

SW Has Option to Share 50% of Water Rights & Source Impact Fees

Until 2030 – Could Reduce MRW Impact Fee Collections

SW Must Provide Equivalent Amount of Water to MRW at No Cost

MRW Has Opportunity to Sell Wholesale Culinary Water to SW

Phase 3 – 2013 Regionalization Agreement

MRW to Pay Minimum \$275,000 in New Lease Fees Starting in 2019

MRW Has Opportunity to Sell Additional Wholesale Water to All Basin Water Entities through Weber Basin

Rate Recommendation 2014 -2015

3.75 % Increase Effective August 1, 2014

3.75% Increase Effective August 1, 2015

NO Gallons in Base Rate

- Trend in Industry
- Park City has Implemented NO Gallons in Base Rate

Average 20% Fee Increase in August 2014

- First Increase Since 2003
- Fees generally paid one time (not ongoing charge)

Five-Year Pro-Forma (Page 1)

	Projected			Estimated			5 Year Change	Notes
	2014	2015	2016	2017	2018	2019	Major Budget Items	
Water Sales								
Existing	\$ 5,857,100	\$ 5,857,100	\$ 5,857,100	\$ 5,857,100	\$ 5,857,100	\$ 5,857,100	\$ -	
New Development (cumulative)	-	58,500	117,000	175,500	234,000	292,500		(2)
Rate Adjustments	117,000	350,000	467,000	780,000	780,000	1,495,000		(3)
	3.75%	3.75%	0.00%	5.0%	0.00%	11.50%		
	1-Aug	1-Aug	1-Aug	Jan 1	Jan 1	Jan 1		
Regionalization Wholesale Water	-	-	140,100	145,400	151,000	261,200		(4)
Promontory Raw Water	410,000	434,600	460,676	488,317	517,616	548,672		
Park City Wheeling	540,000	567,000	645,350	727,618	813,998	904,698		
Stagecoach Infrastructure	167,700	167,700	167,700	167,700	167,700	167,700		
Operating Fees	246,400	281,400	281,400	281,400	281,400	281,400		
Interest Earnings	30,400	35,400	40,400	40,400	40,400	40,400		
Impact Fees	450,000	326,300	326,300	326,300	326,300	491,300	41,300	(5)
Promontory SID Assessments								
Existing	1,620,000	1,536,000	1,452,000	1,368,000	1,284,000	-	(1,620,000)	(6)
New	-	61,875	275,000	275,000	275,000	275,000	275,000	(7)
Other	75,000	75,000	75,000	75,000	75,000	75,000		
TOTAL CASH REVENUE	9,513,600	9,750,875	10,305,026	10,707,734	10,803,514	10,689,971	(1,303,700)	
Distribution								
Weber Basin Lease Fees	265,800	273,774	281,987	290,447	299,160	308,135	42,335	(8)
Power	300,000	324,000	349,920	377,914	408,147	440,798	140,798	(9)
OM&R	1,479,300	1,523,679	1,569,389	1,616,471	1,664,965	1,714,914		
Lost Canyon Production								
Weber Basin Lease Fees								
Existing	568,700	596,061	624,243	653,270	683,168	713,963	145,263	(8)
New Regionalization	-	-	-	-	-	275,000	275,000	(10)
Power	406,500	439,020	474,142	512,073	553,039	597,282	190,782	(9)
Treatment	419,800	507,394	522,616	538,294	554,443	571,076		
OM&R	408,300	420,549	433,165	446,160	459,545	473,332		

Five-Year Pro-Forma (Page 2)

	Projected			Estimated			5 Year Change	Notes
	2014	2015	2016	2017	2018	2019	Major Budget Items	
Other								
Engineering, Energy & Technology	449,300	462,779	476,662	490,962	505,691	520,862		
Legal	50,000	51,500	53,045	54,636	56,275	57,964		
Mangement & Finance	367,900	378,937	420,305	432,914	445,902	459,279		
Public Services	387,700	399,331	411,311	423,650	436,360	449,451		
Bank & Trustee Fees	45,000	45,000	48,000	48,000	48,000	48,000		
TOTAL CASH OPERATING EXPENDITURES	5,148,300	5,422,024	5,664,786	5,884,792	6,114,695	6,630,056	794,179	
AVAILABLE FOR DEBT SERVICE	4,365,300	4,328,851	4,640,240	4,822,942	4,688,818	4,059,915	(2,097,879)	
Debt Service (includes required 25.0% coverage)								
Existing	4,231,990	4,227,466	4,228,860	4,471,689	3,683,162	3,659,290	(572,700)	(11)
New								
Promontory Assessment Bonds		56,250	250,000	250,000	250,000	250,000	Sid Assessments	(12)
Revenue Bonds	-	33,750	150,000	150,000	150,000	150,000		(13)
TOTAL CASH DEBT SERVICE	4,231,990	4,317,466	4,628,860	4,871,689	4,083,162	4,059,290	(572,700)	
REMAINING CASH	133,310	11,385	11,380	(48,747)	605,656	625	(1,525,179)	
Total Five Year Cash Change for Major Budget Items							\$ (305,036)	(14)
Existing Debt Service Not Funded by Promontory:	\$ 2,611,990	\$ 2,691,466	\$ 2,776,860	\$ 3,103,689	\$ 2,399,162	\$ 3,659,290	\$ 1,047,300	
Total Five Year Cash							\$ 209,460	(11)

Rate Recommendation 5 Year Options

		<u>Forecast</u>	<u>Option 1</u>	<u>Option 2</u>	
2014	August 1	3.75 %	3.75 %	4.40 %	In order to avoid larger rate increases every two or three years, the projected total five year increase could be allocated to a smaller annual increase to achieve the same revenue growth over the period.
2015	August 1	3.75	3.75	4.40	
2016	August 1	0.00	4.75	4.40	
2017	August 1	5.00	4.75	4.40	Note, 2019 is facing a large increase due to regionalization fees and increasing debt costs (net SID assessment payments).
2018	August 1	0.00	4.75	4.40	
2019	August 1	11.5	4.75	4.40	

EXISTING DEBT SERVICE IS LARGEST CONTRIBUTOR TO RATE INCREASES

MOUNTAIN REGIONAL WATER

Current Annual Debt Service Costs - *Including 1.25 Coverage*

	Parity Debt	Other Debt	Total Debt Without Coverage	Total Debt With 1.25 Coverage	SID Funded	Paid From Water Rates
2014	\$ 3,203,382	\$ 182,210	\$ 3,385,592	\$ 4,231,990	\$ 1,620,000	\$ 2,611,990
2015	3,199,593	182,380	3,381,973	4,227,466	1,536,000	2,691,466
2016	3,209,836	173,252	3,383,088	4,228,860	1,452,000	2,776,860
2017	3,407,706	169,646	3,577,352	4,471,689	1,368,000	3,103,689
2018	2,776,689	169,841	2,946,530	3,683,162	1,284,000	2,399,162
2019	2,757,387	170,045	2,927,432	3,659,290		3,659,290
2020	2,756,660	170,259	2,926,919	3,658,648		3,658,648
2021	2,756,673	170,482	2,927,155	3,658,944		3,658,944
2022	2,752,410	170,716	2,923,126	3,653,907		3,653,907
2023	2,756,873	170,960	2,927,833	3,659,792		3,659,792
	\$ 29,577,208	\$ 1,729,791	\$ 31,306,999	\$ 39,133,748	\$ 7,260,000	\$ 31,873,748

Steps already Taken to Mitigate cost increases

Construct Power Substation

- Annual Cost = \$77,944 vs \$200,000 to \$250,000 Annual Savings

Pump at Night During Low Power Rate Periods Only

- Unless Needed to Maintain Fire Storage
- Green Projects

Weber Basin Lease Fee Audit – Save \$50,000 Annually

Restructured Debt to Take Advantage of Lower Interest Rates

- Series 2009 \$9.045 M – Resulted in \$2.1 M Net Present Value Savings over 10 years
- Series 2012 \$27.27 M – Resulted in \$3.41 M Net Present Value Savings over 20 years
- MRW Can Not Restructure Debt Again Until 2021 Per Bond Contracts

REVENUE GROWTH BEYOND TWO YEARS VERY DIFFICULT TO FORECAST

Building Economy and New Development (short- to long-term)

- Silver Creek Village Center is Major Question Mark

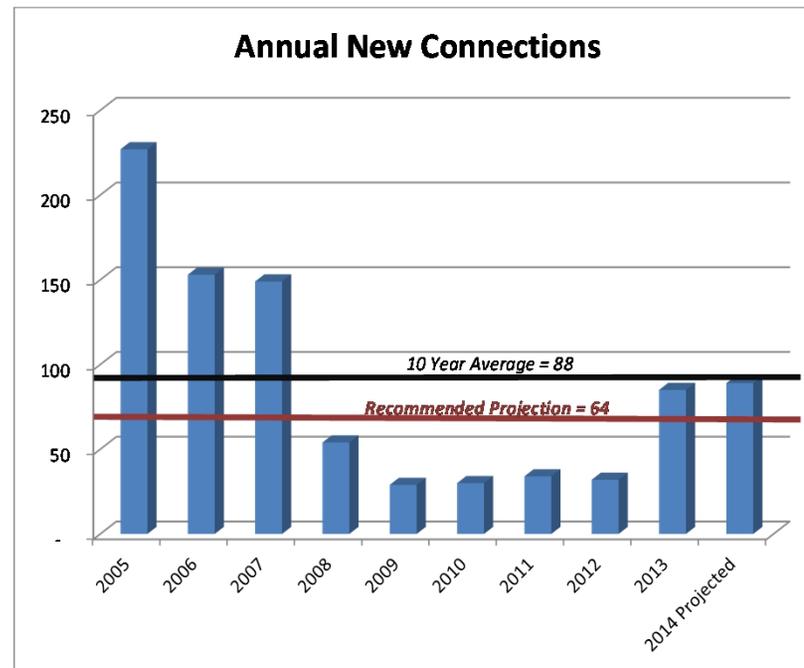
Wholesale Water Sales (mid- to long-term)

Future Annexations and Regionalization (mid- to long-term)

Weather Patterns (short- to long-term)

Develop Modest Long-term Forecasts and Set Budget & Rates according to Modest Average over Long-term

Annual Customer Growth



Annual Water Sales Growth

MOUNTAIN REGIONAL WATER				
Annual Water Sales Revenue Increase from New Growth				
	Weak Economy Projection	Moderate Economy	Strong Economy Projection	Building Boom Projection
<u>Annual Revenue Increase from New Water Users</u>				
Median Water Rate	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Less Standby Fee	(429)	(429)	(429)	(429)
Annual Revenue Per New Water User	771	771	771	771
 New Annual Water Users	 32	 64	 80	 120
Annual Revenue Increase	24,672	49,344	61,680	92,520
<u>Revenue Increase from New Standby Lots</u>				
Standby Fee	429	429	429	429
New Annual Standby Lots	10.7	21.3	26.7	40.0
Annual Revenue Increase	4,576	9,152	11,440	17,160
 Total Annual Revenue Increase from New Growth	 \$ 29,200	 \$ 58,500	 \$ 73,100	 \$ 109,700

Annual Impact Fee Collections

MOUNTAIN REGIONAL WATER Forecasted Annual Impact Fee Collections

	New Lots	Annual Revenue 2015 to 2018	Annual Revenue 2019
Weak Economy Projection	32	\$ 126,400	\$ -
Normal Building Economy	64	326,300	491,300 ⁽¹⁾
Strong Economy Projection	80	499,800	-
Building Boom Projection	120	749,700	-
	Current Budget	\$ 450,000	\$ 450,000

(1) - The increase in 2019 assumes an impact fee increase will be adopted to include the infrastructure costs included in the regionalization lease fees.

**Mountain Regional Water
Summary Comparison of Current and Proposed Water Rates**

<u>Monthly Base</u>	<u>Current</u>		<u>Proposed</u>	
	Amount	Gallons	Amount	Gallons
Residential				
Plan A	56.00	3,000	60.00	-
Plan B	62.75	5,000	60.00	-
Plan C	73.25	8,000	60.00	-
Non Residential				
Plan B	97.25	5,000	77.00	-
<i>Mountain Regional does not use meter size in determine base and usage rates since many homes and building require upsized meters for fire flow.</i>				
<u>Consumption Rates</u>	<u>Current Plan B</u>		<u>Proposed</u>	
Residential				
0 to 5,000	-		2.75	
5,000 to 30,000	4.01 to 5.15		4.50	
30,000 to 40,000	5.72		8.00	
40,000 to 60,000	9.16		12.00	
60,000 to 80,000	18.32		15.00	
80,000 to 100,000	22.90		18.00	
> 100,000	22.90		21.00	
Non-Residential				
0 to 5,000	-		2.75	
5,000 to 30,000	4.01 to \$5.15		4.50	
30,000 to 40,000	5.72		8.00	
40,000 to 60,000	9.16		12.00	
60,000 to 80,000	13.74		12.00	
80,000 to 100,000	18.32		12.00	
> 100,000	18.32		12.00	
<i>Mountain Regional does not apply the highest punitive rates to non-residential customers since they have a higher base rate; and because these customers generally do not use a lot of outdoor water.</i>				

All rates not shown to the right would increase 3.75% each of the two years.

This generally includes rates that already do not include a base rate or do not include gallons in the base rates.

This includes condo irrigation, snowmaking, Olympic Park, etc.

THE TWO YEAR MEDIAN INCREASE BY CUSTOMER TYPE

	Median Increase	% Increase
Residential	\$ 8.81	7.6%
Non-Residential	n/a	7.5%
Standby Fee	2.65	7.4%

The base rates shown below would apply
in order to allocate
3.75% increase each year

	2014	2015
Residential Base	\$ 56.50	\$ 61.00
Non-Residential Base	75.00	83.50
Standby Fee	37.00	38.40

APPENDIX 2
Mountain Regional Water
Proposed Fee Increase - Dollar Increments

<u>Connection Fees</u>	Current	Proposed	\$ Change	% Change	
Security Deposit (Refundable Upon Completion of Structure)	1,500	1,500	-	0.0%	<i>Per Connection</i>
<hr/>					
Meter Hookup Fee - New Connections					<i>Per Connection</i>
Up to 3/4" Meter	1,200	1,400	200	16.7%	
1.0" Meter	1,400	1,600	200	14.3%	
1.5" Meter	1,800	2,000	200	11.1%	
2.0" Meter	2,100	2,300	200	9.5%	
3.0" Meter	Incremental Cost	Incremental Cost			
4.0" Meter	Incremental Cost	Incremental Cost			
6.0" Meter	Incremental Cost	Incremental Cost			
8.0" Meter	Incremental Cost	Incremental Cost			
 MXU Fee	 300.00	 400.00	 100	 33.3%	 <i>Per Connection</i>
 Meter Inspection (Generate Service Order)	 75.00	 100.00	 25	 33.3%	
 Fire Hydrant Meter					
Private Fire Hydrant Flushing and Inspection Fee (Monthly)	8.35	10.00	1.65	19.8%	
 3" Meter - Deposit (Refundable)	 1,500	 1,500	 -	 0.0%	 <i>Per Connection</i>
3" Meter Wear Fee (Non-Refundable)	300	350	50	16.7%	<i>Per Connection</i>
3" Monthly Base Rate	100.00	115.00	15	15.0%	<i>Per Connection</i>
 1" Meter - Deposit (Refundable)	 500	 500	 -	 0.0%	 <i>Per Connection</i>
1" Meter Wear Fee (Non-Refundable)	100	125	25	25.0%	<i>Per Connection</i>
1" Monthly Base Rate	100.00	115.00	15	15.0%	<i>Per Connection</i>

APPENDIX 2
Mountain Regional Water
Proposed Fee Increase - Dollar Increments

Other Fees

Disconnection of Service

Removal of Meter	175	250	75	42.9%
Resumption of Disconnected Service	8 time Monthly Base	8 time Monthly Base		

Resumption Service (If Not Disconnected)	75	-		
Title Transfer Fee		100	25	33.3%

Shut Off Notice	25	30	5	20.0%
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Buried Meter Fee Service

Peak Monthly Gallons for Previous Year at Current Rates Per Month	Peak Monthly Gallons for Previous Year at Current Rates Per Month
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Penalties and Fines

Delinquent Payments	1.5% Per Month	1.5% Per Month		
Delinquent Lien Fee	\$ 20.00	\$ 50.00	30	150.0%

Leaking Water

Credit for estimated water leaked between one meter read, less cost of water production	Credit for estimated water leaked between one meter read, less cost of water production
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Theft of Service	500	1,000	500	100.0%
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Conservation Violations

1st Violation	Warning	Warning		
2nd Violation	50	50	-	0.0%
3rd Violation	100	100	-	0.0%
4th Violation	500	500	-	0.0%

Release of Restrictive Covenant

Assess all back fees and charges, plus 1.5% annual interest	Assess all back fees and charges, plus 1.5% annual interest	<i>Per Lot</i>
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Alternate Water Service Provider	4,700	4,700	-	0.0%	<i>Per ERC</i>
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**MOUNTAIN REGIONAL WATER
SPECIAL SERVICE DISTRICT**

**2014 Recommended
Rate and Fee
Adjustments and
Restructuring**

August 6, 2014

Preliminary Confidential RCU

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1.0 EXECUTIVE SUMMARY

Mountain Regional's last water rate increase was effective August 2012. Before that, it had not raised rates for several years due to the building boom and hot, dry weather.

Due to significant increases in its three largest budget items: scheduled debt service on existing bonds, Weber Basin lease fees, and power costs, additional revenue is necessary. In fact these three items, combined with anticipated lower impact fee collections, will have an average \$305,036 financial impact over each of the next five years.

2014 and 2016

Mountain Regional's Administrative Control Board has reviewed its financial situation and, based upon current **projections**, recommends the following increases:

		<u>Forecast</u>
2014	August 1	3.75 %
2015	August 1	3.75

Both these rate increases are necessary to meet the cash flow requirements for 2015.

Based upon current projections, no rate increase will be needed in 2016.

Making the rate increases effective August 1 of each year means the rate increases would first be reflected on customers bills sent out on September 1 of those years. Since rates were last increased in August 2012, the average yearly increase between 2012 and 2015 would be 2.50% - if the recommended increases are adopted.

The Control Board also recommends an average fee (except impact fees) increase of 20.0%. Fees have not been raised since 2003. Almost all fees are one-time payments that do not affect existing customers who pay their bills on time.

2016 to 2019

No additional rate and fee increases are projected until January 2017 based upon moderate revenue **estimates**. However, current **estimates** indicate a significant 11.5% rate increase will be needed in January 2019. Major increases in both Weber Basin lease fees and existing scheduled debt payments in 2019 will be a huge challenge; although it is anticipated that 60% of the increase in lease fees could be funded by increasing impact fees. In summary, based upon current financial estimates: the following rate increases are anticipated:

		<u>Forecast</u>
2017	January 1	5.0 %
2018		0.0
2019	January 1	11.5

In order to avoid larger rate increases every two to three years and smooth out the rate increases over time, the following options are available:

		<u>Forecast</u>	<u>Option 1</u>	<u>Option 2</u>
2014	August 1	3.75 %	3.75 %	4.40 %
2015	August 1	3.75	3.75	4.40
2016	August 1	0.00	4.75	4.40
2017	August 1	5.00	4.75	4.40
2018	August 1	0.00	4.75	4.40
2019	August 1	11.5	4.75	4.40

Smoothing out rate increases over avoids sticker shock rate increases every two to three years. It also aids in financial planning, and has a positive affect on bond ratings.

Once again, the 2019 lease fee increases (net amount potentially funded by impact fees) and the increase in 2019 payments on existing debt are the largest contributor to the projected rate increases between 2017 and 2019.

1.1 Summary of Rate & Fee Recommendations

The District conducts a five year financial forecast as part of its annual budgeting process. This analysis confirmed the need for rate and fee increases over the next two years, as shown in **Appendix One**.

Based upon this, Mountain Regional is requesting the following increases based upon normal revenue growth:

- 1) An **average** 3.75% rate increase effective August 1, 2014;
- 2) A second **average** 3.75% increase effective August 1, 2015;
- 3) Selective fee increases (excludes impact fees) averaging 20.0%. Fees haven't increased since 2003. Fees are generally one-time payments that don't affect existing customers who pay their bills on time.

The recommended 2014 and 2015 water rate increases would have the following effect on Mountain Regional's residential customers monthly water bills.

	Median Customer's Monthly Bill			
	Current Rates	Aug-14 Increase	Aug-15 Increase	Aug-15 Rate
Condo/Townhomes	\$ 62.75	\$ 1.23	\$ 4.00	\$ 67.98
Normal Residential	75.50	5.26	4.00	84.77
Large Residential	121.20	1.65	4.00	126.85
Stagecoach (Pumping Surcharge)	46.20	10.29	4.00	60.49
Standby Accounts	35.75	1.50	1.25	38.50
Non-residential	n/a	n/a	n/a	n/a

Since non-residential customers water usage varies dramatically among different customer types, median comparisons are not meaningful. However, the **average** increase is 7.5%.

It is recommended that the rate structure be modified so that no gallons are included in the base rate. This is the trend of the industry, and a strategy that Park City has implemented. Currently, customers get between 3,000 gallons and 8,000 gallons included in the monthly base rates.

In addition, the pumping surcharge should be adjusted to correlate with current power costs. These adjustments fall within the 3.75% recommended rate increases.

See **Section 4.0** and **Appendix Two** for more detail on the recommended rate and fee increases.

1.2 Projected Annual Cost Increases for Large Budget Items Drive Rate Increases

Over the next five years, Mountain Regional's major budget items will likely increase each year at a much faster rate than can be covered by normal customer growth.

Projected lower impact fee collections, combined with major cost increases in the three largest budget items are projected to have an average fiscal impact of **\$305,036** per year – which equates to an average **5.0%** increase in monthly rates annually. The three largest budget items include power costs, Weber Basin lease fees, and scheduled debt service on existing bonds (excluding debt funded by Promontory assessments).

The annual increase in water sales due to new customer growth typically ranges from \$29,200 to \$109,700 – which generally helps cover all other cost increases, including compensation, incurred by Mountain Regional other than the three major budget items. Most years, the increase in water sales from new growth is in the middle of this range. For these rate recommendations, it was assumed annual revenue growth from new customers will be \$58,500.

About two-thirds of the need for higher rates is to fund increases in annual payments for existing debt, including the required 25.0% coverage. As shown below, debt payments funded from water sales increase from \$2.61 million in 2014 to \$3.66 million in 2019. Thereafter, the payments level off.

MOUNTAIN REGIONAL WATER
Current Annual Debt Service Costs - Including 1.25 Coverage

	Parity Debt	Other Debt	Total Debt Without Coverage	Total Debt With 1.25 Coverage	SID Funded	Paid From Water Rates
2014	\$ 3,203,382	\$ 182,210	\$ 3,385,592	\$ 4,231,990	\$ 1,620,000	\$ 2,611,990
2015	3,199,593	182,380	3,381,973	4,227,466	1,536,000	2,691,466
2016	3,209,836	173,252	3,383,088	4,228,860	1,452,000	2,776,860
2017	3,407,706	169,646	3,577,352	4,471,689	1,368,000	3,103,689
2018	2,776,689	169,841	2,946,530	3,683,162	1,284,000	2,399,162
2019	2,757,387	170,045	2,927,432	3,659,290		3,659,290
2020	2,756,660	170,259	2,926,919	3,658,648		3,658,648
2021	2,756,673	170,482	2,927,155	3,658,944		3,658,944
2022	2,752,410	170,716	2,923,126	3,653,907		3,653,907
2023	2,756,873	170,960	2,927,833	3,659,792		3,659,792
	\$ 29,577,208	\$ 1,729,791	\$ 31,306,999	\$ 39,133,748	\$ 7,260,000	\$ 31,873,748

Mountain Regional has not incorporated general inflation into its budgets for several years. The past two years, it has expended its entire budget, with the exception of its base power budget.

Once it starts selling wholesale water under the regionalization agreement, it is quite possible Mountain Regional will need to pump water during high power rate time periods, eliminating the current positive budget variance. These higher power costs will be included in the wholesale rates charged by Mountain Regional.

1.3 Significant Measures Already Taken to Mitigate Major Cost Increases

Mountain Regional has already taken significant action to mitigate increases for its three largest budget items.

1.3.1 Reductions in Power Costs

Mountain Regional constructed a power substation that allows it to purchase power at wholesale rates much lower than those previously charged for Lost Canyon pumping. The estimated annual savings is \$200,000 to \$250,000 per year; compared to annual debt service costs of \$77,944.

Mountain Regional also took action to avoid pumping Lost Canyon water during the day when power rates are much higher.

In addition, Mountain Regional obtained a zero interest EPA loan and grant to implement power cost savings measures. This includes a new state of the art SCADA system that allows it to fill its storage tanks at night when power rates are lower. Tanks are only filled in the day, when power rates are higher, if necessary to maintain fire flow.

1.3.2 Weber Basin Lease Fee Audit

Mountain Regional audited the Weber Basin lease fees it is assessed, and identified some fees it was paying twice. This resulted in a refund, and reduced annual lease charges by about \$50,000.

1.3.3 Debt Restructuring

Mountain Regional restructured its major debt in 2009 and again in 2012 in order to take advantage of lower interest rates.

The Series 2009B refinancing replaced \$9.045 million in debt that had interest rates ranging from 4.0% to 7.0% with interest rates that range from 2.0% to 3.5%. This translated into \$2.1 million in net present value savings over a 10 year period.

The Series 2012 refinancing replaced \$27.27 million in debt that had interest rates ranging from 4.5% to 5.0% with a new average 3.55% interest rate. This translated into \$3.41 million in net present value savings over a 20 year period. The annual net savings are about \$250,000 annually between 2013 and 2017, and roughly \$740,000 in 2018.

1.3.4 Current Funding Levels Necessary to Provide Safe Reliable Water

In 2008 when the economy crashed and a period of cool wet weather began, Mountain Regional cut budgets and used cash generated from the hot dry weather and building boom that lasted from 2004 to 2008 to avoid rate increases. During that time, significant infrastructure was added and Mountain Regional fell behind on maintenance. With the rate increases adopted in 2011 and 2012, it is now adequately funded to keep current on maintenance, and repairs.

Budget cuts at this time would prevent Mountain Regional from keeping up on maintenance and repairs. Keep in mind that debt service, Weber Basin lease fees, and power make up almost two-thirds of the existing budget.

Mountain Regional's Control Board feels strongly that it should keep up on maintenance, repairs and upgrades in order to provide a safe reliable water supply, not only for Mountain Regional customers, but for Park City and other basin customers as well. The Lost Canyon project operated by Mountain Regional is the largest single source of water in western Summit County, and is the only regional importation project built to date.

Mountain Regional has contractual obligations to provide Park City with up to 2,900 acre feet of water annually through the Lost Canyon project. It also provides water to High Valley Mutual Water Company.

2.0 Background

2.1 District Overview

Mountain Regional was established in 2000 to begin water regionalization in western Summit County. It is now the major culinary and irrigation water supplier in that area. Regionalization was and is necessary to provide the community with a safer and more redundant water supply.

Mountain Regional covers approximately 39 square miles; and currently serves about 3,000 residential accounts (6,500 to 7,000 individuals). Roughly 200 non-residential customers are also served, and more than 1,800 standby accounts exist that are potential future customers.

2.1 Financial Impacts of Regionalization

As with all utilities, the cheapest sources of supply for western Summit County were developed first (the low hanging fruit). The subsequent sources of supply will be increasingly expensive and come at a marked cost. Future regionalization costs will be very expensive unless substantial federal funds are acquired. According to Utah's congressional delegation, regionalization in western Summit County greatly improved the chance of receiving federal funds.

2.1.1 Regionalization Phase I – Lost Canyon Project

Mountain Regional's initial mission was to solve the water problems in the Snyderville Basin by combining several small water systems that were failing both operationally and financially. This proved very costly – particularly the acquisition of water rights and the construction of new wells, storage tanks and numerous system interconnects.

The cost of these items, along with the Lost Canyon importation project, were funded with nearly \$60 million in long-term bonds. The related debt service payments currently account for roughly 40% of Mountain Regional's annual expenditures.

The Lost Canyon importation project from Rockport Reservoir to the Snyderville Basin was the major component of Regionalization - Phase I. It was constructed and is operated by Mountain Regional. It is the largest water source in western Summit County.

Mountain Regional produced an average 690 million gallons annually the past three years (2,120 acre feet) for its own customers; and wheeled 538 million gallons to Park City in 2013 (1,651 acre feet). Park City has indicated it will need to wheel more water through Lost Canyon within the next two to three years. The wheeling arrangement between Mountain Regional and Park City is part of Regionalization – Phase I.

The cost to move water from Rockport Reservoir through Lost Canyon to Mountain Regional and Park City customers is very high due to the distance water is transported; and most of the pumping is uphill. This has led to relatively high water rates in the basin. The related lease fees for the Rockport and other

Weber Basin water are Mountain Regional's second highest cost component (15%); while the related power costs are the third highest (10%).

As part of regionalization, Mountain Regional will spend about \$100,000 in 2014 to facilitate construction of an emergency interconnect between Mountain Regional and Service Area 3; and another between Mountain Regional and Pine Meadows Mutual Water Company. Mountain Regional also provides wholesale water to High Valley Mutual Water Company.

2.1.2 Regionalization Phase II – Summit Water Settlement

In 2012, Mountain Regional and Summit Water settled a decade old antitrust lawsuit filed by Summit Water.

The settlement allows Mountain Regional to sell wholesale water to Summit Water through a yet-to-be constructed interconnect until Regionalization - Phase III is completed, or 2025 – whichever comes first. Mountain Regional could receive additional revenue from this for up to 5 to 10 years.

On the other hand, Summit Water has the option to participate in 50% of the water rights and source impact fees (up to 450 acre feet) assessed on all new development for which Mountain Regional enters into a contract to provide water service after the execution date of the settlement. This arrangement ends in 2030. Mountain Regional's impact fee collections could decline as the result of this settlement.

2.1.3 Regionalization Phase III

In 2013, Mountain Regional, Park City, Summit Water, the Snyderville Reclamation District and Weber Basin Water Conservancy District entered into an historic agreement to complete regionalization in western Summit County.

This involves the initial construction of small interconnects among Mountain Regional, Park City, and Summit Water. Mountain Regional will need to issue between \$300,000 and \$500,000 in debt to pay for its share of this initial small project. It is anticipated the debt will be serviced through wholesale water sales to Weber Basin, who will then sell the water Park City and Summit Water.

In 2019, Mountain Regional will start paying a minimum of \$275,000 per year in new Weber Basin lease fees. Once the second large water importation project is completed (estimated within five to ten years), Mountain Regional will incur additional increases in Weber Basin lease fees.

The regionalization agreement forms a much needed coalition among the water providers in the basin to possibly provide a second, single large importation project into the basin; rather than several smaller, less reliable projects.

Although the agreement will increase the District's existing cost structure, it could provide additional net revenue starting in 2016, based upon wholesale water demand projections provided by Park City and Summit Water. This net revenue will end once the second large importation project is completed.

3.0 Revenue Forecasts

3.1 Difficulty in Forecasting Dictates Moderate Revenue Forecasts

Revenue forecasting is much more difficult than projecting costs, as four factors outside the control of Mountain Regional have a significant impact on its actual revenue collections:

- 1) The building economy and new development (short- to long-term);
- 2) Regionalization wholesale water sales (mid- to long term);
- 3) Further annexations and regionalization (mid- to long term);
- 4) Weather patterns (short- to long-term).

To deal with this, Mountain Regional has established policies to minimize the potential negative impact of declining revenue collections.

First, it established a \$1.0 million rate stabilization fund to address potential revenue shortages resulting from cool wet weather and/or a weak building economy. In addition, Mountain Regional uses moderate revenue estimates that assume normal weather and a normal building economy. In years when revenue exceeds projections, the additional funds collected are deposited into cash reserves, including the rate stabilization fund (if needed); or used to prepay debt (if feasible), and/or to pay for small capital projects rather than issuing small bonds every three to five years.

3.1 Silver Creek Village Center

The rate forecasts for the next two to three years **do not include the Silver Creek Village Center development**. Since this development has prepaid connections – many of which are already assessed standby fees – the potential for impact fee and standby fee revenue is minimal. Further, there is also no potential for this development to provide water sales in the next two or three years. However, if construction starts soon, it could reduce the need for rate increases as soon as 2017.

3.2 Future Annexations

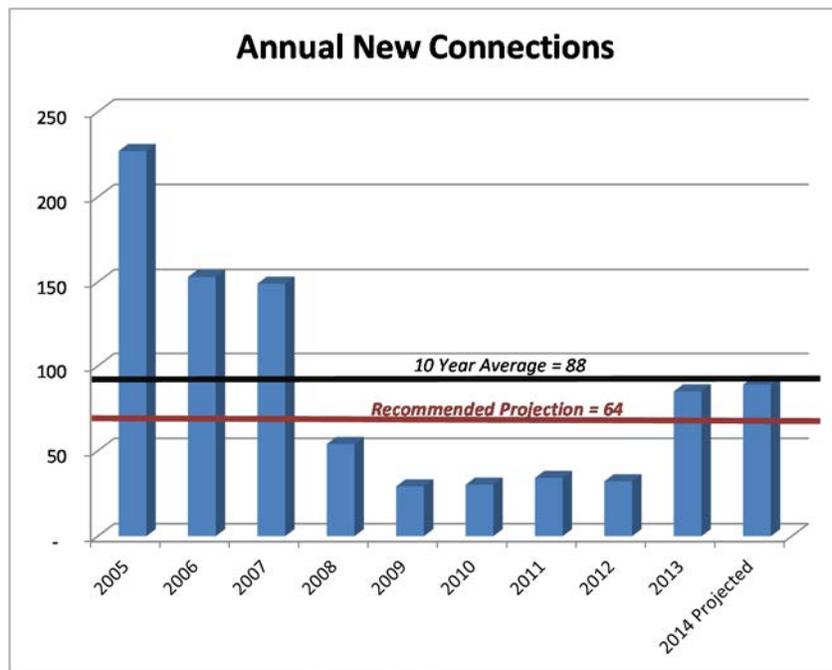
The potential for new revenue two to three years from now could result from potential additional annexations.

3.3 Revenue Growth Tracks Customer Growth

Barring a super building boom over the next five years, the annual revenue growth from new customers is not nearly sufficient to meet increasing costs. The potential for growth for each major revenue source is discussed below.

3.3.1 Customer Growth

Revenue growth for water sales, operating fees, and impact fees is closely correlated to new customer growth. This growth is very cyclical, making long-term revenue forecasts difficult. The weather makes short-term revenue projections difficult as well.



Over the past 10 years, an average of 88 new customers start using water each year, as shown above. This average benefited from the record building boom from 2003 to mid-2008; but suffered from one worst building economies since the Great Depression between 2008 and 2012.

For the rate recommendations, 64 projected new customers using water annually was assumed, along with another 21 new standby lots (excludes lots with prepaid connections). This leads to an annual increase of 85 new customer accounts.

3.3.2 Annual Water Sales Growth

Mountain Regional's average annual water sales per Equivalent Residential Connections (ERCs) is roughly \$1,200. However, when these ERCs become water users, the District loses the \$429 annual standby fee assessment. This leaves a net revenue gain of \$771 as shown below.

MOUNTAIN REGIONAL WATER
Annual Water Sales Revenue Increase from New Growth

	Weak Economy Projection	Normal Building Economy	Strong Economy Projection	Building Boom Projection
<u>Annual Revenue Increase from New Water Users</u>				
Median Water Rate	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Less Standby Fee	(429)	(429)	(429)	(429)
Annual Revenue Per New Water User	771	771	771	771
New Annual Water Users	32	64	80	120
Annual Revenue Increase	24,672	49,344	61,680	92,520
<u>Revenue Increase from New Standby Lots</u>				
Standby Fee	429	429	429	429
New Annual Standby Lots	10.7	21.3	26.7	40.0
Annual Revenue Increase	4,576	9,152	11,440	17,160
Total Annual Revenue Increase from New Growth	\$ 29,200	\$ 58,500	\$ 73,100	\$ 109,700

The recommended rate changes are based upon \$58,500 in new annual water sales generated from 64 new customers using water each year, and the addition of 21 new standby lots. The \$58,500 is based upon a normal (moderate) economy, as it does not try to predict the building economy each year. Once again, 2014 growth appears to be somewhere between the Normal and Strong building economies, making the need for a 2016 and 2017 rate increases less likely.

3.3.3 Net Wheeling Fee Collections Generated from Regionalization

Park City and Summit Water have identified their need to purchase wholesale water as shown below. Mountain Regional should receive new net revenue from wheeling wholesale water to these providers under the regionalization agreement with Weber Basin starting in 2016.

MOUNTAIN REGIONAL WATER
Regionalization Net Wholesale Wheeling Revenue

	2015 Acre Feet	2016 Acre Feet	2017 Acre Feet	2018 Acre Feet	2019 Acre Feet
Summit Water	-	300	300	300	300
Park City	-	-	-	-	200
Total Acre Feet	-	300	300	300	500
MRW Rate Per Acre Foot	\$ 750	\$ 776	\$ 803	\$ 831	\$ 860
Less Variable Portion	300	309	318	328	338
Net Revenue Per Acre Foot	450	467	485	503	522
Net Wheeling Revenue	\$ -	\$ 140,100	\$ 145,400	\$ 151,000	\$ 261,200

From 2016 to 2018, the additional revenue will cover the debt service costs related to constructing the small interconnect project and Well 15C. Starting in 2019 the additional revenue should exceed the related debt service by a meaningful amount.

The net revenue generated from regionalization represents a great benefit over the short- and mid-term; but once the next importation project is constructed by Weber Basin, this revenue will be lost.

The actual net revenue collected from wholesale water sales is hard to project. For example, Park City has indicated it may need to purchase, for a two year period, additional water above and beyond what is shown above – as it constructs treatment facilities for its mine tunnel water. The exact timing of this is unknown. In addition, the rate of new development experienced by other water providers in the basin could also impact net wholesale revenue.

3.3.4 Impact Fee Collections

It is possible, despite the improving building economy, annual impact fee collections could decline. Three factors contribute to this:

- (1) Lower impact fees per ERC;
- (2) Potential sharing with Summit Water per a settlement agreement; and the
- (3) Existence of prepaid connections that developers are currently trying to market.

The current impact fee forecast of \$326,300 annually is actually \$67,500 less than the current base budget amount of \$450,000 due to these factors. The forecast is based upon a long-term forecast of 64 new connections each year – which is slightly higher than the 60 connections averaged over the past four years. This corresponds to a normal building economy.

MOUNTAIN REGIONAL WATER Forecasted Annual Impact Fee Collections

	New Lots	Annual Revenue 2015 to 2018	Annual Revenue 2019
Weak Economy Projection	32	\$ 126,400	\$ -
Normal Building Economy	64	326,300	491,300 ⁽¹⁾
Strong Economy Projection	80	499,800	-
Building Boom Projection	120	749,700	-
Current Budget		\$ 450,000	\$ 450,000

(1) - The increase in 2019 assumes an impact fee increase will be adopted to include the infrastructure costs included in the regionalization lease fees.

It is important not to become too dependent upon impact fee collections to meet ongoing expenses during building booms. District policy is to use moderate forecasts for impact fees in order to generate reserves that can be used when the building economy and the related impact fee collections decline.

Starting in 2019, the infrastructure costs related to regionalization paid for by Weber Basin can be added to the impact fee, if the County Council adopts this potential change. These costs can be included in the impact fee for the portion of the infrastructure costs that are included in the new Weber Basin lease fees that go into effect in 2019.

4.0 Specific Rate Recommendations

4.1 Proposed Shift to No Gallons in the Base Rate

The proposed rates shown below include no gallons in the monthly base rate. This is a shift from the current structure where between 3,000 gallons and 8,000 gallons are included. A complete rate sheet is shown in **Appendix One**.

Mountain Regional Water Summary Comparison of Current and Proposed Water Rates

Monthly Base	Current		Proposed	
	Amount	Gallons	Amount	Gallons
Residential				
Plan A	56.00	3,000	60.00	-
Plan B	62.75	5,000	60.00	-
Plan C	73.25	8,000	60.00	-
Non Residential				
Plan B	97.25	5,000	77.00	-
<i>Mountain Regional does not use meter size in determine base and usage rates since many homes and building require upsized meters for fire flow.</i>				
Consumption Rates	Current Plan B		Proposed	
Residential				
0 to 5,000		-		2.75
5,000 to 30,000	4.01 to 5.15			4.50
30,000 to 40,000	5.72			8.00
40,000 to 60,000	9.16			12.00
60,000 to 80,000	18.32			15.00
80,000 to 100,000	22.90			18.00
> 100,000	22.90			21.00
Non-Residential				
0 to 5,000		-		2.75
5,000 to 30,000	4.01 to \$5.15			4.50
30,000 to 40,000	5.72			8.00
40,000 to 60,000	9.16			12.00
60,000 to 80,000	13.74			12.00
80,000 to 100,000	18.32			12.00
> 100,000	18.32			12.00
<i>Mountain Regional does not apply the highest punitive rates to non-residential customers since they have a higher base rate; and because these customers generally do not use a lot of outdoor water.</i>				

All other water rates including wholesale and common wall irrigation would increase 7.5 – or 3.75% each year. These rates already do not include any gallons in the base. The recommended median increase by customer type is shown below:

Median Customer's Monthly Bill				
	Current Rates	Aug-14 Increase	Aug-15 Increase	Aug-15 Rate
Condo/Townhomes	\$ 62.75	\$ 1.23	\$ 4.00	\$ 67.98
Normal Residential	75.50	5.26	4.00	84.77
Large Residential	121.20	1.65	4.00	126.85
Stagecoach (Pumping Surcharge)	46.20	10.29	4.00	60.49
Standby Accounts	35.75	1.50	1.25	38.50
Non-residential	n/a	n/a	n/a	n/a

In order to phase the rate increase in over two years, the base rate would be lower in 2014, as shown below:

All Customers Per ERC		
	Aug-14 Base Rate	Aug-15 Base Rate
Residential	56.00	60.00
Non-Residential	73.00	77.00
Standby Accounts	37.25	38.50

The proposed consumption rates shown in the table on the previous page would be effective August 2014, and would not increase again in August 2015. Changing only the base rate in 2015 makes it very simple to allocate the rate increases evenly at 3.75% per year.

As shown in the table on the previous page, the initial 5,000 gallons of water is only \$2.75 per 1,000 gallons – which is normal indoor monthly usage. Between 5,000 and 30,000 gallons is \$4.50 per 1,000 gallons, which provides enough water for modest outdoor watering.

After 30,000 gallons, the rates become increasingly punitive to promote conservation and pass on the higher costs associated with high water use. Mountain Regional's system was designed to provide 0.60 acre feet of water to each resident annually.

Since many customers use much larger quantities, additional storage and boosting capacity is needed, and booster pumps and well pumps wear out much faster. In addition, high water usage could cause more water to be pumped during the day when power rates are highest.

The punitive rates at the higher usage levels have been decreased in order create a smaller variance in water sales collections between cool, wet years and hot, dry years.

This proposal also simplifies the rate structure, in that Rate Plan A and Rate Plan C are eliminated, and the other rates are more consistent with each other. This structure still allows residential users to select from 1.0 ERCs, 1.4 ERCs, and 1.8 ERCs.

It should be noted that the rates for the Promontory golf courses, and the wholesaling of water to High Valley and Park City are determined according to specific methodologies outlined the related agreements. As the costs related to these customers change year to year, the rates automatically adjust. As shown above in the first table on page 4, the additional revenue generated from increasing these rates due to increasing costs was taken into account when determining the necessary rate increases.

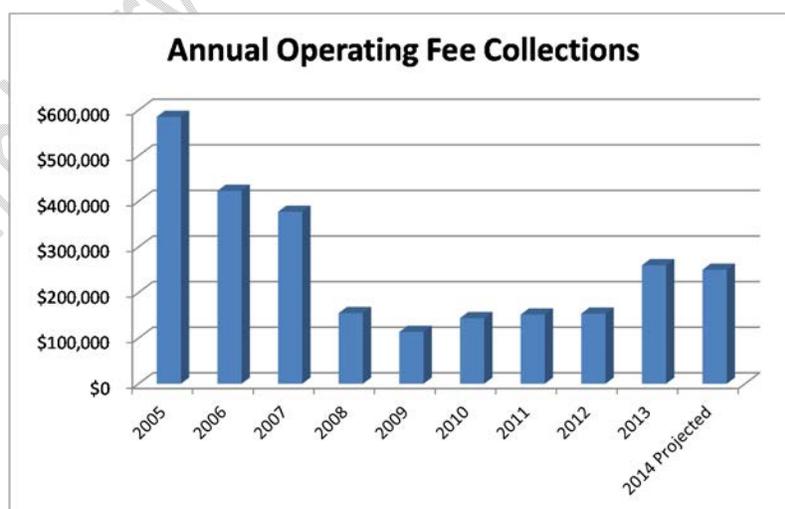
4.2 Fee Recommendation

Operating fees have not been increased since 2003. Since then, inflation has exceeded 30%. Most operating fees are one-time charges paid when a new home or building is constructed, or when a property changes ownership. As such, existing customers who pay on time are generally not affected by fee increases. Other fees are related to late payments, theft of service, or conservation violations.

Only one fee is ongoing – the private fire hydrant fee which pays for the inspection and flushing of private fire hydrants to help prevent the development of bacteria in the system. It is recommended this fee be increased from \$8.35 to \$10.00 per month. This fee is not assessed on public fire hydrants, only those on large lots that are owned by the lot owner, particularly in the Colony.

It is proposed that most Mountain Regional fees (except impact fees) be increased specific dollar amounts, as shown in **Appendix Two**. The weighted average of the proposed increase is about 20%.

As shown below, operating fee collections match closely to the building cycle. Collections have ranged from a high of \$585,300 in 2005 to a low of \$113,700 in 2009. This makes projecting the additional revenue from a fee increase more subjective.



For the rate forecast, a long-term base fee level of \$203,800 was used, based upon the average collections over the past four years.

2 – Mountain Regional projects an average \$58,500 annual increase in water sales based upon moderate projections (see **Section 3.3.2**).

3 – The projected rate increases are as follows:

August 2014	3.75%
August 2015	3.75%
2016	none

The estimated increases – which could be less since very modest revenue growth is assumed are:

January 2017	5.0%
January 2019	11.5%

If the Silver Creek Village Center begins construction soon, and/or wholesale water sales exceed conservative projections, the 2017 and 2019 estimated rate increases could be much lower.

4 – The regionalization wholesale water sales are based upon conservative projections provided to Weber Basin by Park City and Summit Water. There is a possibility that actual collections could be higher.

5 – Due to the recent reduction in impact fee rates, combined with existing prepaid connections and the possibility that Summit Water will be able to share in 50% of Mountain Regional's water rights and source fees, it is projected impact collections will decline \$123,700 annually moving forward. However, in 2019 the option may exist to add some Weber Basin regionalization infrastructure costs to the impact fees.

6 – Promontory SID assessment payments that are applied to existing debt will cease, per agreements, in 2018. This contributes to the anticipated 2019 rate increase.

7 – It is anticipated that another SID will be created in Promontory to fund approximately \$3.0 million in improvements. The service for this debt will be funded from new assessments. See Note 12.

8 – Weber Basin lease fees account for \$869,835 of the 2014 operating budget and an additional \$163,716 in the debt service budget. The fees have increased roughly 3.0% each year; and account for about 15.0% of total annual expenditures. The fees and are expected to increase over \$30,000 annually (net Promontory reimbursements).

9 – Power rates are increasing an estimated 9.0% annually. Power costs make up about 10.0% of Mountain Regional's total annual expenditures – including \$324,000 for Distribution, and \$406,500 for Lost Canyon Production. The estimated annual increase is \$40,000 after deducting the higher power costs that will be recovered from Promontory and Park City in their respective raw water rates.

10 – Due to Mountain Regional's participation in the 2013 western Summit County regionalization agreement, it must start paying an additional \$275,000 in lease fees starting in 2019. The regionalization agreement is also contributing to increased wholesale water sales as discussed in Note 4.

11 – Although debt service payments (including the 25.0% coverage) on existing bonds will decline \$572,700 over the next five years, the amount not funded from SID assessments charged to the Promontory developer are scheduled to increase nearly \$1.05 million over the next five years – and average of \$209,460 each year.

12 - Mountain Regional anticipates issuing \$3.0 million in new assessment bonds for which the debt will be funded fully from new assessments on the Promontory developer. The water service agreement entered into in 2002 by Mountain Regional and Promontory anticipated a second assessment bond. See Note 6.

13 - Mountain Regional anticipates issuing an additional \$2.5 million in revenue bonds to facilitate regionalization through construction of Well 15C and several small interconnects among Mountain Regional, Park City, and Summit Water. It is anticipated the debt service on these bonds will be funded from wholesale water sales under the regionalization. See Note 4.

14 – The average annual fiscal impact over the next five years for the major items highlighted in the far right column of the table above is \$338,036. This represents approximately 5.0% per year in rate increases (assuming modest revenue forecasts). The major items included declining impact fees, and increasing debt, power, and Weber Basin lease costs.

APPENDIX TWO

Exhibit One
Mountain Regional Water Special Service District
Rates & Fees

	Effective		Effective		
	1-Aug-14		1-Aug-15		
Water Rates					
Residential - 1.0 ERCs					
Monthly Base Rate	\$	56.00	\$	60.00	Per Connection
Usage (in gallons)					
Zero to 5,000		2.75		2.75	Per 1,000 Gallons
5,001 to 30,000		4.50		4.50	Per 1,000 Gallons
30,001 to 40,000		8.00		8.00	Per 1,000 Gallons
40,001 to 60,000		12.00		12.00	Per 1,000 Gallons
60,001 to 80,000		15.00		15.00	Per 1,000 Gallons
80,001 to 100,000		18.00		18.00	Per 1,000 Gallons
Above 100,000		21.00		21.00	Per 1,000 Gallons
Residential - 1.4 ERCs					
Monthly Base Rate		78.40		84.00	Per Connection
Usage (in gallons)					
Zero to 7,000		2.75		2.75	Per 1,000 Gallons
7,001 to 42,000		4.50		4.50	Per 1,000 Gallons
42,001 to 56,000		8.00		8.00	Per 1,000 Gallons
56,001 to 84,000		12.00		12.00	Per 1,000 Gallons
84,001 to 112,000		15.00		15.00	Per 1,000 Gallons
112,001 to 140,000		18.00		18.00	Per 1,000 Gallons
Above 140,000		21.00		21.00	Per 1,000 Gallons
Residential - 1.8 ERCs					
Monthly Base Rate		100.80		108.00	Per Connection
Usage (in gallons)					
Zero to 9,000		2.75		2.75	Per 1,000 Gallons
9,001 to 54,000		4.50		4.50	Per 1,000 Gallons
54,001 to 72,000		8.00		8.00	Per 1,000 Gallons
72,001 to 108,000		12.00		12.00	Per 1,000 Gallons
108,001 to 144,000		15.00		15.00	Per 1,000 Gallons
144,001 to 180,000		18.00		18.00	Per 1,000 Gallons
Above 180,000		21.00		21.00	Per 1,000 Gallons
Non-residential - Per ERC					
Monthly Base Rate		73.00		77.00	Per Connection
Usage (in gallons)					
Zero to 5,000		2.75		2.75	Per 1,000 Gallons
5,001 to 30,000		4.50		4.50	Per 1,000 Gallons
30,001 to 40,000		8.00		8.00	Per 1,000 Gallons
40,001 to 60,000		12.00		12.00	Per 1,000 Gallons
60,001 to 80,000		12.00		12.00	Per 1,000 Gallons
80,001 to 100,000		12.00		12.00	Per 1,000 Gallons
Above 100,000		12.00		12.00	Per 1,000 Gallons
Culinary Irrigation - Per ERC					
Monthly Base Rate	\$	56.00	\$	60.00	Per Connection
Usage (in gallons)					
Zero to 5,000		2.75		2.75	Per 1,000 Gallons
5,001 to 30,000		4.50		4.50	Per 1,000 Gallons
30,001 to 40,000		8.00		8.00	Per 1,000 Gallons
40,001 to 60,000		12.00		12.00	Per 1,000 Gallons
60,001 to 80,000		15.00		15.00	Per 1,000 Gallons
80,001 to 100,000		18.00		18.00	Per 1,000 Gallons
Above 100,000		21.00		21.00	Per 1,000 Gallons

Water Rates (continued)

	Effective 1-Aug-14	Effective 1-Aug-15	
Common Wall Irrigation			
Rate Multiplier	# of Units	# of Units	
Monthly Base Rate	-	-	<i>Per Unit</i>
Usage (in gallons)			
Zero to 3,000	1.18	1.23	<i>Per 1,000 Gallons</i>
3,001 to 11,000	4.16	4.31	<i>Per 1,000 Gallons</i>
11,001 to 27,000	4.75	4.92	<i>Per 1,000 Gallons</i>
27,001 to 47,000	5.34	5.54	<i>Per 1,000 Gallons</i>
47,001 to 87,000	5.93	6.15	<i>Per 1,000 Gallons</i>
87,001 to 147,000	9.50	9.85	<i>Per 1,000 Gallons</i>
147,001 to 227,000	14.26	14.77	<i>Per 1,000 Gallons</i>
Above 227,000	19.01	19.69	<i>Per 1,000 Gallons</i>

Interruptible Sources (Construction/Snowmaking/Wholesale)

Monthly Base Rate	115.00	120.00	
Usage	12.50	12.50	<i>Per 1,000 Gallons</i>

Pumping Surcharge

Colony	3.17	3.17	<i>Per 1,000 Gallons</i>
Discovery	0.78	0.78	<i>Per 1,000 Gallons</i>
Glenwild	0.63	0.63	<i>Per 1,000 Gallons</i>
Preserve	0.63	0.63	<i>Per 1,000 Gallons</i>
Redhawk	3.07	3.07	<i>Per 1,000 Gallons</i>
Stagecoach	3.07	3.07	<i>Per 1,000 Gallons</i>
Summit Park	0.78	0.78	<i>Per 1,000 Gallons</i>
Sun Peak	1.18	1.18	<i>Per 1,000 Gallons</i>
Timberline	0.78	0.78	<i>Per 1,000 Gallons</i>
Weilemann	0.78	0.78	<i>Per 1,000 Gallons</i>

Applies to all water rates. Newly annexed areas will be assigned to the most appropriate pumping surcharge based upon the location of the related development.

Olympic Park

Monthly Base Rate	115.00	120.00	
Usage (includes Sun Peak Pumping Surcharge)	4.99	5.13	<i>Per 1,000 Gallons</i>

Untreated Secondary Water

Per Contract

Stagecoach

Monthly Infrastructure Assessment	143.00	143.00	<i>Per Lot</i>
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Standby Fees

Monthly Charge	37.25	38.50	<i>Per Lot or Prepaid Connection</i>
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Meter Fees

	Effective 1-Aug-14	Effective 1-Aug-15	
Buried Meter Service Fee	Peak Monthly Gallons for Previous Year at Current Rates Per Month	Peak Monthly Gallons for Previous Year at Current Rates Per Month	Per Connection
Connection Fee - Meter/MXU			Per Connection
Security Deposit (Refundable)	\$ 1,500	\$ 1,500	
Up to 3/4" Meter	1,800	1,800	
1.0" Meter	2,000	2,000	
1.5" Meter	2,400	2,400	
2.0" Meter	2,700	2,700	
3.0" Meter			
4.0" Meter	\$2,700 plus Incremental Meter Cost	\$2,700 plus Incremental Meter Cost	
6.0" Meter			
8.0" Meter			

Meter Fees (continued)

	Effective 1-Aug-14	Effective 1-Aug-15	
Disconnection of Service			
Removal of Meter	250	250	<i>Per Connection</i>
Resumption of Disconnected Service	8 time Monthly Base	8 time Monthly Base	
Fire Hydrant Rental			
3" Meter - Deposit (Refundable)	1,500	1,500	<i>Per Connection</i>
3" Meter Wear Fee (Non-Refundable)	350	350	
3" Monthly Base Rate	115	120	
3" Usage Rate	12.50	12.50	<i>Per 1,000 Gallons</i>
1" Meter - Deposit (Refundable)			
1" Meter - Deposit (Refundable)	500	500	<i>Per Connection</i>
1" Meter Wear Fee (Non-Refundable)	125	125	
1" Monthly Base Rate	115	120	
1" Usage Rate	12.50	12.50	<i>Per 1,000 Gallons</i>
Meter Inspection (Generate Service Order)	100	100	<i>Per Connection</i>
Meter Shut Off Notice	30	30	<i>Per Connection</i>
Private Fire Hydrant Meter Flushing & Inspection Fee			
Monthly Ongoing Fee	10	10	<i>Per Lot with Private Hydrant</i>

OTHER FEES

	Effective 1-Aug-14	Effective 1-Aug-15	
Alternate Water Service Provider	\$ 4,700	\$ 4,700	<i>Per ERC Under Contractual Commitment with MRW Who Switches to Another Provider</i>
Conservation Violations			
1st Violation	<i>Warning</i>	<i>Warning</i>	<i>Per Violation</i>
2nd Violation	50	50	
3rd Violation	100	100	
4th Violation	500	500	
Leaking Water	<i>Credit for estimated water leaked between one meter read, less cost of water production</i>	<i>Credit for estimated water leaked between one meter read, less cost of water production</i>	<i>Per Occurrence</i>
Penalties and Fines			
Delinquent Payments	1.50%	1.50%	<i>Monthly Charge</i>
Delinquent Lien Fee	\$ 50.00	\$ 50.00	<i>For Each Lien</i>
Release of Restrictive Covenant	<i>Assess all back fees and charges, plus 1.5% annual interest</i>	<i>Assess all back fees and charges, plus 1.5% annual interest</i>	<i>Per Lot</i>
Title Transfer Fee	100	100	<i>For Each Ownership Transfer</i>
Theft of Service	1,000	1,000	<i>Per Occurrence</i>

APPENDIX THREE

Mountain Regional Water Proposed Fee Increase - Dollar Increments

<u>Connection Fees</u>	Current	Proposed	\$ Change	% Change	
Security Deposit (Refundable Upon Completion of Structure)	\$ 1,500	\$ 1,500	-	0.0%	<i>Per Connection</i>
Meter Hookup Fee - New Connections					<i>Per Connection</i>
Up to 3/4" Meter	1,200	1,400	200	16.7%	
1.0" Meter	1,400	1,600	200	14.3%	
1.5" Meter	1,800	2,000	200	11.1%	
2.0" Meter	2,100	2,300	200	9.5%	
3.0" Meter	Incremental Cost	Incremental Cost			
4.0" Meter	Incremental Cost	Incremental Cost			
6.0" Meter	Incremental Cost	Incremental Cost			
8.0" Meter	Incremental Cost	Incremental Cost			
MXU Fee	300	400	100	33.3%	<i>Per Connection</i>
Meter Inspection (Generate Service Order)	75	100	25	33.3%	
Fire Hydrant Meter					
Private Fire Hydrant Flushing and Inspection Fee (Monthly)	8.35	10.00	1.65	19.8%	
3" Meter - Deposit (Refundable)	1,500	1,500	-	0.0%	<i>Per Connection</i>
3" Meter Wear Fee (Non-Refundable)	300	350	50	16.7%	<i>Per Connection</i>
3" Monthly Base Rate	100	115	15	15.0%	<i>Per Connection</i>
1" Meter - Deposit (Refundable)	500	500	-	0.0%	<i>Per Connection</i>
1" Meter Wear Fee (Non-Refundable)	100	125	25	25.0%	<i>Per Connection</i>
1" Monthly Base Rate	100	115	15	15.0%	<i>Per Connection</i>
Other Fees					
Disconnection of Service					
Removal of Meter	175	250	75	42.9%	
Resumption of Disconnected Service	8 time Monthly Base	8 time Monthly Base			
Resumption Service (If Not Disconnected)	75	-			
Title Transfer Fee		100	25	33.3%	
Shut Off Notice	25	30	5	20.0%	
Buried Meter Fee Service	Peak Monthly Gallons for Previous Year at Current Rates Per Month	Peak Monthly Gallons for Previous Year at Current Rates Per Month			
Penalties and Fines					
Delinquent Payments	1.5% Per Month	1.5% Per Month			
Delinquent Lien Fee	20.00	50.00	30	150.0%	
Leaking Water	Credit for estimated water leaked between one meter read, less cost of water production	Credit for estimated water leaked between one meter read, less cost of water production			
Theft of Service	500	1,000	500	100.0%	
Conservation Violations					
1st Violation	Warning	Warning			
2nd Violation	50	50	-	0.0%	
3rd Violation	100	100	-	0.0%	
4th Violation	500	500	-	0.0%	
Release of Restrictive Covenant	Assess all back fees and charges, plus 1.5% annual interest	Assess all back fees and charges, plus 1.5% annual interest			<i>Per Lot</i>
Alternate Water Service Provider	4,700	4,700	-	0.0%	<i>Per ERC</i>

Annette Singleton

From: Ashley Berry
Sent: Thursday, July 31, 2014 10:16 AM
To: Annette Singleton
Cc: Steve Martin
Subject: Council August 6 Meeting

Annette-

Just a little explanation about the two exemption packets that are going before the Council on the 6th.

Encouragement for Life is a church based in California, they purchased a condo here in Summit county on 6/11/14 to be used as a retreat. The condo is in Newpark and because they are out of CA they needed someone to maintain the property for them. At the time of purchase they signed an agreement with New Park Management to maintain the property for them but part of the agreement is the property will be rented nightly when not in use by Encouragement for Life. The intention is to be used as much as possible as a retreat but when I spoke to Dana Kalionzes she could not give me an estimate on how much that would be since it is a new thing for them and they have no past experience with this type of thing. She also said in the future they would like to get away from the management company and try to make an arrangement with a local church that they maintain the property in exchange for use as a retreat also but that is in the future.

I explained to Dana the property had to be used exclusively for religious use and it might not qualify for exemption while being used by the management company also, she understood and are prepared to pay the taxes if they must.

Mountain Trails Foundation is applying for exemption from personal property only, they do not own any land. The personal property filing deadline is May 15th of every year, we did not receive this application until July 21st. Had they filed by the May 15th deadline they would have qualified for exemption based on a market value of less than \$10,000. Purchases in 2014 will put them over the \$10,000 for 2015. Because they were late the total due for 2014 as of the date they filed their application is \$78.74. That includes a late fee of \$25.00, interest of \$0.68 and taxes of \$53.06. The time period to appeal personal property is within 30days of mailing. Original Personal Property mailings were sent March 4, 2014.

Hope this helps clear a few things up

Thanks

Ashley Berry

**Deputy Assessor II
(435) 336-3257**

Application for Property Tax Exemption

Summit County Board of Equalization

JUL 10 2014
UCA §59-2-1101 and 1102
Form PT-020
PT-020 ai Rev. 10/99

This application should be used to apply for exemption from ad valorem (value-based) property tax.

Nonprofit Entity Information

Name of organization applying <u>Encouragement for Life</u>	EIN, SSN, or other tax ID number <u>33-0496660</u>
Address <u>5001 Newport Coast Drive</u>	Tax year <u>2014</u>
City <u>Irvine</u>	State <u>CA</u>
Contact person <u>Dana Kalionzes</u>	Zip <u>92603</u>
	Telephone <u>(949)769-8393</u>

Exemption Information

This property is exclusively used for (check one):

- Religious purposes Charitable purposes Educational purposes
 Other (specify) _____

Describe the purpose of this nonprofit organization:

To operate a religious church outreach ministry, to encourage and strengthen ministry leaders and staff development, strengthen marriages, and family relationships.

Describe why this property should be exempt from ad valorem property taxes:

The property will be used for ministry purpose and will not generate any income or revenue for the benefit of any individual. The property will be used by ministry leaders (ie. Adults, single, youth, children's, Care, marriage, outreach, worship ministries) for the benefit and strengthening of the organization; including staff Retreats and Leadership Training.

Attachments Attach the following documentation

1. A certified copy of the Articles of Incorporation of the nonprofit entity.
2. A copy of current by-laws and/or other organizational information.
3. A copy of the 501(c)(3) certification issued by the IRS.
4. Completed schedules as follows:
 - Schedule A** – Real Property; one schedule for each parcel of real property under consideration.
 - Schedule B** – Personal Property used exclusively for religious, charitable, or educational purposes.
 - Schedule C** – Financial information related to the property under consideration; complete only applicable portions.

Application for Exemption – Real Property Schedule A

UCA §59-2-1101 and 1102
Form PT-020A
PT-020a.ai Rev. 10/99

Complete a separate Schedule A for each parcel of real property under consideration

Property Owner

Full name of the owner of record <u>Encouragement for Life</u>	EIN, SSN, or other tax ID number <u>33-0496660</u>	
Address <u>5001 Newport Coast Drive</u>	Telephone <u>(949) 769-8393</u>	
City <u>Irvine</u>	State <u>CA.</u>	Zip <u>92603</u>

Property Information and Description

Property Location <u>6020 N. Park Lane South #71 Park City, UT 84098</u>	Property parcel number <u>NPKTH-3-71-AM</u>	
Brief description of parcel <u>Townhouse</u>	Date the property was acquired <u>6/11/2014</u>	
	Acreage: \emptyset <u>~1271 sq ft</u>	<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Approximate

List separately and describe each building or physical structure on the property

Townhouse ~ 1,271 sq feet
Located in summit county, built in 2005

Use of Property

1. Complete this first question separately for each building or structure, use additional sheets as necessary.
 - a. Building or structure Townhouse
 - b. Activities or functions this building or structure is used for Ministry house, Retreat house for staff and leaders
 - c. Percentage of building or structure used for this purpose
 - d. Approximate hours per month building or structure is used for this purpose
 - e. Date use for this purpose began 6/11/2014
2. Have all activities/functions listed in 1 continued without interruption since first starting? Yes No
If no, explain any interim or non-use: _____
3. Is there any use of the property, buildings or structures other than described in 1 above? Yes No
If yes, describe: Minor incidental Rental income when not in use by ministries
4. Is all or part of the property, buildings or structures rented or leased? Yes No
If yes, answer the following.
 - a. Name of person or entity renting or leasing the property _____
 - b. Describe the portion that is rented or leased
 - c. Amount of rent or other compensation received
 - d. How is the rent or compensation determined?

Attachments Attach the following items

1. A copy of the legal description of the real property under consideration.
2. A current photograph of the real property under consideration.

Application for Exemption – Personal Property Schedule B

UCA §59-2-1101 and 1102
Form PT-020B
PT-020b1.ai Rev. 10/99

Property Owner

Property owner <u>Encouragement for Life</u>	EIN, SSN, or other tax ID number <u>33-0496660</u>	
Address <u>5001 Newport Coast Drive</u>	Telephone <u>(949) 769-8393</u>	
City <u>Irvine</u>	State <u>CA</u>	Zip <u>92603</u>

Property Information and Description

Property Location <u>6020 N Park Lane South ^{#71} Park City, UT 84098</u>	Personal property account number (if any)
---	---

Briefly describe the personal property under consideration for exemption
townhouse

List the original acquisition cost and year acquired.	Year Acquired	Acquisition Cost
Furniture and fixtures	2014	\$ ~15,000
Commercial and industrial equipment	↓	\$ ∅
Mobile homes	↓	\$ ∅
Other personal property	↓	\$ ∅
Estimated current value for items with unknown acquisition cost	↓	\$ ∅

List all motor vehicles under consideration for exemption, including passenger cars, trucks and vans; motorcycles; campers, motor homes, travel trailers and other RVs; boats and watercraft; aircraft; and medium or heavy duty trucks.

License Plate No.	Type of Vehicle	Year	Make	Model	VIN/HIN	Location
6GRG504	SUV	2008	GMC	UT	1GKFK63898J201124	6020 N W Park Lane South #71

Use of Property

1. Is the personal property used at a given parcel of real property? Yes No
 If yes, indicate the property parcel number or address: Same as Prop. Location 6020 N. Park Lane South #71
 If no, where is the property usually located? Park City, UT 84098
2. Describe in detail all activities and functions that the property is used for, and the date the use began.
Date: 6/11/2014. Ministry house / Retreat home for staff and leaders / Staff Retreats / Leadership Development
3. Have all activities and functions in 2 continued without interruption since the use began? Yes No
 If no, explain any interim or non use: _____

(continued on reverse)

**Application for Exemption – Benefactors
Schedule C**

UCA §59-2-1101 and 1102
Form PT-20C
PT-020c1.ai Rev. 9/00

Property Owner

Name of organization applying <u>Encouragement for Life</u>	Property parcel or account number
Contact person <u>Dana Kalionzes</u>	Telephone <u>(949) 769-8393</u>
Property location <u>626 6020 N. Park Lane South #71 Park City, UT 84098</u>	

Financial Information

1. Does the use of the property in any way create funds, revenue, products or services that are sold or given away? ___ Yes No

If yes, state the amount and describe in detail: \$ _____

2. If you answered Yes in question 1, what portion of funds, revenue, products or services:

a. Are used directly for the purposes for which exemption is claimed? N/A %

Describe the individuals or organizations receiving benefits, and how they are selected: _____

b. Are used indirectly for the purposes for which exemption is claimed? _____ %

Describe the individuals or organizations receiving benefits, and how they are selected: _____

c. Are given to any shareholder or individuals or are distributed from the use of the property _____ %

Explain in detail: _____

3. Does anyone receive compensation in wages, goods, services or other benefits, for services rendered with respect to the property? ___ Yes No

If yes, attach the following information for each individual:

- Total compensation received in detail, e.g., money, goods, living quarters, services or other benefits.
- How the compensation is determined.
- Explanation of the services performed, including duties and working hours.
- Relationship of the individual to the owner, user or operator of the property, and whether the individual is a trustee, director, shareholder, lessor, member, employee or contributor of the owner.

(continued on reverse)

Attachments Attach the following documentation

1. Copies of any financial statements, income statements, profit and loss statements or other records that accurately reflect the use of the described property, including the source of all funds, the amount received from each source, and the use of such funds for the most recent fiscal year available.
2. All information requested in question 3, above.
3. If the use of the property did not create any funds, revenue, products or services that are sold or given away, but did result in a benefit to any individual or organization, attach detailed documentation indicating the following:
 - a. All individuals or organizations benefited.
 - b. The amount of benefit received by each.
 - c. How such individuals or organizations were selected.

Certification

I certify that all statements and information on this sheet are true and correct to the best of my knowledge, and that I will notify the Board of Equalization if any of the information should change. I further certify that I have authority to sign this document.

Name (printed)	Position or capacity
Signature x <i>Dana Kalumz</i>	Date signed

00996899 B: 2243 P: 1503

Page 1 of 3

Mary Ann Trussell, Summit County Utah Recorder

06/11/2014 01:44:50 PM Fee \$14.00

By HIGHLAND TITLE

Electronically Recorded

WHEN RECORDED RETURN TO:

Grantee
5001 Newport Coast Drive
Irvine, CA 92603

File No.: 30484

Serial # NPKTH-3-71-AM

WARRANTY DEED

(Individual Form)

**Terry O. Hartshorn, as Trustee and Sharon K. Hartshorn, as Trustee of The Hartshorn Living Trust,
by Declaration of Trust dated March 16, 1983**

GRANTOR, hereby CONVEY(S) AND WARRANT(S) to

Encouragement for Life, a non-profit corporation

GRANTEE,

for the sum of Ten Dollars (\$10.00), the following tract(s) of land in Summit County, State of Utah described as follows:

See "Exhibit A" attached hereto

also known as 6020 Park Lane South, #71, Park City, UT 84098

Subject to easements, restrictions and rights of way appearing of record or enforceable in law and equity and general property taxes for the year 2014 and thereafter.

WITNESS, the hand of said grantor this 9th day of June, 2014

THE HARTSHORN LIVING TRUST, BY
DECLARATION OF TRUST DATED MARCH 16,
1983

Terry O. Hartshorn
Terry O. Hartshorn, Trustee

Sharon K. Hartshorn
Sharon K. Hartshorn, Trustee

State of CALIFORNIA
County of ORANGE

On this 9th day of June, 2014, personally appeared before me, the undersigned Notary Public, personally appeared Terry O. Hartshorn, as Trustee and Sharon K. Hartshorn, as Trustee of The Hartshorn Living Trust, by Declaration of Trust dated March 16, 1983, personally known to me (or proved to me on the basis of satisfactory evidence) to the the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged before me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

[Signature]
Notary Public
My commission expires: 01/16/2015

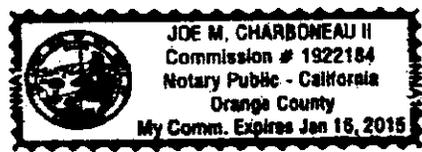


EXHIBIT "A"
LEGAL DESCRIPTION

Unit 71, AMENDED PLAT BUILDING "K" UNITS 68-71 NEWPARK TOWNHOMES PHASE 3, a Utah Expandable Condominium Project, together with an undivided ownership interest in and to the Common Areas and Facilities of the Project as the same are identified and established in the Record of Survey Map recorded September 30, 2005 as Entry No. 752593, and the Declaration of Condominium of Newpark Resort Residences (also sometimes referred to as Newpark Townhomes), recorded April 23, 2004 as Entry No. 696020, in Book 1614, at Page 1666, and the Second Amendment to the Declaration of Condominium of Newpark Resort Residences exercising option to expand, recorded November 24, 2004 as Entry No. 718118, in Book 1662, at Page 1505, of the Official Records in the office of the Summit County Recorder, State of Utah.

Serial No. NPKTH-3-71-AM

ENCOURAGEMENT FOR LIFE BYLAWS, RULES AND REGULATIONS

Article 1. Name and Object:

A. The name of the corporation shall be ENCOURAGEMENT FOR LIFE, a religious church not-for-profit California corporation.

B. The objects of ENCOURAGEMENT FOR LIFE shall be those set forth in its Articles of Incorporation filed with the California Secretary of State on December 6, 1990 as Item #1677583.

Article 2. Administration:

The affairs of ENCOURAGEMENT FOR LIFE shall be administered by a Board of Directors consisting of three (3) members, who shall be elected by the Regular Members of ENCOURAGEMENT FOR LIFE, with such qualifications as shall be determined from time to time by the Regular Members, and each member at said board shall be a Regular Member of ENCOURAGEMENT OF LIFE.

There may also be such additional Boards or Committees as shall be determined from time to time, consisting of those persons who may be selected therefor, and invited to become members thereof by the Board of Directors.

Article 3. Officers:

This corporation's officers shall consist of a President, one or more Vice Presidents, a Secretary, a Chief Financial Officer, and such additional officers as shall be appointed or elected by the Board of Directors.

Article 4. President:

The President shall be an ordained minister and shall preside over all meetings of the Board of Directors. He shall also have such other powers and perform such other duties as may be required of him, from time to time, by the Board of Directors. He may also appoint such Committee or Committees as he may be authorized to appoint by the Board of Directors from time to time, and define the duties of such committees. He shall be elected from, and be a member of, the Board of Directors.

Article 5. Vice Presidents:

The Vice Presidents shall, in the absence of the President, perform all of the duties and have all the powers of the President. They shall also have such other powers and perform such other duties as shall be designated or assigned to them by the Board and shall be elected from the Board.

Article 6. Secretary:

The Secretary shall keep a record of the proceedings of the Board of Directors and of the members and directors. That person shall keep the corporate seal and book of blank membership certificates; fill out and countersign all certificates issued and make proper entries in the books of ENCOURAGEMENT FOR LIFE. That person shall keep a proper transfer book and ledger in debit and credit form showing the number of certificates issued and transferred and the dates of same. The Secretary shall serve all notices required by law or the Bylaws of ENCOURAGEMENT OF LIFE and, in case of that person's absence, refusal or inability to act, those duties may be performed by any person whom the Board of Directors may direct. The Secretary need not be a member of the Board of Directors.

Article 7. Chief Financial Officer: (Treasurer)

The Chief Financial Officer shall be elected by the Board of Directors, and may hold other offices in ENCOURAGEMENT FOR LIFE. The Chief Financial Officer's duties shall be such as are implied by the name. The Chief Financial Officer shall furnish, prepare and keep a full set of books of account, showing each detail of the business and the corporation's accounts, and all receipts and disbursements of every kind and nature, the amount of cash on hand, and the amount of money owed by ENCOURAGEMENT FOR LIFE or owing to it, and such other information as may be, in the judgment of said Chief Financial Officer, pertinent, or such as may be required by the Board of Directors.

Article 8. Powers of Directors:

A. General Powers of the Board of Directors shall include the management of the business of ENCOURAGEMENT FOR LIFE, and subject to the restrictions imposed by law, by the Articles of Incorporation, or by these Bylaws, may exercise all of the powers of ENCOURAGEMENT FOR LIFE.

B. Without prejudice to such general powers, it is hereby expressly declared that the directors shall have the following powers:

1. To adopt and alter a common ENCOURAGEMENT FOR LIFE seal.
2. To make and change regulations not inconsistent with these Bylaws, for the management of the corporation's business and affairs.
3. To appoint and remove, at pleasure, all officers, agents and employees of ENCOURAGEMENT FOR LIFE, except Regular Members and the President, prescribe their duties, fix their compensation and require from them security for faithful service, if they so deem necessary, and in their discretion, from time to time, to devolve the powers and duties of any officer upon any other person for the time being.

4. To appoint and remove or suspend such subordinate officers, agents or factors as they may deem necessary, and determine their duties and fix, from time to time, their salaries or other remuneration.
5. To pay for any property purchased by ENCOURAGEMENT FOR LIFE, either wholly or partly in money, bonds, debentures or other securities of ENCOURAGEMENT FOR LIFE.
6. To borrow money and to make and issue notes, bonds, and other negotiable and transferable instruments, mortgages, deeds of trust, trust agreements and to do every act and thing necessary to effectuate the same.
7. To designate from time to time, the time and place of its meetings or to authorize the President so to do. To appoint such committee or committees on any subject within the powers of the corporation's Articles of Incorporation and to define the powers and duties of such committee.
8. To select and designate such bank or trust company as they may deem advisable, as official depository of the funds of ENCOURAGEMENT FOR LIFE and to prescribe and order the manner in which such deposits shall be made and/or withdrawn.

C. Directors shall not receive any stated compensation for their service as directors, but by resolution of the Board, a fixed fee and expenses of attendance may be allowed for attendance at each meeting. Nothing herein contained shall be construed to preclude any director from serving ENCOURAGEMENT FOR LIFE in any other capacity and receiving compensation therefor.

Article 9. Committees:

A. The Board of Directors may, by resolution or resolutions passed by a majority of the whole Board, or the President, upon authority conferred upon him by the Board of Directors, designate and appoint such committee or committees within subjects empowered to ENCOURAGEMENT FOR LIFE; such committee or committees to have such powers; to exercise such duties or to perform such services as may be prescribed, from time to time, by the Board of Directors and/or by the President, upon authority conferred upon him by the Board of Directors. Such committee or committees shall have such name or names as may be stated by these Bylaws, or as may be determined from time to time, by resolution adopted by the Board of Directors.

B. Such committee shall keep regular minutes of its proceedings and report the same to the Board when required.

Article 10. Memberships:

A. Memberships in ENCOURAGEMENT FOR LIFE shall consist of Regular Members and such other associate, honorary, sustaining or other members as may from time to time be provided by the Board of Directors when made a part of these Bylaws.

B. Regular memberships shall consist of those persons elected thereto by the Board of Directors. Each Regular membership shall entitle the holder thereof to the vote at all meetings of Regular Members of ENCOURAGEMENT FOR LIFE.

C. Associate, honorary, sustaining or other memberships shall consist of those persons, firms, associations or organizations affiliated with ENCOURAGEMENT FOR LIFE or its activities and as may be more specifically provided therefor from time to time by the Board of Directors and amendment of these Bylaws. No such membership shall, however, at any time be entitled thereby to vote at any meeting of the Regular Members of ENCOURAGEMENT FOR LIFE.

Article 11. Membership Fees:

The Board of Directors may from time to time determine whether or not there shall be any membership fees or dues by any class or classes of membership of ENCOURAGEMENT FOR LIFE, and to fix and determine the amount thereof.

Article 12. Annual Meeting of Regular Members:

A. There shall be an annual meeting of the Regular Members of ENCOURAGEMENT FOR LIFE, to be held in the City of Newport Beach, County of Orange, State of California on the 3rd Sunday in February each year. The first meeting of the Regular Members of ENCOURAGEMENT FOR LIFE shall be on the January 20, 1991.

No change of the time or place for an annual meeting of Regular Members of ENCOURAGEMENT FOR LIFE shall be made within sixty (60) days prior to the date set for the next annual meeting of said members. At each annual meeting of Regular Members of ENCOURAGEMENT FOR LIFE, there shall be elected a Board of Directors of ENCOURAGEMENT FOR LIFE for the ensuing year, at which meeting, each Regular Member shall be entitled to one (1) vote, and at which meeting such other business may be transacted as may be found, from time to time, necessary, desirable or useful.

Special meetings of the Regular Members of ENCOURAGEMENT FOR LIFE may be called by the President or any director, from time to time, and shall be held at such place as the Board of Directors may, from time to time, determine or may be called by any director of ENCOURAGEMENT FOR LIFE for the purpose of electing members of the Board of Directors, in the event, for any reason, vacancies shall occur in the Board reducing the number thereof to less than a quorum.

Notice of the calls for any annual or special meeting of the Regular Members of ENCOURAGEMENT FOR LIFE shall be given by the Secretary, or such other officer as the Board of Directors may, from time to time, determine, to each Regular Member not less than five (5) days prior to the date of the holding of such meeting, whether annual or special.

B. There may be annual meetings of all members of ENCOURAGEMENT FOR LIFE, whether Regular or otherwise, at which meeting any action may be taken, as the Board of Directors of ENCOURAGEMENT FOR LIFE may determine necessary, advisable or useful, except however, no election of directors of ENCOURAGEMENT FOR LIFE shall occur at such meetings.

Article 13. Termination of Membership:

A. Any member, Regular or otherwise, may terminate his membership at any time upon delivery to the Secretary of ENCOURAGEMENT FOR LIFE, the effective date of such resignation.

B. ENCOURAGEMENT FOR LIFE, at its option, may terminate any membership of whatever class, except that of Regular, for any infraction of the Bylaws, rules and/or regulations of ENCOURAGEMENT FOR LIFE, or for other good and valid reason, as the Board of Directors of ENCOURAGEMENT FOR LIFE determine.

C. All memberships, of whatever class, shall be for the period of membership specified, and if none is so specified by the Board of Directors, shall be for the life of such member or until otherwise terminated.

Article 14. Liability of Members:

No member of ENCOURAGEMENT FOR LIFE, either Regular or otherwise, shall be personally or otherwise liable for any of the debts, liabilities and/or obligations of ENCOURAGEMENT FOR LIFE.

Article 15. Associate, Honorary, Sustaining or Other Members:

The Board of Directors shall have powers to admit by invitation as associate, honorary, sustaining or other members of ENCOURAGEMENT FOR LIFE and for such period as they may elect, such persons or firms, associations or organizations, as it may deem proper, or such persons, firms, associations or organizations that may render ENCOURAGEMENT FOR LIFE any single benefit or service which it may wish to recognize in this manner and to renew such invitations at its discretion. Such members shall enjoy such privileges and benefits as may be determined by the Board of Directors, except that they shall not vote or hold office.

Article 16. Donations:

ENCOURAGEMENT FOR LIFE may accept gifts, legacies, donations and/or contributions and in any amount and any form, from time to time, upon such terms and conditions as may be decided from time to time by the Board of Directors.

Article 17. Certificate of Membership:

A. Certificates of Membership, numbered and with the seal of ENCOURAGEMENT FOR LIFE affixed, signed by the President or Secretary or such other officers as may be designated by the Board of Directors, may, if the Board so elects be issued to each member certifying the class of membership held by him or it in ENCOURAGEMENT FOR LIFE.

B. A new certificate of membership may be issued in the place of any certificate theretofore issued by ENCOURAGEMENT FOR LIFE, alleged to have been lost or destroyed, and the directors, may, in their discretion, require the owner of any such lost or destroyed certificate to comply with such rules and regulations as they may make from time to time in connection therewith.

C. Certificates of Membership in ENCOURAGEMENT FOR LIFE shall not be transferable.

Article 18. Miscellaneous Provisions:

A. The Corporate Seal of ENCOURAGEMENT FOR LIFE shall be in such form as the Board of Directors shall determine and shall contain the name of ENCOURAGEMENT FOR LIFE, the date and state of its creation, and such other matters as the Board of Directors, in their discretion, may determine. Said seal may be used by causing it or a facsimile thereof to be impressed, affixed or reproduced.

B. The Principal Office shall be established and maintained in the City of Newport Beach, County of Orange, California.

C. Other offices of ENCOURAGEMENT FOR LIFE may be established at such places as the Board of Directors may from time to time, designate or the business of ENCOURAGEMENT FOR LIFE may require.

D. All checks, drafts, or other orders for the payment of money, notes of other evidences of indebtedness issued in the name of ENCOURAGEMENT FOR LIFE for all debts of ENCOURAGEMENT FOR LIFE shall be signed by the President or may be signed by the Secretary or Chief Financial Officer or by such officers as shall from time to time be determined by the Board.

E. Whenever any Notice is required by these Bylaws to be given, personal notice is not meant unless expressly so stated; and, any notice so required shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postage-paid envelope, addressed to the person thereto entitled at that person's last known post office address, and such Notice shall be deemed to have been given four (4) days after such mailing. Any Notice required to be given under these Bylaws may be waived by the person entitled thereto. Members not entitled to vote shall not be entitled to receive Notice of any meetings except as otherwise provided by statute.

F. Any action of the majority of the Board of Directors of ENCOURAGEMENT FOR LIFE, although not at a regularly called meeting and the record thereof if assented to in writing by all of the other members of the Board, shall always be as valid and effective in all respects as if passed by the Board at a regular meeting.

Article 19. Fiscal Year:

The fiscal year of ENCOURAGEMENT FOR LIFE shall be the calendar year.

Article 20. Amendments:

The Regular Members, by the affirmative vote of the holders of a majority of such memberships issued and outstanding, or the directors, by the affirmative vote of a majority of the directors, may at any meeting, provided by the substance of the proposed amendment shall have been stated in the Notice of the meeting, amend or alter any of these Bylaws.

CERTIFICATION

I, EARL JOHNSTON, the Undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of ENCOURAGEMENT FOR LIFE, a non-profit California corporation and,

2. That the foregoing Bylaws, constitute the original Bylaws of said ENCOURAGEMENT FOR LIFE, as duly adopted at a meeting of the Regular Members and Board of Directors, held on Sunday, January 20, 1991.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of ENCOURAGEMENT FOR LIFE, this 20th day of January, 1991.

(seal)

EARL JOHNSTON, Secretary

ARTICLES OF INCORPORATION

DEC 6 1990

OF

MARCH FONG EU, Secretary of State

ENCOURAGEMENT FOR LIFE

1. The name of this corporation is ENCOURAGEMENT FOR LIFE.

2. A. This corporation is a religious corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Religious Corporation Law exclusively for religious purposes.

B. The specific purpose of this corporation is to operate a religious church outreach ministry.

3. The name and address in the state of California of this corporation's initial agent for service of process is:

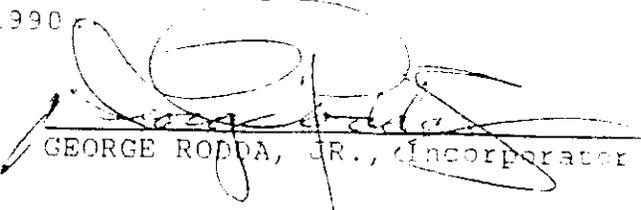
George Rodda, Jr., Esq.
949 Goldenrod Avenue
Corona del Mar, CA 92625-0309

4. A. This corporation is organized and operated exclusively for religious purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code OF 1954, as amended.

B. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing of distribution of statements) on behalf of any candidate for public office.

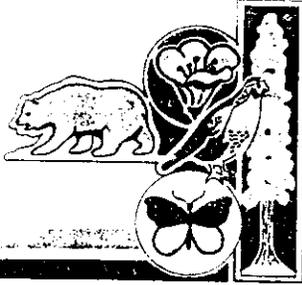
5. The property of this corporation is irrevocably dedicated to religious purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for religious purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

DATED: November 30, 1990


GEORGE RODDA, JR., Incorporator

GEORGE F. JA, JR.
ATTORNEY AT LAW
949 GOLDENROD AVENUE
P O BOX 309
CORONA DEL MAR, CALIFORNIA 92625
PHONE (714) 644-2644 FAX (714) 644-2647

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State of California

OFFICE OF THE SECRETARY OF STATE

CORPORATION DIVISION

I, *MARCH FONG EU*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the corporate record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this

DEC 2 1890



March Fong Eu

Secretary of State

ARTICLES OF INCORPORATION
OF
ENCOURAGEMENT FOR LIFE

DEC 6 1990

MARCH FONG EU, Secretary of State

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2. A. This corporation is a religious corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Religious Corporation Law exclusively for religious purposes.

B. The specific purpose of this corporation is to operate a religious church outreach ministry.

3. The name and address in the state of California of this corporation's initial agent for service of process is:

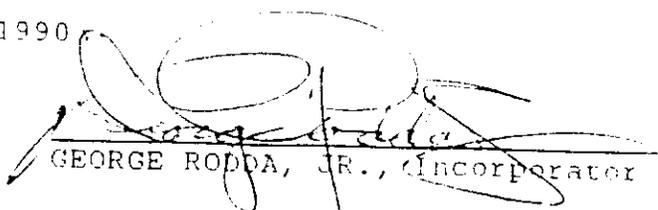
George Rodda, Jr., Esq.
949 Goldenrod Avenue
Corona del Mar, CA 92625-0309

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DATED: November 30, 1990


GEORGE RODDA, JR., Incorporator

GEORGE K. JA, JR.
ATTORNEY AT LAW
949 GOLDENROD AVENUE
P.O. BOX 309
CORONA DEL MAR, CALIFORNIA 92625
PHONE (714) 644-2644 FAX (714) 644-2647

See similar homes

Public Record

🔄 Refinance your home

6020 Park Ln S #71

Park City, UT 84098

1,271 sqft Townhome

★ Save

✎ Edit Home Facts

▼ More

📍 Street View

🗺 Map



6016 Park Ln S, South Snyderville Basin, Utah

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Report a problem

Property Details for 6020 Park Ln S #71

6020 Park Ln S #71, Park City, UT 84098

Park City UT, 6020

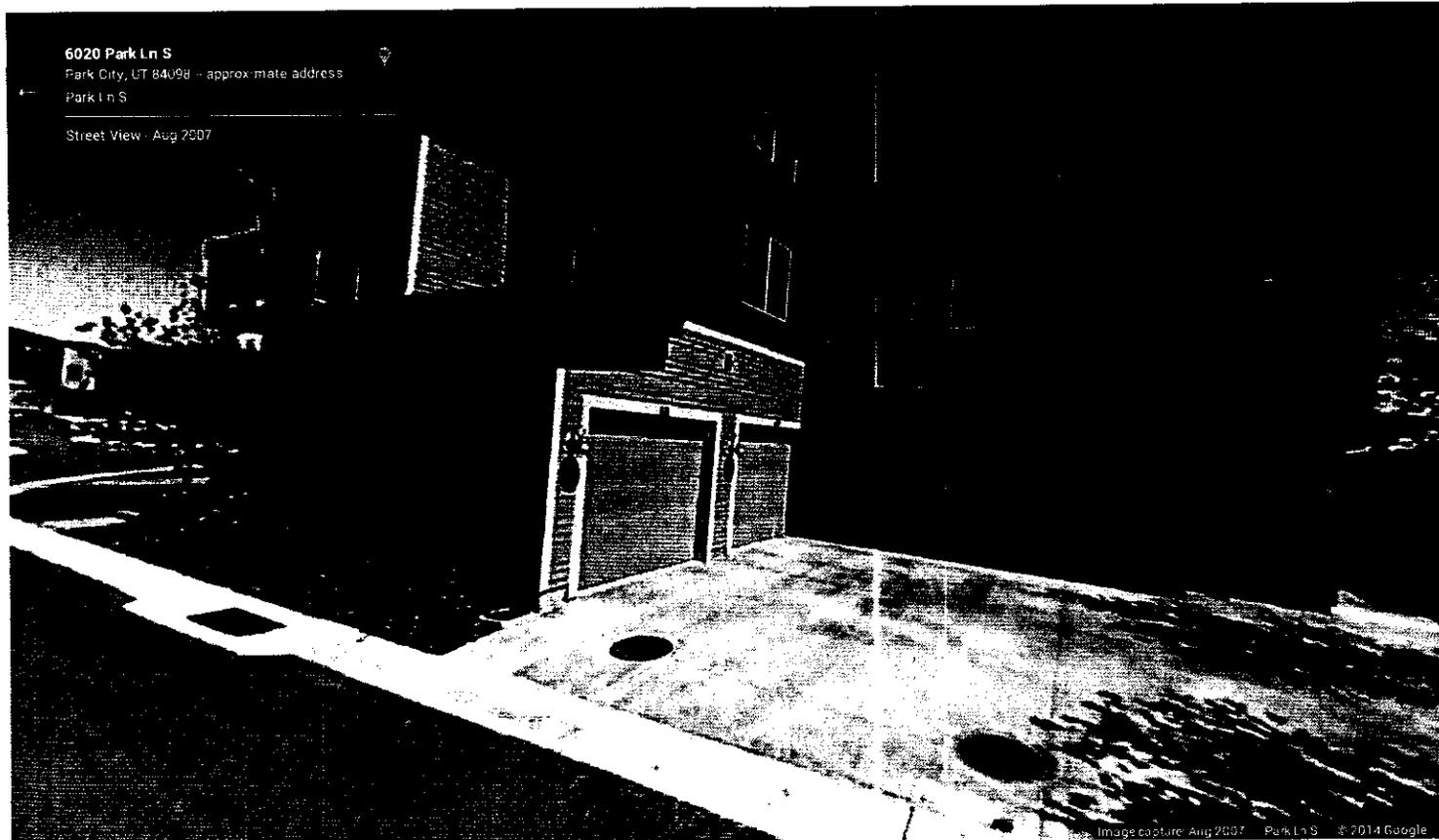
Park Ln S #71 has approximately 1,271 square feet. The property was built in 2005. 6020 Park Ln S #71 is in the 84098 ZIP code in Park City, UT.

Public Records

Official property, sales, and tax information from county (public) records:

- 1,271 sqft
- Built In 2005
- County: Summit

Rate and Review



INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P O BOX 36001 STOP SF-4-4-46
SAN FRANCISCO, CA 94102

DEPARTMENT OF THE TREASURY

Date: FEB. 7, 1992

ENCOURAGEMENT FOR LIFE
1621 FORT BARMOUNT
NEWPORT BEACH, CA 92660

Employer Identification Number:
33-0496660
Case Number:
951336017
Contact Person:
JOHN PAPKA
Contact Telephone Number:
~~(415) 556-0251~~
1 800 829-1040

Accounting Period Ending:
December 31
Foundation Status Classification:
509(a)(1)
Advance Ruling Period Begins:
Dec. 6, 1990
Advance Ruling Period Ends:
Dec. 31, 1994
Addendum Applies:
Yes

Dear Applicants:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

Accordingly, you will be treated as a publicly supported organization and not as a private foundation, during an advance ruling period. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must submit to us information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Grantors and contributors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until the Service

Letter 1045(CG)

ENCOURAGEMENT FOR LIFE

makes a final determination of your foundation status.

If notice that you will no longer be treated as a publicly supported organization is published in the Internal Revenue Bulletin, grantors and contributors may not rely on this determination after the date of such publication. In addition, if you lose your status as a publicly supported organization and a grantor or contributor was responsible for, or was aware of, the act or failure to act, that resulted in your loss of such status, that person may not rely on this determination from the date of the act or failure to act. Also, if a grantor or contributor learned that the Service had given notice that you would be removed from classification as a publicly supported organization, then that person may not rely on this determination as of the date such knowledge was acquired.

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the private foundation excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in Section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-1 on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

You are required to file Form 990, Return of Organization Exempt From Income Tax, only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not

ENCOURAGEMENT FOR LIFE

required to file; simply attach the label provided; check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less; and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number has not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Michael J. Quinn
District Director

Enclosure(s):
Addendum
Form 972-C

ENCOURAGEMENT FOR LIFE

You have been granted exemption from Federal income tax as a religious organization other than a church.

Your tax exempt status is predicated on the understanding that the content of the printed material you publish or the audio or video material you produce is educational in nature and is germane to your exempt stated purpose. Furthermore, the manner in which distribution of any of the above items is accomplished must be distinguishable from ordinary commercial practices.

NEWPARK RESORT MANAGEMENT NIGHTLY RENTAL MANAGEMENT AGREEMENT

This Rental Agreement ("Agreement") is entered into as of the day set forth below on the signature page (the "Effective Date") between the undersigned owner ("Owner") and Newpark Resort Management ("Manager"), with respect to Owner's Condominium Unit(s) at Newpark Resort Residences located between 6322 Park Lane North and 5962 Park Lane South, Park City, Utah 84098 (the "Project").

RECITALS

Owner is the owner of _____ (the "Unit") at the Project.

Owner desires to engage Manager to assist in procuring rental occupants ("Rental Guests") and managing the reservation and short term occupancy of the Unit and Manager desires to provide such services, all on the terms and conditions set forth below.

The Unit will be managed by Manager as part of a rental program in which condominium units at the Project will be managed by Manager. The rental arrangement provided by this Agreement shall be termed the "Rental Program."

AGREEMENT

IN CONSIDERATION of the mutual promises and covenants set forth herein, the parties agree as follows:

I. APPOINTMENT OF MANAGER:

Owner appoints Manager and Manager accepts appointment (as an independent contractor and not as an employee of Owner) as the exclusive agent to manage, act as rental agent for and rent the Unit to the general public. Due to the exclusive nature of the relationship, Owner shall not employ or permit any other person or entity, nor shall Owner himself or herself act as a manager, or agent, or provide similar services for the Unit or any other owner of a unit in the Project. Owner acknowledges that Manager will be performing similar services for other owners of units. Owner shall have the right to make personal use of the Unit, as hereinafter provided.

II. MANAGER'S RIGHTS AND RESPONSIBILITIES:

Reservations and Front-desk: Manager shall maintain and operate a year-round front office for reservations, check-in and check-out. Manager shall be responsible for normal check-in and check-out functions associated with occupancy of the Unit.

Rental: Manager agrees to apply its best efforts to manage, market and rent the Unit, to make collection of rents due and to guard against damage to said Unit by renters. However, Manager does not guarantee any rentals or rent collections nor against any damage or theft. Manager shall apportion available Rental Guests on a fair and equitable basis between the Unit and all other comparable units at the Project for which Manager serves as a rental manager. Owner acknowledges that while Manager will attempt to adhere to a rotation system, differences in occupancy and gross revenue may occur for reasonable reasons including but not limited to the following: (a) preferences for a particular size, feature, view orientation, location or type of unit requested by potential Rental Guests; (b) prior reservations or other occurrences making any unit unavailable for the duration of occupancy desired by potential Rental Guests; (c) needed or ongoing repair or replacement operations or unsuitability of the Unit for rental; (d) personal usage of the Unit by Owner; or (e) the number and timing of Owner referrals made to generate potential Rental Guests.

Complimentary Lodging: Owner shall allow Manager to use the Unit for promotional purposes to host travel agents, potential clients, airline personnel and other industry related individuals. Promotional use of the Unit will be at no cost to the Owner and will be limited to no more than five (5) nights in a twelve (12) month period. Complimentary lodging will be distributed as evenly as possible among all comparable units in the Project and revenue generating reservations will take precedence whenever possible.

Direct Rents: In the event the Owner receives rents directly from a Rental Guest or Owner Guest, regardless of whether Owner secured the Guest with or without the assistance from the Manager, the Owner shall remit all such rents to the Manager, to be held and disbursed under this Agreement in the same manner as rents received directly by the Manager. Any violation of the Manager being the exclusive agent for rents will subject this Agreement to immediate termination, at Manager's option.

Marketing Services: Manager shall advertise and promote all properties, including the Unit, which it manages and for which it acts as rental agent, in such manner and with such frequency as it deems prudent in its discretion. Owner authorizes Manager to include the Unit in Manager's general marketing efforts for the Project, including photographic reproductions of the interior of the Unit, at no additional cost to Owner. Manager shall not use Owner's name or other private information concerning Owner in any marketing materials, without Owner's prior consent. Owner acknowledges that Manager's marketing efforts may promote the Project in general and not Owner's specific Unit.

Rates: Manager shall set nightly occupancy rates and policies as Manager shall determine in its reasonable discretion to further the economic objectives of the Project. Manager reserves the right to change the established rates, without notice to the Owner, as it deems necessary to maximize Unit income. Additionally, Manager reserves the right to establish, change or eliminate minimum lengths of stay as it deems necessary to maximize Unit income. Manager shall have the right to reserve the occupancy of the Unit at rates less than the regularly advertised rates in circumstances such as, but not limited to, extended length of stay, group discounts, company or corporate discounts, package plan discounts, holiday or promotional discounts or in other situations when deemed advantageous.

Refunds: Owner agrees that Manager may offer a refund of all or part of the rent paid by any Rental Guest if Manager, in its reasonable discretion, deems this action necessary to promote Rental Guest satisfaction, for circumstances beyond Manager's control. If a refund is required to promote Rental Guest satisfaction from circumstances within Manager's control, Manager will offer refund to Guests at no financial loss to Owner.

Cancellation Fees/Deposits: Owner understands that Manager shall set policies relating to the cancellation of reservations and the return of deposits, and that Manager may in certain circumstances refund a deposit notwithstanding the failure to comply with Manager's established cancellation policies. If Manager is unable to rebook a cancelled reservation in Owner's Unit, any forfeited deposits will be considered part of the Adjusted Gross Rental Revenue to be split between Owner and Manager as further described below. If Manager rebooks a cancelled reservation in Owner's Unit, any forfeited deposits or other cancellation fees will be retained by Manager as consideration for its efforts to successfully rebook the Unit.

Collection of Rents: Manager shall collect rent from all Rental Guests and shall provide all accounting services necessary for the collection of such rental revenue. Manager is specifically authorized by Owner to take necessary or advisable actions to request, demand, settle, compromise, collect and receive any costs and expenses chargeable to Rental Guests. Manager shall proceed with such action in its prudent business judgment at no additional expense to Owner.

Statements and Records: Manager agrees to account monthly and send a monthly statement within 25 days of the preceding month to the Owner along with the Owner's share of the Adjusted Gross Rental Revenue for such month. Owner authorizes Manager to deduct from Adjusted Gross Rental Revenue all charges and fees due under the terms of this Agreement. Owner shall remit any balances due to Manager within 30 days after receipt of any given monthly statement. Unpaid balances after 30 days are subject to a finance charge of 1% per month (annual rate of 12%).

Manager agrees to maintain a complete set of records for the Unit which will be available for Owner's inspection, upon prior request and adequate advance notice, in Manager's office during normal business hours.

Housekeeping: Manager will provide housekeeping services in accordance with ADDENDUM IV attached hereto and incorporated herein by this reference.

Maintenance: Maintenance of the Unit will be conducted in accordance with ADDENDUM IV.

Right to Enter Unit: Manager or its employees, contractors or agents, shall have the right to enter the Unit for all purposes set forth in this Agreement or as may be deemed necessary or desirable to carry out the intent of this Agreement.

Advance Deposits: Manager may, at its discretion, place funds in an interest-bearing account until dispersal, and shall be entitled to receive any interest earned thereon as further compensation under this Agreement.

Insurance: Manager agrees to maintain liability insurance to cover its operations, management and employees for any acts of gross negligence.

III. OWNER'S RESPONSIBILITIES:

Fees and Assessments:

Fees and Assessments: Owner agrees to pay, prior to delinquency, all mortgage payments, property taxes, condominium association dues and assessments, and business license and other government taxes and fees attributable to the Unit or the rental thereof (collectively, the "Owner Operating Payables").

Utilities, including Telephone, Internet and Cable Television: Utilities, including gas, electric, water, sewer, air conditioning, telephone, internet (high-speed wireless) and digital high definition cable television ("Utility Systems") are essential to the program. Owners must provide in the event that Utility Systems are not provided to all owners at the Project as a common expense, included within the owners' HOA condominium assessments, Owner will be required to pay all Utility Systems charges as well as participate in the Utility Systems adopted or recommended by Manager at Owner's expense.

Unit Quality and Furniture: Owner shall furnish and maintain the Unit in a rentable, first-class manner and condition as determined in the absolute discretion of Manager. Owner shall be responsible for furnishing the Unit with the furniture and accessories approved by Manager. These furnishings are appropriate and suitable for rental in the market in which Manager seeks to rent the Unit, and these furnishings represent the universal standards set forth by Manager. Any deviation in furnishings must be agreed to by Manager in

writing. Owner understands that any furniture and furnishing deviation by Owner may adversely affect Manager's ability to effectively rent the Unit. A list of the minimum required furnishings and accessories for the Unit is set forth on ADDENDUM V attached hereto and incorporated herein by this reference.

Accessories: Owner agrees to provide and maintain kitchen and accessory items determined appropriate by Manager and as set forth on ADDENDUM V. Additionally, Owner shall be assessed annually a KITCHEN RESTOCK FEE at the beginning of each year in accordance with ADDENDUM V.

Linens: Manager shall provide, at Owner's expense, standard bed linen and bathroom terry deemed appropriate by Manager per ADDENDUM V. Manager reserves the right to modify the standard bed linen and bathroom terry at its reasonable discretion. Additionally, Owner shall be assessed annually a LINEN RESTOCK FEE at the beginning of each year in accordance with ADDENDUM V.

Minimum Working Balance: Owner agrees to maintain on account with Manager a working balance in the minimum amount of \$250 per Unit at all times.

Insurance: Owner agrees to maintain liability, fire, casualty and personal property insurance in adequate amounts and hold Manager harmless from any loss occurring on or about the Unit. Owner shall carry and make available to Manager for inspection a policy of comprehensive general liability, fire, casualty and personal property insurance that will insure Owner against liability for injury to or death of persons or damage to property arising out of the use of occupancy of the Unit by anyone, including Rental Guests, of adequate amounts.

Disbursements: Owner hereby authorizes Manager to make such disbursements from Owner's account as may be required to satisfy any unperformed obligation of Owner under this Agreement. Without limiting the generality of the foregoing, in the event Owner fails to pay any Owner Operating Payable as and when due, Manager shall have the right, but not the obligation, to deduct an amount equal to all unpaid and delinquent Owner Operating Payables from Owner's account and pay the same on Owner's behalf.

Condition; Failure to Maintain: Owner shall keep the Unit in a condition safe for Rental Guests. Owner shall not knowingly take or fail to take any action that may place Manager or any other unit owners or Rental Guests in any legal, financial or safety peril. In the event the Unit is not maintained to Manager's satisfaction, Manager shall have the right to (i) terminate this Agreement or (ii) to notify Owner and give Owner sixty (60) days from the date of such notice to bring the Unit up to rentable condition as determined by Manager. During this 60-day period, Manager may remove the Unit from its reservation system, and at the end of this period, Manager shall have the right to terminate this Agreement if the Unit is not brought up to a rentable condition.

Income and Other Taxes: Owner acknowledges that the income attributable to Owner from Rental Guest occupancy of the Unit is a taxable transaction and Owner is responsible for all such income taxes. Owner further represents and warrants to Manager that Owner has not relied on Manager for tax advice and acknowledges that Manager recommends consulting with competent legal counsel in connection with the tax consequences of Owner's execution of this Agreement. If requested, Owner shall provide Manager with all applicable U.S. identifying numbers (such as social security numbers or employer identification numbers), and in the case of non-resident alien owners, shall promptly execute and return to Manager any U.S. tax forms necessary to confirm that Manager is not required to withhold proceeds payable to Owner (such as IRS Form 4224). Any sales, use, lodging, excise and other state and local taxes or similar governmental charges shall be charged to the Rental Guest. Manager shall be responsible for administering the payment of all such applicable sales and other taxes or charges. Manager recommends that any foreign owner seek competent legal/tax counsel in relation to his or her Unit and offering his or her Unit for short term occupancy under the terms of this Agreement.

IV. OWNER AND OWNER GUEST USE:

Rental Availability: Owner recognizes that the Unit will be made available to Rental Guests pursuant to this Agreement, and Owner waives his or her right to use the Unit and to permit use of the Unit by Owner's family or non-paying guests unless otherwise reserved in accordance with this Section IV.

Owner Usage: Requests for occupancy by Owner or Owner's family or guests ("Owner Occupants") must be made through Manager or its agents and are subject to the limitations in accordance with ADDENDUM II attached hereto and incorporated herein by this reference.

Notification of Owner Use: Requests for occupancy by Owner or Owner's family or guests ("Owner Occupants") must be made through Manager or its agents and are subject to the limitations in accordance with ADDENDUM II attached hereto and incorporated herein by this reference.

Owner's Obligation to Comply with Management Policies and Payment of Fees: All Owner Occupants will be required to comply with the policies of the Manager, including, but not limited to check-in and check-out procedures, parking policies, housekeeping policies and fees and arrival and departure requirements, as such policies may change from time to time.

Owner agrees to pay all other occupancy costs and charges associated with Owner Occupant use, including cleaning services as described in "Housekeeping" in ADDENDUM IV. If so requested by Owner, during

periods of occupancy by Owner Occupants, Manager shall provide such other services as may be available and requested, all at Owner's cost in accordance with Manager's current schedule or charges.

V. SALE OF UNIT:

Owner must give written notice to Manager if the Unit is listed for sale, and indicate the real estate agent with which it is listed. Owner will instruct the agent that key "lock boxes" are prohibited and that agents must obtain clearance from Manager each time the agent desires to show the Unit. Owner acknowledges that the Unit may not be shown when occupied by a Rental Guest. If Owner or Owner's agent fails to comply with the terms of this paragraph, Manager may terminate this Agreement, at its sole discretion.

Owner will provide Manager with 60 days advance written notice of the scheduled closing of the sale of the Unit. Prior to closing, the Owner will coordinate with the Manager to ensure that rental accounts are brought current and all owners' association assessments are current. Upon receipt of written notice of sale, Manager shall use its best efforts to move advance bookings to other Units. However, Owner must provide a written commitment from the buyer to honor any confirmed or tentative reservations for the Unit when Manager is unable to move advance bookings to other Units. In the event buyer will not honor any confirmed or tentative reservations, Owner shall be liable for all damages, including incidental and consequential damages occasioned by the inability to accommodate advance bookings.

VI. MANAGER COMPENSATION; OWNER'S REVENUE:

Management Fee and Monthly Operating Fee: As compensation for Manager's services provided under this Agreement, Owner shall pay to Manager the Operating Fee and Management Fee described in ADDENDUM III attached hereto and incorporated herein by this reference. Subject to Owner performing Owner's obligations under this Agreement, and subject to Manager's rights under this Agreement in connection with any failure by Owner to perform such obligations, Manager shall pay to Owner all of the Adjusted Gross Revenue actually received by Manager in connection with the rental of the Unit as contemplated herein in excess of the Operating and Management Fee.

VII. TERM:

Term: This Agreement shall become effective as of the Effective Date, and shall continue, subject to the terms and conditions hereof, in full force and effect for a period of one year with automatic renewals as hereinafter described unless earlier terminated as set forth herein. Every July 1st (herein "annual anniversary date"), this Agreement will automatically renew for an additional year. This ongoing-one-year term will remain in full force and effect unless Owner or Manager notifies the other party in writing of its intent to terminate, which notice must be given at least 90 days prior to the applicable annual anniversary date. In the event of termination by Owner, Owner agrees to honor any reservations which cannot be transferred to another Unit. Notwithstanding the foregoing, this Agreement shall terminate upon the closing of a sale of the Unit during the term hereof, provided that as a condition of sale, Owner must provide a written commitment from the buyer to honor any existing reservations for the Unit in accordance with Section V above.

Force Majeure: If the Unit or any other part of the Project is so damaged by fire, catastrophe, natural occurrences, civil commotion, war or other casualty as to render the Unit unfit for rental purposes, as determined by Manager, then all reservations that cannot be fulfilled may be cancelled, and the obligations of Owner and Manager hereunder shall be temporarily abated until the Unit is restored to an acceptable condition, suitable for renting.

VIII. NO POOLED INCOME:

Owner acknowledges that Owner purchased the Unit for Owner's personal use and enjoyment and not with the expectation that Owner or Manager would place Owner's Unit into a rental pool under this Agreement or under any other rental agreement. Owner also acknowledges that the terms of this Agreement do not provide for pooled income or distributions from pooled rental proceeds.

IX. LOCKS:

Manager shall supervise administration of keys as part of Manager's services to Owner. Owner shall be responsible for use of such keys in Owner's possession or transferred by Owner to Owner's guests, and shall return all such keys to the front desk upon checkout to minimize security risks. As such, Owner Occupants shall be required to check-in and check-out with Manager as set forth in Section IV above. Owner will be required implement as well as participate in the Key System(s) adopted or recommended by Manager at Owner's expense.

X. GOVERNING DOCUMENTS; MANAGER RULES AND REGULATIONS:

Use of the Unit and Project is governed by (a) the Amended and Restated Declaration of Condominium of Newport Condominiums, (b) the Amended and Restated Declaration of Condominium of Newport Commercial, (c) the Newport Amended and Restated Air Rights Declaration and (d) the Fourth Amended and

Restated Declaration of Covenants, Conditions and Restrictions of Newpark Owners Association (the "Declarations"). In addition, use of the Unit and Project is governed by any rules and regulations promulgated under the Declarations (the "Rules and Regulations"). All Owner Occupants and Rental Guests shall comply with the requirements of the Declarations and any Rules and Regulations. In addition, Manager may from time to time disseminate additional rules and regulations with respect to the use and occupancy of the Unit as Manager may determine to be appropriate.

XI. AGREEMENT CHANGES AND AMENDMENTS:

This instrument and any exhibits attached hereto constitute the entire Agreement between Manager and Owner. No prior written or contemporaneous oral promises or representations shall be binding. Other than the Amendments IV, V and VI, which the Manager reserves the right to modify from time to time as Manager may determine to be appropriate with 30-days' notice to the Owner, this Agreement shall not be amended, changed or extended except by written instrument signed by both parties hereto.

XII. COST AND ATTORNEY'S FEES:

In case of default in carrying out the terms, conditions, options or covenants contained in this Agreement, the party in default agrees to pay a reasonable attorney's fee and all cost of the other party which may be incurred or are incurred in enforcing this Agreement. If a breach of contract is alleged by either party against the other, fifteen (15) days prior written notice of default shall be given the other party before any legal action is taken.

XIII. LEGALITY OF AGREEMENT PROVISIONS:

Should any provision of this Agreement be declared in contravention of law or void as against public policy, such provision shall be considered severable and remaining provisions hereof shall continue in full force and effect.

XIV. PARAGRAPH HEADINGS AND NUMBERS:

Paragraph headings and numbers used in this Agreement are for the purposes of convenience only and shall not affect the interpretation of this Agreement.

XV. GOVERNING LAW:

This Agreement shall be governed by the laws of the State of Utah.

XVI. BINDING EFFECT AND ASSIGNMENT:

This Agreement shall inure to the benefit of and constitute a binding obligation upon the contracting parties, their successors, heirs, personal representatives and assigns; provided, however, Owner may assign this Agreement only with the prior written consent of Manager and only on condition that the assignee unconditionally assumes all Owner's duties and obligations under this Agreement, regardless of when such arose. Manager may, without the consent of Owner, assign this Agreement to a third-party managing agent or may delegate its duties pursuant to a sub-management agreement to a third-party managing agent.

XVII. INDEMNIFICATION AND RELEASE:

Manager shall not be liable to Owner for and Owner hereby releases Manager from the acts, negligence or failure to act of Rental Guests, and any act or failure of Manager to act so long as Manager is not guilty of fraud or gross negligence in such performance or failure. Owner shall indemnify Manager and any employee or agent of Manager against any claim, damage, loss or threat of loss as a result of any claim or legal proceeding related to this Agreement, which shall include the payment of reasonable attorney's fees of counsel for Manager, or other expenses incurred in settling any such claim or liability incurred in any finally adjudicated legal proceeding, as long as Manager is not guilty of acts of fraud or gross negligence. The obligations of Owner described herein shall survive the termination of this Agreement by either party hereto and shall inure to the benefit of Manager, its employees and agents and their respective heirs, executors, administrators, successors and assigns.

Manager shall indemnify Owner against any claim, damage, loss or threat of loss arising or resulting from gross negligence or willful misconduct of Manager in connection with the performance of its duties under this Agreement.

XVIII. NOTICES:

MANAGER: Notices to Manager shall be in writing and sent by first class or certified mail, return receipt requested, to the following address:

NEWPARK RESORT MANAGEMENT
ATTN: GENERAL MANAGER
1456 NEWPARK BOULEVARD - PARK CITY, UT 84098
TEL: 435.649.3600 | FAX: 435.615.7767

OWNER: Notices to Owner shall be sent in accordance with ADDENDUM I attached hereto and incorporated herein by this reference. In an emergency, and whether or not Manager is able to timely reach Owner or the emergency contact person listed on ADDENDUM I, Manager is authorized to take all actions reasonably necessary to protect property and/or life, all at Owner's expense.

XIX: UNIT CLOSING:

The effectiveness of this Agreement is contingent upon the closing of the sale of the Unit, the terms and conditions of which are set forth in the Purchase Agreement executed by Owner.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

OWNER (Signature): _____

DATE: _____

OWNER (Print): _____

UNIT ADDRESS: _____

MANAGER (Signature): _____

DATE: _____

Newpark Resort Management
Chris Eggleton, General Manager

**ADDENDUM I
OWNER INFORMATION**

Primary Owner

Address

City

State

Zip

Home Phone

Other: Cell - or - Office

Main Email Address

Other Email Address

Social Security or Partnership # (1099-Tax-Reporting purposes)

Additional Owners

A. _____

Home Phone

Other: Cell - or - Office

Main Email Address

Other Email Address

B. _____

Home Phone Other: Cell - or - Office

Main Email Address Other Email Address

All correspondence should be sent to Primary Owner listed above. Notice to Owner shall be effective if Manager or employee, agent or representative, has personally spoken with the Primary Owner or Primary Owner's spouse, or if given in writing sent by first class mail, postage prepaid to the Primary Owner's street address set forth above, or if sent by e-mail or fax to the Primary Owner's address or number set forth above.

If the Primary Owner or Primary Owner's spouse cannot be reached in an emergency, Owner authorizes Manager or employee, agent or representative, to contact the following EMERGENCY CONTACT, whose directions to Manager shall be binding upon Owner:

Address

City

State

Zip

Home Phone

Other: Cell - or - Office

Main Email Address

Other Email Address

Notice shall be effective if Manager, or employee, agent or representative, has personally spoken with the emergency contact or has had written or email correspondence with emergency contact.

ADDENDUM II OWNER USAGE

Owner Usage: Requests for occupancy by Owner or Owner's family or guests ("Owner Occupants") must be made through Manager or its agents and are subject to the limitations set forth below. All reservations for Owner Occupant use are subject to availability. Owner acknowledges that Manager will be reserving the Unit for Rental Guests, in some cases, more than a year in advance, therefore Owner should provide Manager with as much advance notice as possible in order to assure availability for Owner Occupants.

Low Season: There shall be no limit on the amount of time Owner may reserve use of the Unit for Owner Occupants during the low season (April 1st to December 15th), subject to the limitations set forth below

Peak Season Cap: In order to assure availability during peak revenue periods to the benefit of both the Owner and Manager, during peak season, December 16th through March 31st, Owner may reserve the Unit for use by Owner Occupants for a maximum of 21 days at no additional charge (other than housekeeping and other incidental charges). For any additional Owner Occupant reservations during the peak season, Owner shall pay Manager 20% of the nightly rate in addition to appropriate housekeeping charges.

Notification of Owner Use: Requests for Owner Occupant reservations shall be made on the Owner's Reservation Form, a copy of which is attached hereto as ADDENDUM VI, which form may be modified by Manager from time to time. Reservations for Owner Occupants must be confirmed in writing with Manager. Manager shall use its best effort to accommodate Owner Occupant requests, however, all reservations for Owner Occupants are subject to availability. In order to increase the likelihood that the Unit will be available for Owner's use, Manager encourages Owner to submit requests for Owner Occupant reservations as early as possible. If at the time Manager receives a request for Owner Occupant use Manager has already booked the Unit for rental, Manager shall use reasonable efforts to transfer the proposed Rental Guest from the Unit to another comparable unit in the Rental Program. In the event such transfer cannot be made in the sole discretion of Manager, the prior rental of the Unit shall take priority over the use of the Unit by Owner Occupants. Owner shall be liable for all damages incurred by Manager by the inability to accommodate advance bookings in order to accommodate Owner Occupant use.

ADDENDUM III

MANAGER COMPENSATION

Management Fee and Monthly Operating Fee: As compensation for Manager's services provided under this Agreement, Owner shall pay to Manager the Operating Fee and Management Fee described below:

Monthly Resort Operating Fee: Owner shall pay Manager a monthly operating fee of one-hundred dollars (\$100.00) (the "Operating Fee").

Management Fee: Owner shall pay a management fee ("Management Fee") equal to forty-five percent (45%) of Adjusted Gross Rental Revenue, except that for monthly rentals in the summer season (May 1st to August 30th), the Management Fee will be twenty-five percent (25%) of Adjusted Gross Rental Revenue. The term "Adjusted Gross Rental Revenue" shall mean the total rental revenue received by Manager from a Rental Guest for occupancy of the Unit less commissions payable to travel agents, wholesalers, airline and/or central reservations systems and credit card companies, if any.

Owner Referral Fee: To the extent permitted by law, Owner shall receive a 10% referral commission or a 10% discount passed along to Rental Guests based on the gross revenue derived from full price, direct rentals booked by the Owner through Manager's reservation department - exclusive of Christmas and New Years periods, the Sundance Film Festival, President's Day week and all monthly rentals. Owner shall notify Manager prior to booking each reservation in order to be eligible for the referral fee or discount described herein.

ADDENDUM IV
HOUSEKEEPING and MAINTENANCE SERVICES

Housekeeping: Manager will provide daily housekeeping services and departure cleaning for Rental Guests. The expense for housekeeping services for Rental Guests shall be borne by the Manager. Manager will provide departure cleaning services for all Owner Occupant stays, at Owner's expense. Owner may request additional housekeeping services during Owner Occupant stays, at an additional expense.

The following represents 2008/2009 cleaning fee schedule:

- 2-Bedroom Townhome Departure Clean: \$115.00
- 2-Bedroom Townhome Mid-Stay Clean: \$70.00
- 2-Bedroom Townhome Daily Clean: \$60.00

Owner shall receive two complimentary departure cleans per year. This annual obligation and unspent amounts shall not carry forward to any subsequent year.

Manager requires that the Unit be deep cleaned twice per year (Fall and Spring) due to normal wear and tear associated with nightly rentals. The deep clean shall include, without limitation, cleaning of blankets, bed spreads, carpets, walls, cupboards, baseboards, furniture, and light fixtures if determined by Manager to be necessary. The deep clean expenses shall be at the Owner's expense.

The 2014/2015 Deep Cleans shall not exceed \$550.00 per occurrence.

Maintenance: Manager shall inspect the Unit periodically, when unoccupied, for the purpose of determining any maintenance or repair problems that require attention. Notwithstanding the foregoing, this inspection service is provided strictly as an accommodation to Owner, and Manager shall have no liability to Owner for failure to identify and/or correct any condition in the Unit, or to inspect the Unit at any particular interval or frequency.

Manager is authorized, at Owner's expense, to make inventory replacements and perform maintenance as needed. Manager shall request authorization from Owner for repairs or replacements in excess of \$250.00, unless such repair or replacement is deemed by Manager to be of an emergency nature and necessary to protect either the Unit, the Project or minimize impact on Unit income. The Manager shall make every commercially reasonable effort to schedule such repairs, replacements or maintenance so as not to impair the occupancy of the Unit.

Manager shall provide up to 2 hours labor per month free of charge, excluding cost of materials. This service may include (but is not limited to) services such as regular light bulb replacement, resetting breakers, spot painting and similar minor maintenance items. This monthly obligation and unspent amounts shall not carry forward to any subsequent month.

Repairs made by Manager beyond complimentary services will be charged at a minimum rate of \$35 per hour for labor plus cost of parts and materials. Prices may vary for outside contractors.

In case of emergencies involving a problem that could cause further damage to the Unit or the Project or the immediate loss of rental revenue, Manager is authorized to take any necessary action to correct the situation. Manager will use its best efforts to contact Owner as soon as possible in emergency situations in accordance with ADDENDUM I.

Manager may elect to utilize an outside contractor from time to time for services which are specialized or technical in nature. Maintenance provided by outside contractors, when initiated and completed by Manager on behalf of the Owner, will be subject to a 10% administrative fee payable to Manager.

Hot Tub: If Unit is equipped with a private hot tub, Manager shall provide monthly hot tub maintenance including, but not limited to: regular inspections, chemical adjustments and draining, cleaning and refilling of hot tub prior to each guest arrival. The monthly hot tub fee for 2014/2015 will be \$80.00 per month.

All repairs and preventative maintenance services outside of the month maintenance to maintain a functioning hot tub shall be at the Owner's expense.

ADDENDUM V

MINIMUM UNIT FURNISHINGS AND ACCESSORIES

Owner agrees to maintain for each of Owner's Units the following minimum furnishings and accessories at Owner's expense.

Linens: Manager shall provide, at Owner's expense, approved bed linen and bathroom terry, in two rotating sets based on the number of bathrooms and beds in the Unit. Owner agrees that the linens and terry will be retained by the Manager unless there is a termination of this Agreement at which time the linen and terry shall be returned to Owner.

Linen Restock Fee: Owner shall be assessed annually, in January, a \$350.00 linen restock fee. This fee shall provide for annual linen and terry attrition that is customary to rental activity. Replacement items will be chosen at Manager's discretion and may not match set pieces or be exact replicas of original items.

Kitchen Restock Fee: Owner shall be assessed annually, in January, a \$200 kitchen restock fee. This fee shall include a reasonable amount of replacements, as needed at no additional cost to Owner, for the kitchen items shaded in the list below. Replacement items will be chosen at Manager's discretion.

MINIMUM UNIT FURNISHINGS AND ACCESSORIES	
Shaded Cells indicate replacement is covered by Kitchen Restock Fee	
KITCHEN: DINNERWARE	BATHROOM
(1) CONTEMPORARY STONEWARE: Includes 12 of each: dinner plate, salad plate, soup/cereal bowl, and mug; and (1) STONEWARE PLATTER: 13"; ALL White	(1 per bathroom) HAIR DRYER: Hand held, 1600 watt; white
(1) 18/C SILVERWARE: Service for 12 (62 pieces), 12 each: dinner knife, dinner fork, salad fork, soup spoon, and teaspoon. Serving pieces include a serving fork and serving spoon.	(1 per bathroom) HAIR DRYER BAG: Black, hair dryer bag with "Hair Dryer" Logo
(1) SILVERWARE TRAY: 5-compartment, plastic	(1 per shower/tub) SHOWER CURTAIN: Vinyl, non-crack, non-mildew, 6' x 6'; white
(12) HIGHBALL/BEVERAGE GLASS: 11.25-oz	(1 per shower/tub) SHOWER CURTAIN: 72" x 72" waffle weave, w/ grommet; white
(12) WINE GLASS: 8.5-oz	(1 per shower/tub) SHOWER CURTAIN RINGS
KITCHEN: COOKWARE/EQUIPMENT	(1 per Shower) SQUEEGEE: flexible blade
(1) CLASSIC 18/10 STAINLESS STEEL WITH NONSTICK SKILLET 7-PIECE SET: 10" open skillet, with durable nonstick surface preferred, 1-qt and 2-qt saucepans, 5.5-qt covered Dutch oven and three interchangeable lids	(1 per bathroom) VANITY MIRROR: double sided with 5x and 1x magnification; brushed chrome
(1) KNIFE BLOCK SET: 10-15-piece, never need sharpening, full tang,	(1 per bathroom) WASTEBASKET
(1) MIXING BOWL SET: 1-qt, 1.5-qt, and 2.5-qt bowls	BEDROOM (s)
(1) BOWL SCRAPER: Heavy duty molded handle; white	(1) BED; King or Queen Bed or (2) Twin Beds
(1) CAN OPENER: Very heavy duty, manual; white handle	(1) DRESSER; or equivalent
(1) CAN PIERCER/BOTTLE OPENER: Nickel finish	(1) NIGHTSTAND; or equivalent, with Lamp
(1) CORKSCREW: Wing type, stainless steel	(1) ALARM CLOCK, prefer home or equivalent.
(1) COLANDER: plastic	(1) TV: 32" or larger Flat Panel HDTV and Full-Motion Wall Mount, with Remote
(1) CUTTING BOARD: 8" x 11", polyethylene; white	(1) MATTRESS PAD per bed
(1) GRATER: Stainless steel, 3-way grate	(1) BLANKET per bed
(1) MEASURING CUP SET: 4-piece,	(1) DUVET or COMFORTER per bed (Synthetic Down preferred)
(1) MEASURING SPOONS: Stainless steel	(3) DUVET COVERS per bed, if applicable
(1) TONGS: steel, chrome plated, plastic coated handles	(6-8) PILLOWS; Synthetic, a mix of Synthetic and Down preferred
(1) BASTING SPOON: nylon head, heat resistant to 400 degrees	(1) WASTEBASKET
(1) LADLE: nylon head, heat resistant to 400 degrees	(1) TELEPHONE: Voicemail or answering machines, speakerphone and two-lines may be necessary. Manager may provide per system
(1) PANCAKE TURNER: nylon head, heat resistant to 400 degrees	LIVING ROOM
(1) SLOTTED SPOON: nylon head, heat resistant to 400 degrees	(1) SOFA: (Queen Sleep Sofa preferred)
(1) WHISK: 10", stainless steel	(1) Coffee Table

ADDENDUM V
MINIMUM UNIT FURNISHINGS AND ACCESSORIES
(continued)

KITCHEN: COOKWARE/EQUIPMENT (Cont'd)	LIVING ROOM (Cont'd)
(3) DISH CLOTH: 100% cotton, terry cloth; beige and white check	(1) Armchair or over-sized chair
(3) KITCHEN TOWEL: 100% cotton, terry cloth; beige and white check	(1) Dining Table and appropriate seating for sleeping capacity
(1) GRATER: Stainless steel, 3-way grate	(1) TV: 42" or larger Flat Panel HDTV and Full-Motion Wall Mount, with Remote
(1) ICE CREAM SCOOP: chrome plated aluminum, cushioned handle	(1) Blu Ray Player or a DVD Player
(1) MEASURING CUP SET: 4-piece; plastic; white	(1) WASTEBASKET
(1) MEASURING SPOONS: Stainless steel	(1) TELEPHONE: Voicemail or answering machines required, speakerphone and two-lines may be necessary. Manager may provide per system
(1) PITCHER: 2-qt, plastic; clear with blue lid	LAMPS: Table and/or Floor Lamps appropriate to Unit size and layout
(1) PIZZA CUTTER: Stainless steel wheel	END TABLE (s): appropriate to Unit size and layout
(1) SALAD BOWL: 11" diameter, simple contemporary	MISCELLANEOUS
(1) SALAD SERVERS/TONGS: 11", acrylic, scissors style tongs; clear	TEA KETTLE: 3-qt, stainless steel, whistling,
(1) VEGETABLE PEELER: Stainless steel blade	PLACEMAT: Woven vinyl with a linen look
(2) HOT PADS	SPONGE MOP
(1) PAPER TOWEL HOLDER: Countertop	TOILET PLUNGER: Bell shape, ideal for water saving toilets, wood handle
(1) WASTEBASKET: Large	VACUUM: upright on-board tools
(1) "RECYCLE" WASTEBASKET	VACUUM BAGS: stocked as needed
APPLIANCES	
(1) RANGE/COOK TOP: Gas or electric cook top or range	(1) IRON: 10-minute auto off, non-stick sole plate, steam and spray
(1) DISHWASHER	(1) IRON ORGANIZER: mounts on wall, stores iron and ironing board; white
(1) REFRIGERATOR and FREEZER	(1) IRONING BOARD, PAD and COVER: Full size, constructed for reliable stability, adjustable height
(1) OVEN or MICROWAVE CONVECTION OVEN	(10 per closet) HANGERS: Plastic or preferred 17", suit, notched, chrome plated metal hook, clear lacquer; wood.
(1) MICROWAVE or MICROWAVE CONVECTION OVEN	(5 per closet) HANGER: preferred 17", suit, notched, with Pants/Dress Clips, chrome plated metal hook, clear lacquer; wood.
(1) COFFEE MAKER: (Keurig B-130 Coffee Brewing System may be required)	(1 per Room) LUGGAGE RACK: 20" H X 26"H X 19" D, four 2 1/4" straps made of polypropylene; walnut.
(1) BLENDER: 12-speed, 56 oz clear plastic carafe; black base	(1) VACUUM and vacuum bags if required
(1) TOASTER - 2 SLICE, chrome, cool-touch walls	(1) BROOM and DUST PAN
(1) WASHER/DRYER: stackable	(1) WALL SAFE: Manager provided and installed for fee
ACCENT/DECORATIVE	
Art, Pictures, Throw Blankets and Pillows, Decorative Floor Rugs, center Pieces and other decorative items are all optional.	(1) PATIO FURNITURE SET: chairs and side or bistro table as determined by manager
Books, Music, Games and Videos are all optional.	(1) FIRE EXTINGUISHER
	(1) HOT TUB COVER and COVER-LIFT, if Unit is equipped with Hot Tub

Shaded Cell indicates replacement is covered by Kitchen Restock Fee

JUL 21 2014

Application for Property Tax Exemption <u>SUMMIT</u> County Board of Equalization	UCA 59-2-1101 and 1102 Form PT-020 PT-020.ai Rev. 10/99
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This application should be used to apply for exemption from ad valorem (value-based) property tax.

Nonprofit Entity Information	
Name of organization applying <u>MOUNTAIN TRAILS FOUNDATION</u>	EIN, SSN, or other tax ID number <u>87-0514223</u>
Address <u>P.O. Box 754</u>	Tax year
City <u>PARK CITY</u>	State <u>UT</u>
Contact person <u>LORA SMITH</u>	Zip <u>84060</u>
	Telephone <u>(435) 513-0347</u>

Exemption Information

This property is exclusively used for (check one):

Religious purposes
 Charitable purposes
 Educational purposes
 Other (specify) _____

Describe the purpose of this nonprofit organization:

BUILD, MAINTAIN, PROTECT, ADVOCATE FOR
PARK CITY'S NON-MOTORIZED TRAILS.

Describe why this property should be exempt from ad valorem property taxes:

WE ARE A 501(c)3 ORGANIZATION

Attachments Attach the following documentation:

- ✓ 1. A certified copy of the Articles of Incorporation of the nonprofit entity.
- ✓ 2. A copy of current by-laws and/or other organizational information.
- ✓ 3. A copy of the 501(c)(3) certification issued by the IRS.
4. Completed schedules as follows:
 - Schedule A - Real Property; one schedule for each parcel of real property under consideration.
 - ✓ Schedule B - Personal Property used exclusively for religious, charitable, or educational purposes.
 - Schedule C - Financial information related to the property under consideration; complete only applicable portions.

**Application for Exemption – Personal Property
Schedule B**

UCA §59-2-1101 and 1102
Form PT-020B
PT-020b1.ai Rev. 10/99

Property Owner

Property owner: MOUNTAIN TRAILS FOUNDATION
 Address: P.O. Box 754
 City: PARK CITY
 EIN, SSN, or other tax ID number: 87-0514223
 Telephone: (435) 513-0347 ADMIN CELL #
 State: UT Zip: 84060

Property Information and Description

Property Location: 1353 Park Ave, Park City, UT 84060
 Personal property account number (if any): 0
 Briefly describe the personal property under consideration for exemption:
SEE ATTACHED LIST

List the original acquisition cost and year acquired.

SEE ATTACHED LIST

Furniture and fixtures
 Commercial and industrial equipment
 Mobile homes
 Other personal property
 Estimated current value for items with unknown acquisition cost

Year Acquired	Acquisition Cost
	\$
	\$
	\$
	\$
	\$

List all motor vehicles under consideration for exemption, including passenger cars, trucks and vans; motorcycles; campers, motor homes, travel trailers and other RVs; boats and watercraft; aircraft; and medium or heavy duty trucks.

License Plate No.	Type of Vehicle	Year	Make	Model	VIN/HIN	Location
<u>SEE ATTACHED LIST</u>						

Use of Property

- Is the personal property used at a given parcel of real property? ___ Yes No
 If yes, indicate the property parcel number or address: _____
 If no, where is the property usually located? _____
- Describe in detail all activities and functions that the property is used for, and the date the use began.
BUILD, MAINTAIN, PROTECT, ADVOCATE FOR NON-MOTORIZED TRAILS IN THE PARK CITY AREA
- Have all activities and functions in 2 continued without interruption since the use began? Yes ___ No
 If no, explain any interim or non use: _____

(continued on reverse)

**Application for Exemption – Benefactors
Schedule C**

UCA §59-2-1101 and 1102
Form PT-20C
PT-020c1.ai Rev. 9/00

Property Owner

Name of organization applying MOUNTAIN TRAILS FOUNDATION	Property parcel or account number
Contact person LORD SMITH	Telephone (435) 513-0347
Property location 1353 PARK AVE, PARK CITY, UT 84060	

Financial Information

1. Does the use of the property in any way create funds, revenue, products or services that are sold or given away? Yes No

If yes, state the amount and describe in detail: \$ _____

2. If you answered Yes in question 1, what portion of funds, revenue, products or services:

a. Are used directly for the purposes for which exemption is claimed? _____%

Describe the individuals or organizations receiving benefits, and how they are selected: _____

b. Are used indirectly for the purposes for which exemption is claimed? _____%

Describe the individuals or organizations receiving benefits, and how they are selected: _____

c. Are given to any shareholder or individuals or are distributed from the use of the property _____%

Explain in detail: _____

3. Does anyone receive compensation in wages, goods, services or other benefits, for services rendered with respect to the property? Yes No

If yes, attach the following information for each individual:

a. Total compensation received in detail, e.g., money, goods, living quarters, services or other benefits.

b. How the compensation is determined.

c. Explanation of the services performed, including duties and working hours.

d. Relationship of the individual to the owner, user or operator of the property, and whether the individual is a trustee, director, shareholder, lessor, member, employee or contributor of the owner.

(continued on reverse)

Attachments Attach the following documentation

1. Copies of any financial statements, income statements, profit and loss statements or other records that accurately reflect the use of the described property, including the source of all funds, the amount received from each source, and the use of such funds for the most recent fiscal year available.
2. All information requested in question 3, above.
3. If the use of the property did not create any funds, revenue, products or services that are sold or given away, but did result in a benefit to any individual or organization, attach detailed documentation indicating the following:
 - a. All individuals or organizations benefited.
 - b. The amount of benefit received by each.
 - c. How such individuals or organizations were selected.

Certification

I certify that all statements and information on this sheet are true and correct to the best of my knowledge, and that I will notify the Board of Equalization if any of the information should change. I further certify that I have authority to sign this document.

Name (printed)	Position or capacity
LORA SMITH	RESOURCE MANAGER
Signature	Date signed
X Lora Smith	7-21-14

Quantity/Item:

Market Value:

(1)2002 Comet Pressure Washer	\$100.00
(1)Davidson A-Frame ladder	\$20.00
(1)Louisville Extendable Metal Plank	\$150.00
(1)Lawnboy Lawnmower	\$50.00
(1)DR Brushmower	\$500.00
(1)Husky Air Scout Compressor	\$30.00
(1)Plastic Wheelbarrel	\$20.00
(1)Coleman Powermate 5000 Generator	\$200.00
(1)Black & Decker Grinder	\$30.00
(1)Stihl BG 55 Leaf Blower	\$75.00
(1)Stihl FS 100RX Trimmer	\$125.00
(1)Stihl FS 90R Trimmer	\$150.00
(1)Stihl KM 130R Trimmer	\$175.00
(1)Stihl 038 Chainsaw	\$150.00
(1)Stihl ? Chainsaw	\$300.00
(1)Bobcat 5600 Toolcat	\$25,000.00 -2014
(1)Bobcat 6'- Bucket	\$500.00
(1)Bobcat 1'-dia Auger	\$500.00
(1)Bobcat Tilt Tach	\$250.00
(1)Bobcat Brushcat Mower	\$750.00
(3)Cattle Gates	\$150.00
(15)Rogue Hoes	\$300.00
(6)Adze/Garden Hoes	\$30.00
(6)Mcleods	\$150.00
(6)Polaskis	\$90.00
(6)Rakes	\$60.00
(1)Tamper	\$30.00
(10)Shovels	\$100.00
(2)Truck-bed Tool Boxes	\$200.00
Misc.Tools/Toolboxes	\$100.00
(1)Yellowstone Drag	\$50.00
TOTAL	<u>\$30,335.00</u>

5 large coolers	\$25.00 \$5 each
30 water coolers	\$150.00 \$5 each
15 folding tables	\$150.00 \$10 each
50 collapsible water jugs	\$50.00 \$1 each
15 storage boxes	\$30.00 \$2 each
6 pop up canopies	\$300.00 \$50 each
TOTAL	<u>\$705.00</u>

Office	
Toshiba Laptop computer	\$250.00
(2) 5 drawer filing cabinets	\$30.00 \$15 each
(2) chairs	\$20.00 \$10 each
(2) desks	\$20.00 \$10 each
Total	<u>\$320.00</u>

Total
 \$7874

Total market value \$5833.00
 Taxes \$53.00 \$25.00 utility \$0.68 interest

Summit County
Personal Property Tax Notice
2014
Signed Statement

MAKE CHECKS PAYABLE TO:
Summit County Assessor
P.O. Box 128
Coalville, UT 84017
(435) 336 - 3257
PLEASE RETURN NOTICE
WITH CHECK



THIS RETURN SUBJECT TO AUDIT AND VERIFICATION

Line 1: Total Market Value assuming NO change from last year \$914
Line 2: If there has been an increase or decrease in the cost of supplies (CO2) as shown on the "Summary of Assessment for Previous Year" on Page 2, enter the amount of increase or decrease on Line 2, or if no supplies were reported in the previous year enter the cost of supplies on hand as of January 1, 2014
Line 3: If you have acquired or disposed of any personal property during 2013 please complete the Schedule A and enter the amount from Line 12, here on Line 3
Line 4: Total of Lines 1, 2 and 3 TOTAL TAXABLE VALUE \$

(If the total of Line 4 is \$ 10,000 or less, NO TAX IS DUE, go to the Application for Exemption below.
If \$ 10,001 or greater, continue to Line 5. DO NOT DEDUCT \$ 10,000.)

Line 5: Multiply Line 4 by Tax Rate, enter result in Tax Amount.
If you have moved during the year, please contact this office for new Tax Rate: (435) 336 - 3257
Line 4 x 0.009096 =
District: 07 Tax Rate Tax Amount

Line 6: Tax Amount from Line 5 PAY THIS AMOUNT \$

This return must be filed and payment made no later than May 15, 2014.
Failure to file a return in a timely manner shall result in a penalty equal to 10% of the estimated tax due but not less than \$25.00.
Failure to file an equipment list will result in an Assessor's Estimate of Value on your account.

Application for Exemption (Utah Code 59-2-1115): I hereby apply for exemption from property tax based on the value detailed and listed herein.
I understand that this declaration is subject to review and audit and will make all relevant records available upon request. I understand that this is an application for exemption and is not official until granted by the Board of Equalization. The Assessor will submit this form to the board on behalf of the applicant. This exemption is determined by ownership. I understand that if I have tangible personal property at different locations and file more than one personal property statement, the total value of all tangible personal property at all locations will determine exemption eligibility.

Does the applicant listed above own property listed on other personal property statements at other locations in the county? Yes ___ No ___
If "Yes" please list the other account numbers: _____

If the exemption is not filed with Summit County by May 15, 2014, the exemption will not apply and taxes will be due.
I hereby certify that the taxable value of all tangible personal property owned by the legal entity listed above is \$ 10,000 or less.

Signature _____ Date _____

APPEALS NOTICE: If you have any questions or wish to appeal this value, you MUST do so within 30 days.
Please contact the Summit County Assessor's Office at (435) 336 - 3257

I, _____, do swear that the above figures reflect full, true, and correct accounting of all personal property within Summit County, State of Utah, subject to taxation, which is owned, claimed, possessed or controlled at 12:00 noon, on the first day of January, this year, by subject taxpayer and that no property has been transferred out of said County or disposed of for the purpose of avoiding any assessment upon the same.

Dated: _____ Signature of Taxpayer or Agent: _____

OWNER OR PAYEE
Account Number: P960354
MOUNTAIN TRAILS FOUNDATION
C/O: CAROL POTTER
PO BOX 754
PARK CITY, UT 84060

PROPERTY LOCATION
1354 PARK AV
PARK CITY, UT 84060

Telephone Number: (435) 649-6839
Business License Number:
Sales Tax Number:

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
1100 COMMERCE STREET
DALLAS, TX 75242-0000

DEPARTMENT OF THE TREASURY

Date: MAY 31 1995

Employer Identification Number:
87-0514223

Case Number:
755026018

Contact Person:
ANNETTE SMITH

Contact Telephone Number:
(214) 767-6023

Accounting Period Ending:
December 31

Foundation Status Classification:
509(a)(1)

Advance Ruling Period Begins:
September 30, 1993

Advance Ruling Period Ends:
December 31, 1997

Addendum Applies:
No

MOUNTAIN TRAILS FOUNDATION INC
C/O TOM CLYDE
5800 BULL MOOSE RD
GOODLAND, UT 84055

Dear Applicant:

Based on information you supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably expect to be a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

Accordingly, during an advance ruling period you will be treated as a publicly supported organization, and not as a private foundation. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must send us the information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, we will classify you as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, we will classify you as a private foundation for future periods. Also, if we classify you as a private foundation, we will treat you as a private foundation from our beginning date for purposes of section 507(d) and 4940.

Grantors and contributors may rely on our determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you send us the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until we make a final determination of your foundation status.

If we publish a notice in the Internal Revenue Bulletin stating that we

Letter 1045 (DO/CG)

MOUNTAIN TRAILS FOUNDATION INC

will no longer treat you as a publicly supported organization, grantors and contributors may not rely on this determination after the date we publish the notice. In addition, if you lose your status as a publicly supported organization, and a grantor or contributor was responsible for, or was aware of, the act or failure to act, that resulted in your loss of such status, that person may not rely on this determination from the date of the act or failure to act. Also, if a grantor or contributor learned that we had given notice that you could be removed from classification as a publicly supported organization, then that person may not rely on this determination as of the date he or she acquired such knowledge.

If you change your sources of support, your purposes, character, or method of operation, please let us know so we can consider the effect of the change on our exempt status and foundation status. If you amend your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, let us know all changes in your name or address.

As of January 1, 1984, you are liable for social security taxes under the Federal Insurance Contributions Act on amounts of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the private foundation excise taxes under Chapter 42 of the Internal Revenue Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Internal Revenue Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Donors may deduct contributions to you only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, gives guidelines regarding when taxpayers may deduct payments for admission to, or other participation in, fundraising activities for charity.

Contributions to you are deductible by donors beginning SEPT 30, 1993.

You are not required to file Form 990, Return of Organization Exempt From Income Tax, if your gross receipts each year are normally \$25,000 or less. If you receive a Form 990 package in the mail, simply attach the label provided, in the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If you are required to file a return you must file it by the 15th day of

MOUNTAIN TRAILS FOUNDATION INC

the fifth month after the end of your annual accounting period. We charge a penalty of \$10 a day when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty we charge cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. We may also charge this penalty if a return is not complete. So, please be sure your return is complete before you file it.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, we will assign a number to you and advise you of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should keep records to show that funds are spent only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), you must have evidence that the funds will remain dedicated to the required purposes and that the recipient will use the funds for those purposes.

If you distribute funds to individuals, you should keep case histories showing the recipients' names, addresses, purposes of awards, manner of selection, and relationship (if any) to members, officers, trustees or donors of funds to you, so that you can substantiate upon request by the Internal Revenue Service any and all distributions you made to individuals. (Revenue Ruling 60-304, C.B. 1950-2, page 306.)

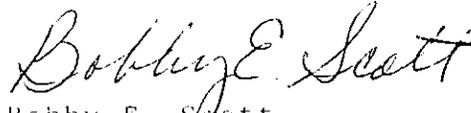
If we said in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help us resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

MOUNTAIN TRAILS FOUNDATION INC

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Bobby E. Scott
District Director

Enclosure(s):
Form 872-C

I hereby certify that the foregoing has been filed
and approved on the 30 day of Sept, 1993
in the office of this Division and hereby issue
this Certificate thereof.

Examiner KT Date 9-30-1993

155047



Korla T. Woods
KORLA T. WOODS
Division Director

RECEIVED

SEP 30 1993

Utah Div. of Corp.
& Comm. Code

ARTICLES OF INCORPORATION

for

MOUNTAIN TRAILS FOUNDATION, INC.

We the undersigned Incorporators, being natural persons over the age of 18 years, adopt and execute these Articles of Incorporation to form and establish a non-profit corporation under the provisions of the Utah Non-Profit Corporations Act, Section 16-6-18 et seq. of the Utah Code, and adopt the following Articles of Incorporation:

1. Name. The name of the corporation is Mountain Trails Foundation, Inc.

2. Non-Profit Corporation. The corporation is a non-profit corporation, and is not intended to operate for pecuniary profit. No part of the net earnings of the corporation shall insure to the benefit of, or be distributed to its members, trustees, officers, or other private persons, except that the corporation shall be empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of the corporation as set forth in Article 4. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) of any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income tax under section 501(c)(3) of the Internal Revenue Code or any corresponding section of any future tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal revenue Code, or corresponding sections of any future federal tax code.

3. Duration. The duration of the corporation shall be perpetual, unless dissolved by the action of the Corporation or by operation of law.

4. Purposes. The purposes of the corporation are exclusively educational and charitable within the meaning of Section 501(c)(3) of the Internal Revenue Code and will be accomplished in the following manner:

(1) education of the public on matters relating to land use planning and conservation practices in the use and improvement of land, particularly with respect to multi-use, trails and trail systems;

(2) the physical improvement of trails systems through signage, trail construction, and maintenance operations on trails;

(3) facilitating the acquisition and administration of trail easements by public agencies, or in some cases, the acquisition of trail easements directly for the use and benefit of the public;

(4) coordination of trail building and maintenance issues with other groups, agencies, and trail users groups;

(5) sponsoring or assisting with special events on trails including races, educational tours, and other activities that promote trail use.

The primary focus of the Corporation will be in the Summit-Wasatch-Salt Lake-Morgan County area, although to be effective, involvement with similar organizations in other communities is desirable and permitted.

5. Powers. The corporation shall have all powers, rights, and privileges available to non-profit corporations under the laws of the State of Utah, including without limitation the power to acquire or dispose of interests in real property needed to carry out the corporation's purposes, to hold for the benefit of the public such conservation easements as might be granted to the corporation, to enter into contracts for goods and services in its own name, to borrow money for corporate purposes, and to hire and discharge employees and independent contractors as needed. The corporation shall have the power to sue and be sued in its own name, to borrow money, to lend its money to others for conservation purposes, to solicit, collect, receive, acquire and hold money and property, real and personal, for the use and benefit of the corporation and its purposes, the power to dispose of real property or interests in real property by sale, lease, trade, or gift, to enter into contracts with public agencies and private parties, and to do all other acts and exercise all other powers available to corporations which are tax exempt under the provisions of Section 501(c)(3) of the Internal Revenue Code of 1954, as amended.

6. Membership. The corporation will not operate on a membership basis, and shall have no members. No stock will be issued and no stock is authorized.

7. Registered Agent. The initial registered agent of the corporation is:

Jan Wilking
2189 Lucky John Drive
P.O. Box 2
Park City, Utah 84060

Acceptance of Appointment

I, Jan Wilking, hereby accept the appointment as the registered agent for Mountain Trails Foundation, Inc.



Jan Wilking

8. Bylaws. The Board of Trustees will adopt bylaws consistent with these articles at its first meeting. Thereafter, bylaws may be adopted, amended, or repealed by the vote of a simple majority of the Trustees at a meeting in which a quorum is present.

9. Principal Place of Business. The principal place of business of the corporation, and its initial offices are located at:

1910 Prospector Avenue
P.O. Box 1630
Park City, Utah 84060

The corporation may establish such other offices and locations as it deems appropriate for the operation of its business.

10. Board of Trustees. The interim Board of Trustees, who will serve until the election of officers and Trustees are:

<u>Name</u>	<u>Address</u>
Jan Wilking	2189 Lucky John Drive Park City, Utah 84060
Tim Henney	1127 Woodside Park City, Utah 84060
Tom Clyde	5800 Bull Moose Rd. Woodland, Utah 84036

Desmond C. Barker 1910 Prospector Ave.
Park City, Utah 84060

Jennifer Harrington 445 Marsac Ave.
Park City, Utah 84060

Mark Menlove 1345 Lowell Ave.
Park City, Utah 84060

Wendy Fisher 1910 Prospector Ave.
Park City, Utah 84060

The interim Board of Trustees will appoint the full Board which shall consist of not fewer than 15 members nor more than 30 members. The Trustees shall also name an Executive Committee from the Board as a whole, and such officers as called for by law and by the corporation's By-Laws.

11. Officers. The initial officers of the corporation are:

President	Jan Wilking
Vice President	Tim Henney
Secretary	Des Barker
Treasurer	Tom Clyde

Officers serve at the pleasure of the Board of Trustees. The President shall also be members of the Board of Trustees, other officers may be employees or independent contractors of the Corporation.

12. Annual Meeting. The annual meeting of the Trustees will be held on the first Monday in March at the office of the corporation at the hour of 7:00 p.m., or at such other time or place as may be stated in the notice of annual meeting.

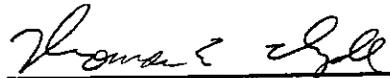
13. Limitations on Liability. The officers, Trustees, and employees of the corporation shall not be held personally liable for the debts and obligations of the corporation. The corporation shall indemnify the officers, Trustees and employees of the corporation against all claims arising from the authorized actions of the corporation to the extent permissible under law.

14. Amendment. These articles of incorporation may be amended from time to time as authorized by the Trustees and as permitted by law.

15. Disposition of Assets on Dissolution. Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal revenue Code or corresponding section of any future Federal Tax Code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by the District Court of the county in which the principle office of the corporation is then located, exclusively for such purposes or to such organization or organizations as the Court shall determine, which are organized and operated exclusively for such purposes.

16. Incorporator. The incorporator of the corporation is Thomas E. Clyde, 5800 Bull Moose Rd. Woodland, Utah 84036.

Wherefore the Incorporator has executed and verified these Articles of Incorporation this 30 day of September, 1993.



Thomas E. Clyde

State of Utah)
) :ss
County of Summit)

On the 30 day of September, 1993, the foregoing Articles of Incorporation of Mountain Trails Foundation, Inc. were acknowledged and verified before me by Thomas E. Clyde, who personally appeared before me, and being by me duly sworn declared under penalty of perjury that he is the incorporator of Mountain Trails Foundation, Inc., and that he signed the foregoing Amended and Restated Articles of Incorporation of Mountain Trails Foundation, Inc., and that the statements contained therein are true and correct.

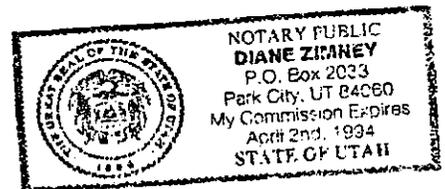
In witness whereof, I have set my hand and seal this 30, day of September 1993.



Notary Public
Residing at: Park City, UT

My Commission Expires:

4/2/94



BY-LAWS
OF
MOUNTAIN TRAILS FOUNDATION, INC.

A Non-Profit Corporation of the State of Utah

Pursuant to the provisions of the Utah Non-Profit Corporations Act, the Board of Directors of the Mountain Trails Foundation, Inc. hereby adopt the following by-laws:

Article I
Name and Office

1.1 Name. The name of the Corporation is "Mountain Trails Foundation, Inc.," and it is referred to below as the "Corporation." The Corporation is authorized to take an assumed name for all or parts of its operations as provided by law.

1.2 Office. The office of the Corporation will be in the Park City, Utah area.

Article II
Annual and Special Meetings

2.1 Annual Meeting. The annual meeting of the of the Corporation shall be held as designated in the Articles of Incorporation, provided that the Board of Directors may designate some other time, date and place for the annual meeting by giving proper notice of the change in advance of the meeting. The purpose of the annual meeting is the election of Officers and Directors, and to consider such other business that comes before the meeting. If the Directors are not elected at the annual meeting, the existing Directors shall continue to serve until their successors are elected in a special meeting called for that purpose, or until the next annual meeting. The Directors may change the date, time and place of the annual meeting as they see fit by formal resolution, provided that an annual meeting will be held as required by statute.

2.2 Special Meetings. Special Meetings of the Corporation may be called by the Board of Directors, by the Executive Committee, or by the President as they see fit. Any notice of special meeting shall state the time, place, and date of the meeting, and the matters to be considered at that meeting. The form and timing of notice shall be as provided below.

2.3 Other Meetings. The Board may establish a schedule of regular meetings as necessary to conduct the business of the Corporation.

2.4 Place of Meetings. All meetings will be held in Park City, Utah, unless the Members have authorized a meeting to be held elsewhere by written waiver.

Article III
Membership

3.1 Membership. The Corporation is not a membership organization. It may solicit and receive contributions from the general public, but contributors are not members, and do not obtain voting privileges as a result of contributions. The members of the corporation are the Directors.

Article IV
Board of Directors

4.1 General Powers. The activities of the Corporation will be carried out under the direction of the Board of Directors. The Board of Directors shall have authority to manage and control the property and affairs of the Corporation. The Board of Directors may exercise all powers conferred upon them by law, by the Articles of Incorporation, or by these by-laws. The Board of Directors shall have the authority to enter into contracts, acquire or dispose of interests in real or personal property by purchase, sale, lease, exchange, donation or other lawful means, negotiate the terms of conservation easements or other grants of interests in land or property, and enforce those easements or rights by all lawful means, as it sees fit. The Directors may acquire office space, motor vehicles, equipment, tools and machinery as necessary to carry out the Corporation's purposes by lease, purchase, donation, or any other lawful means. The Directors may hire and discharge employees, and set employee compensation. To the extent permitted by law and approved by the Directors, the powers of the Directors may be delegated to Officers, Employees, or special committees.

4.2 Number. There shall be at least five and not more than fifteen members of the Board of Directors.. The existing Board of Directors shall determine the appropriate number of Board members from time to time, and fill vacancies by appointment.

4.3 Terms. Directors shall serve for three year terms. Immediately after the election of the first Board of Directors the Directors shall, by drawing lots, divide themselves into terms of one, two, and three years. Thereafter, at each annual meeting, only those Directors whose terms have expired will stand for election. Directors need not be residents of the State of Utah. Directors shall continue to serve until their successors have been elected and assumed office. Board members may serve successive terms in office.

4.4 Board Meetings. The Board of Directors shall meet as frequently as they see fit to carry on the purposes of the Corporation, provided that the Board shall meet at least quarterly with the Executive Committee, one of which may be the Annual Meeting of the Corporation.

4.5 Notice of Meetings. Notice of Board meetings will be given in writing or by telephone, fax or email not more than 30 days, and not less than 5 days prior to the date of the meeting, provided that meetings with less than 5 days notice can be held if all Directors waive formal notice.

4.6 Quorum. No Board business will be transacted without a quorum present. A quorum at a Board meeting will consist of a simple majority of the duly appointed Directors. Directors may be counted as present if they are participating in the meeting by telephone, provided that all members can hear each other. No proxies will be given among Board members. Actions of the Board may only be taken by vote of the Board, and no individual Director shall have the authority to act on behalf of the Corporation. Board actions will pass by a simple majority of those Directors present at the meeting of the Board, provided that proper notice of the meeting was given and a quorum was present.

4.7 Nominations. Vacancies on the Board are filled by nominations from the remaining Board members. A nominating committee may be appointed by the Board to find suitable Board members, whose names will then be presented to the Directors for approval. The names of all nominees will be placed on a ballot, and Directors will vote for as many people as there are vacancies to fill. Those nominees receiving the highest vote count will be elected until all vacancies are filled. If the number of nominees is not greater than the number of vacancies, the Directors may be elected by voice vote.

4.8 Qualifications. In nominating the Board of Directors, the existing Directors will make a reasonable effort to find interested and qualified people with time to serve. In addition, the Directors should represent a balance of perspectives, including, but not limited to land owners, livestock operators, sporting goods or equipment vendors and suppliers, tourism promotion, business interests, equestrian trail users, on and off road bicycle trail users, hikers, Nordic skiers, governmental agencies involved in land use planning, public land management agencies, environmental organizations, sports organizations, law enforcement or back country search and rescue organizations, and similar organizations or interests which directly affect the development, maintenance and use of trails. Not all of these interest groups may be included at all times, and the foregoing list is to be used as a guide rather than an absolute qualification.

4.9 Executive Committee. The Directors shall elect from among themselves the Executive Committee and also appoint the Officers called for under applicable statutes and these by-laws. The President of the Corporation shall also be the Chairman of the Board of Directors and chair the Executive Committee. The Executive Committee will consist of no fewer than three people who shall be responsible for the day to day administration of the Corporation's affairs as assigned by the Board as a whole. The power of the Executive Committee is limited to oversight of routine matters, and does not include the adoption of policy or significant commitments of resources or staff time toward project or policies not previously approved by the Board as a whole.

4.10 Special Committees. Other committees may be formed as needed from time to time by the Board. The Board may form such committees as it deems appropriate, provided that actions by any such committee shall not be effective until presented to and approved by the Board as a whole. Minutes will be kept of committee meetings, and submitted to the Secretary. Committees may be on-going, or organized for specific purposes then disbanded as the Board directs. Committees may include persons other than members of the Board of Directors, including employees of the Corporation or members of the general public asked to serve on such committees.

4.11 Voting. All members of the Board of Directors shall have one vote in all matters before the Corporation. Voting on the nomination of new Directors shall be non-cumulative. The Chairman shall not vote except in the case of a tie. Any Officers who are also Directors shall be entitled to vote as Directors.

4.12 Compensation. The Board of Directors shall serve without compensation, provided that their reasonable out of pocket expenses for Corporation business, may be reimbursed by the Corporation with prior Board approval, and funds permitting.

4.13 Resignation or Removal. Any Director may resign at any time. Any Director may be removed prior to the end of his or her term of office by an affirmative vote of the majority of the Board, with or without cause. Any Board member who has failed to attend three consecutive meetings, without prior arrangement with the Chairman, is deemed to have resigned.

4.14 Vacancies. Vacancies on the Board of Directors may be filled by appointment of a successor by the remainder of the Board. Persons appointed to serve out the balance of an unexpired term will only serve that portion of the term, and will stand for re-nominations and election at the expiration of the term. The Board may leave the vacancy until the next annual meeting, or, upon formal motion of the Board, reduce the size of the Board to eliminate the vacant seat if it sees fit.

4.15 Informal Action by Directors. The Directors may take any action they could take in a formal meeting without a formal meeting, provided that notice of the formal meeting is waived in writing signed by a majority of the Board, and further provided that all of the Directors are given an opportunity to vote on the proposed action. The Directors may waive notice of meetings by signing written waivers at the time of the meeting. Minutes of all Board meetings will be kept, and when a meeting is held without prior notice, the minutes will reflect the written waiver of notice. Written waivers sent by fax or e-mail are acceptable, even without an original signature.

4.16 Conflict of Interest. No Board member shall vote on the action taken with respect to any interest in property, contract, or transaction on behalf of the Corporation in which he or she, or any member of his or her immediate family, has any direct pecuniary interest, whether by virtue of ownership or receipt of commission. In the event the Corporation enters into business relationships with Directors, Officers, or Employees, the nature of that relationship and the potential conflict shall be disclosed prior to the transaction.

Article V Officers

5.1 Number. The Officers of the Corporation shall consist of at least a President, Vice President, Secretary and Treasurer. The Board may establish such other Officers as it deems appropriate.

5.2 Appointment, Tenure. The Officers will be appointed by the Board of Directors. All Officers serve at the pleasure of the Board and may be removed by a majority vote of

the Board in a meeting called for that purpose. The President must be a member of the Board of Directors. The other Officers may be employees or volunteers working with the Corporation. No person shall serve as both President and Secretary, or President and Treasurer of the Corporation at the same time.

5.3 Duties of the President. The President, who is also the Chairman of the Board of Directors, shall preside at meetings of the Board of Directors and the Executive Committee. He shall sign, on behalf of the Corporation, all legal documents and checks approved by the Board. The president shall supervise the operation of the Corporation's affairs, to the extent that operations have not been delegated to the Executive Director and staff. The President shall perform such other duties as assigned by the Board. To the extent permitted by law and approved by the Directors, the administrative duties of the President may be delegated to employees of the corporation.

5.4 Duties of the Vice President. The Vice President will perform the duties of the President if he or she is not available, and shall perform such other duties as designated by the Board. When acting as President, the Vice President is not entitled to vote, except in the case of a tie.

5.5 Duties of the Secretary. The Secretary is responsible for keeping accurate records of the Corporation, to keep minutes at the meetings of the Corporation and the Directors, and cause notice of any meetings to be issued as called for in these by-laws, to file annual reports with the state of Utah, and to perform all other assignments of the Board and those functions required by law. The Secretary shall also counter-sign all legal documents signed by the President. The Secretary may perform the functions of the Treasurer in the absence of the Treasurer. The Secretary is not required to be a Director. The day to day functions of the Secretary may be delegated to staff members.

5.6 Duties of the Treasurer. The Treasurer shall maintain accurate financial records of the Corporation, prepare and file tax returns or have them prepared and filed as required by law, prepare checks and other payroll disbursements, and report on the financial condition of the Corporation to the Board. The Treasurer shall prepare, or cause to be prepared, an annual audit of the corporation's operations showing income, expenditures, and the amount and location of all assets of the Corporation. This audit will be presented to the Directors at the annual meeting, and available for inspection upon request. The scope of the audit will be determined by the Directors. The Treasurer may perform all of the functions of the Secretary in the absence of the Secretary. The day to day functions of the Treasurer may be delegated to staff members.

5.7 Executive Director. The executive Director is an Employee of the Corporation hired to provide support services and coordinate the operations of the Corporation as the Board and Executive Committee direct. The Executive Director is not a member of the Board and has no voting rights. The Executive Director will be hired by the Board, and serves at the pleasure of the Board. The Executive Director may employ additional staff within the budget approved by the Board, which staff work under the direction and supervision of the Executive Director. The Executive Director will be responsible for day to day operations of the corporation, under the general supervision of the President and the Board.

5.8 Compensation. The Board may fix such compensation as it finds appropriate given the responsibility of the Officers, Executive Director, and the financial capacity of the Corporation. The Board may fix compensation for any employees or independent contractors.

5.9 Successive Terms. Officers may serve successive terms in office, as appointed by the Directors.

Article VI
Indemnification

6.1 Indemnification. The Corporation will indemnify the officers, Directors, and employees of the association against any and all claims arising from their actions in carrying out the purposes of the Corporation. This indemnity is limited only to those actions which are carried out in good faith performance of the assigned duties and for those actions authorized by the Board. The indemnity shall not cover malicious or intentional injuries caused to third parties, or actions by the Corporation against the officers, Directors or employees for fraud, criminal acts, malfeasance, gross negligence, or deliberate misconduct. The Corporation may purchase general liability policies that include indemnities for officers and Directors at the expense of the Corporation, in such face amounts as the Directors determine is appropriate.

Article VII
Amendment

7.1 Amendment. These by-laws may be amended from time to time as the Directors see fit by a majority vote at a meeting called for that purpose.

Adopted this _____ day of _____, 2002.

President

Attest:

Secretary



STAFF MEMO

To: Summit County Council

From: Will Pratt, Planning & Project Manager, Basin Recreation

Subject: Summit Park Open Space Acquisition Proposal

Report Date: July 31, 2014

Meeting Date: August 6, 2014

Summary Request:

Review and approve Staff and Board recommendation for the possible acquisition of a Summit Park open space parcel by the Snyderville Basin Special Recreation District ("Basin Recreation") from the Utah Division of Forestry, Fire and State Lands ("FFSL"). This transaction requires approval from the Summit County Council convened as the Basin Recreation Governing Board, and includes approval of a Memorandum of Understanding ("MOU") to be signed by FFSL and Basin Recreation to facilitate the land transfer.

Background:

The subject open space parcel, located in upper Summit Park, consists of approximately 325 acres in total and is currently owned by FFSL. The larger parcel encompasses several smaller parcels, including PP-58-A-X, PP-57-A-X, and PP-58A-1-X (see Exhibits 1 and 2). Existing residential development lies to the north of the property, while the southern boundary lies adjacent to the Toll Canyon Open Space which was acquired last year.

There are approximately four miles of existing non-motorized trails on the open space parcel which are currently maintained by Basin Recreation. FFSL currently has a 25 year agreement with Basin Recreation for trail design, construction and maintenance on the parcel. Existing trails tie into our Master Plan and could be expanded in the future.

The fee title to the Summit Park open space was acquired by FFSL in 2001, and a conservation easement was placed on the land the same year. FFSL has previously stated a conflict with being both the deed owner and conservation easement owner for

the parcel, and is not interested in the managing the parcel long term. FFSL approached Basin Recreation and the Basin Open Space Advisory Committee ("BOSAC") in 2012 to discuss having Basin Recreation take title to the property, while FFSL would remain as the conservation easement holder. The Board of Directors for Basin Recreation previously reviewed this proposal, but due to Staff changes at both Basin Recreation and BOSAC, no decision was made.

Current Basin Recreation Staff renewed discussions last year with FFSL about Basin Recreation acquiring the parcel and acquiring the associated Warranty Deed (for the sum of \$100). The transaction would require a formal Closing, with Basin Recreation assuming the cost of Title Insurance and Closing Costs. Basin Recreation has received a title report on the parcel (see Exhibit 3).

As mentioned, an MOU is required to facilitate the transfer of the parcel if such an acquisition is approved by the Summit County Council. A copy of the MOU is attached to this report for your review (see Exhibit 4). Chair Robinson submitted comments on the draft that are incorporated in the attached version. One item the Chair raised for discussion is included in Section E-6, page 6, which reads "...no PARTY waives any defenses or immunity available under the Utah Governmental Immunity Act, UCA Title 63G, Chapter 7, nor does any PARTY waive any limits of liability currently provided by the Act." This item should be discussed with any proposed modifications determined.

The parcel, if acquired by Basin Recreation, would carry over several existing easements attached to the property. As mentioned, FFSL currently holds a conservation easement on the open space parcel, which would remain in place if the parcel ownership is transferred to Basin Recreation. Other easements tied to the land include a well easement for Mountain Regional Water, a road access easement for Rocky Mountain Power, and an ingress/egress easement to a 25 acre parcel located adjacent to the property.

There is an outstanding application on this adjacent parcel (PP-58-A-4) for a seven lot subdivision, known as *The Ridges at Forest Park*. One of the proposed access points to the subdivision is through a portion of open space currently blocked from motorized access. The access road is owned by FFSL, but the developer has a 30 foot wide easement for ingress/egress that could potentially be utilized if a development is ever approved. Staff met with County Planning Staff to assess this development proposal and possible negative impacts to the open space if the development is ever realized. Staff determined that the existing easement, even if utilized, would not substantially undermine the value of the adjacent open space parcel or create any new obligations for the County under Basin Recreation ownership.

The Basin Recreation Administrative Control Board reviewed the request for the open space parcel transfer at its regularly scheduled meeting on August 14, 2013, and subsequently voted to recommend approval of the land acquisition by Basin Recreation to the Summit County Council.

The Council first reviewed this proposal on September 25, 2013. Following discussion, Council asked Basin Recreation to provide more information and details regarding the subject parcel prior to the Council making a determination on the request. Items the Council asked for clarification of include existing easements on the property, completion of a title report, and development possibilities of the adjacent parcel.

Following the meeting, Basin Recreation Staff completed the requested title report on the parcel and met with members of the County Planning Staff, Attorney's office and FFSL to clarify and resolve issues and questions raised by the Council. Staff also met with Council Chair Robinson to review the findings and ensure outstanding questions were resolved. Staff feels the land transfer request can be now be reconsidered by Council.

Analysis:

Staff has reviewed the proposal to see if it consistent with Basin Recreation and County policies and goals and concludes that it is. BOSAC is supportive of the acquisition by Basin Recreation. The Summit Park open space lies adjacent to the Toll Canyon open space parcel, and the transaction would allow for contiguous Basin Recreation-owned open space between Summit Park and Hi-Ute Ranch. Staff feels it would be beneficial for Basin Recreation to take fee title to this property so it can be owned and managed directly, rather than through a third party arrangement.

Summary: In summary, Staff and the Board feel the acquisition of the Summit Park open space parcel by Basin Recreation would be beneficial to the community and the County Council should approve the acquisition.

Motion: For the County Council to approve the MOU to allow for the acquisition of the Summit Park open space parcel by Basin Recreation from the FFSL for the sum of \$100, and to authorize the District Director to execute the transactions necessary to complete the purchase and deed transfer.

Attachments

Summit Park



Location: Summit County, Utah
Acres: 325
Conservation Easement Date: April 20, 2001
Fee Title Acquisition: April 24, 2002
Land Owner/CE Holder: The State of Utah
Conservation Easement Funding:

Forest Legacy Program	\$800,000
LeRay McAllister Fund	\$400,000
Landowner Donation	\$400,000

Fee Title Acquisition Funding:

Landowner Donation:	\$1,200,000
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Description: Summit Park is a 325 acre property owned by the Utah Division of Forestry, Fire and State Lands (FFSL). Adjacent land ownership includes the densely populated community of Summit Park to the north, public watershed lands owned by Salt Lake City and the Uinta-Wasatch-Cache National Forest to the west and private, undeveloped range and forestland to the south and east.

History: Native Americans used the area in and around the Summit Park property for hunting prior to the arrival of the Mormon settlers. Summit Park was used extensively for timber harvesting to support the mining industry following the discovery of silver along the Wasatch Mountains. The Summit Park property has also been used for sheep and cattle grazing over the past 100 years.

Prior to the states acquisition, the property was owned by Harrison Gentry. Concerns over increasing land development and a desire to preserve and protect the land while maintaining traditional land uses led Mr. Gentry to sell conservation easement on the property to FFSL in 2001. In 2002, Mr. Gentry donated the underlying fee title on the property to FFSL.

Current Status: Since acquiring the property, the FFSL, in conjunction with Synderville Basin Special Recreation District, has worked to make Summit Park a popular recreation area for residents of Summit County. Currently, Summit Park boasts more than four miles of trails for biking and hiking. The trails become popular for snowshoeing during the winter months. FFSL has a 25 year agreement with Basin Recreation for trail design, construction and maintenance.

There is currently a proposal for a seven lot subdivision on a 25 acre parcel surrounded by the conservation easement, but not encumbered by it. To access the proposed subdivision the developer would need to widen the Innsbruck Strasse road to Summit County standards. The road is owned by FFSL, but the developer has a 30 foot wide easement across the road.

Although the Summit Park conservation easement has a non-merger clause, the practice of a single entity simultaneously holding a conservation easement and fee title to a property is uncommon. The Division of Forestry, Fire and State Lands would prefer to hold only the conservation easement on the property. Therefore, the Division is proposing to sell the underlying fee title to the Summit Park property to Summit County. FFSL would retain ownership of the conservation easement. For information regarding Summit Park please contact Laura Ault, Planner/Forest Legacy Coordinator for the Division of Forestry, Fire and State Lands at 801.538.5540 or lauraault@utah.gov.

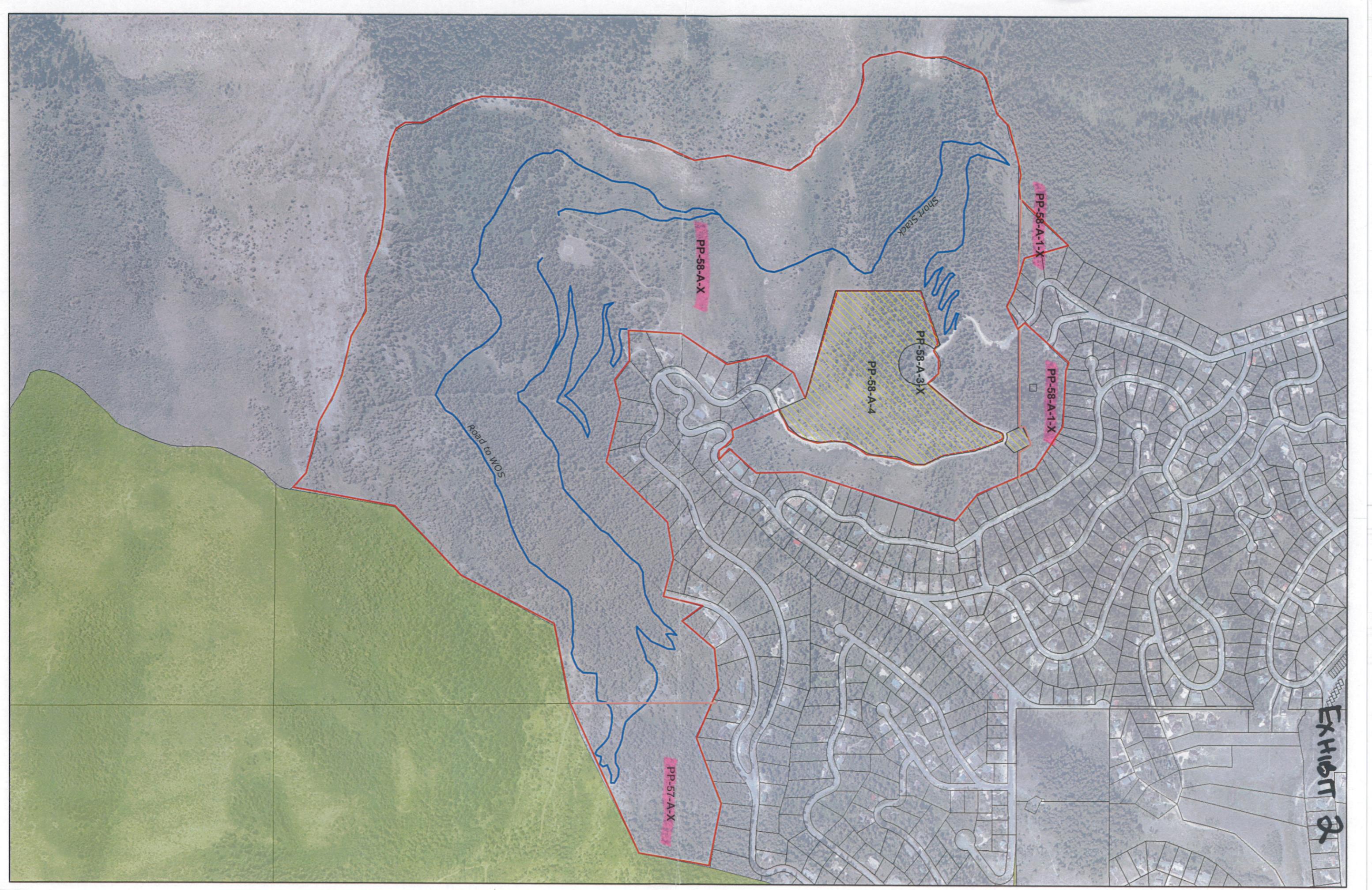


EXHIBIT 2

Limitation of Liability for Informational Report

IMPORTANT - READ CAREFULLY: THIS REPORT IS NOT AN INSURED PRODUCT OR SERVICE OR A REPRESENTATION OF THE CONDITION OF TITLE TO REAL PROPERTY. IT IS NOT AN ABSTRACT, LEGAL OPINION, OPINION OF TITLE, TITLE INSURANCE COMMITMENT OR PRELIMINARY REPORT, OR ANY FORM OF TITLE INSURANCE OR GUARANTY. THIS REPORT IS ISSUED EXCLUSIVELY FOR THE BENEFIT OF THE APPLICANT THEREFOR, AND MAY NOT BE USED OR RELIED UPON BY ANY OTHER PERSON. THIS REPORT MAY NOT BE REPRODUCED IN ANY MANNER WITHOUT FIRST AMERICAN'S PRIOR WRITTEN CONSENT. FIRST AMERICAN DOES NOT REPRESENT OR WARRANT THAT THE INFORMATION HEREIN IS COMPLETE OR FREE FROM ERROR, AND THE INFORMATION HEREIN IS PROVIDED WITHOUT ANY WARRANTIES OF ANY KIND, AS-IS, AND WITH ALL FAULTS. AS A MATERIAL PART OF THE CONSIDERATION GIVEN IN EXCHANGE FOR THE ISSUANCE OF THIS REPORT, RECIPIENT AGREES THAT FIRST AMERICAN'S SOLE LIABILITY FOR ANY LOSS OR DAMAGE CAUSED BY AN ERROR OR OMISSION DUE TO INACCURATE INFORMATION OR NEGLIGENCE IN PREPARING THIS REPORT SHALL BE LIMITED TO THE FEE CHARGED FOR THE REPORT. RECIPIENT ACCEPTS THIS REPORT WITH THIS LIMITATION AND AGREES THAT FIRST AMERICAN WOULD NOT HAVE ISSUED THIS REPORT BUT FOR THE LIMITATION OF LIABILITY DESCRIBED ABOVE. FIRST AMERICAN MAKES NO REPRESENTATION OR WARRANTY AS TO THE LEGALITY OR PROPRIETY OF RECIPIENT'S USE OF THE INFORMATION HEREIN.

10/17/2013

Escrow No.: 041-5593617 (cam)

MISCELLANEOUS REPORT

First American Title Company, LLC
1755 Prospector Ave., Suite A-100, Park City, UT 84060
Phone: 435.655.6800 | Fax: 435.655.6801

Order No: 041-5593617
Charge: \$500.00

Re: Property Owners: N/A

EFFECTIVE DATE: October 01, 2013 at 7:30 A.M.

IN WITNESS WHEREOF the said Company has caused these presents to be signed by its duly authorized officer on October 17, 2013, at Park City, .

FIRST AMERICAN TITLE COMPANY, LLC

By: 

Authorized Signatory

PLEASE DIRECT ANY INQUIRIES RELATIVE TO THE CONTENTS OF THIS REPORT TO: TITLE OFFICER: Chris Merback, and ESCROW OFFICER,

10/17/2013

Escrow No.: 041-5593617 (cam)

SCHEDULE A

1. The estate or interest in the land described or referred to in this report and covered herein is **Fee Simple as to Parcels 1, 2 and 3, and Easement Estate as to Parcel 2A**, title thereto is at the effective date hereof vested in:

State of Utah, by and through the Department of Natural Resources, Division of Forestry, Fire and State Lands, a government entity and its assigns

SCHEDULE B**Exceptions**

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interest or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easements or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments and any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

(The following affects Parcel 1)

7. General property taxes were not assessed against the land for the year(s) 2013 because of ownership by a tax exempt entity. Tax Parcel No. PP-58-A-X, Account No. 53920.

(The following affects Parcel 2)

8. General property taxes were not assessed against the land for the year(s) 2013 because of ownership by a tax exempt entity. Tax Parcel No. PP-57-A-X, Account No. 53896.

(The following affects Parcel 3)

9. General property taxes were not assessed against the land for the year(s) 2013 because of ownership by a tax exempt entity. Tax Parcel No. PP-58A-1-X, Account No. 198642.
10. General property taxes were not assessed against the land because of ownership by a tax exempt entity. The land may be subject to a possible Appendix Roll Tax from the time of transfer into a non-exempt entity for the remainder of the taxing year.
11. The land is included within the boundaries of Weber Basin Water Conservancy District; Snyderville Basin Sewer Improvement District and Snyderville Basin Special Recreation District, and is subject to charges and assessments made thereby.

(The following affects Parcel 1 and Parcel 3)

10/17/2013

Escrow No.: 041-5593617 (cam)

12. Reservations contained in that certain Patent executed by the United States of America, in favor of the Union Pacific Railroad, dated November 22, 1902 and recorded February 09, 1903 as Entry No. 11613 in Book H at Page 72 of Official Records.
13. A resolution proposing to create a special improvement district known as Summit County Special Service District 1 with power and authority to impose assessments for improvements, provisions, restrictions, and/or requirements as disclosed by document recorded April 28, 1989 as Entry No. 307478 in Book 519 at Page 725 of Official Records.

(The following affects a portion of Parcel 2)

14. An easement over, across or through the land for ingress and egress, for the construction of one culinary water test well and appurtenant facilities and incidental purposes, as granted to Summit Park Water Special Service District by Instrument recorded March 29, 1994 as Entry No. 401164 in Book 795 at Page 774 of Official Records.
15. An easement over, across or through the land for road access, utility construction and maintenance purposes and incidental purposes, as granted to Utah Power by Instrument recorded November 22, 1999 as Entry No. 553649 in Book 1296 at Page 1311 of Official Records.
16. An easement over, across or through the land for ingress, egress and incidental purposes, as granted to D. Harrison Gentry by Instrument recorded May 07, 2001 as Entry No. 588432 in Book 1369 at Page 325 of Official Records.
17. Deed of Conservation Easement dated April 30, 2001 and recorded May 07, 2001 as Entry No. 588433 in Book 1369 at Page 336 of Official Records.

An Amendment to Deed of Conservation Easement recorded October 30, 2002 as Entry No. 636610 in Book 1484 at Page 55 of Official Records.

(The following affects Parcel 2)

18. Notice of pendency of action by and between Richard A. Steinke, individually and as trustee for the S103 Irrevocable Trust as Plaintiff whose Attorney being David W. Scofield, J. Scott Brown, Parsons, Davies, Kinghorn & Peters and D. Harrison Gentry, individually and as trustee for the D. Harrison Gentry Revocable Living Trust; Michael S. Shreiber, individually; Stewart Title & Trust of Phoenix, Inc., an Arizona corporation; GBF Properties, LLC, a Nevada limited liability company; Trust for Public Land, a California nonprofit public benefit corporation; and John Does 1 through 10 as Defendant filed in the Third Judicial District of Summit County as Case No. 020500015 for the purpose of Quieting Title and recorded January 15, 2002 as Entry No. 608417 in Book 1428 at Page 1245 of Official Records.

(The following affects Parcels 1, 2 and 3)

19. The fact that the legal description of land described herein does not affect a mathematical closure.
20. Any prior reservations and/or any minerals in or under said land including, but not limited to metals, oil, gas, coal, stone and mineral rights, mining rights, lease rights and easement rights or other matters relating thereto, whether expressed or implied.

10/17/2013

Escrow No.: **041-5593617 (cam)**

The name State of Utah, by and through the Department of Natural Resources, Division of Forestry, Fire and State Lands, a governmental agency exempt from execution pursuant to Utah Code Annotated 63-30d-101 et.seq., has NOT been checked for judgments, State and Federal tax liens, or bankruptcies.

10/17/2013

Escrow No.: 041-5593617 (cam)

SCHEDULE C

Description

The land referred to in this report is situated in the County of Summit, State of UT, and is described as follows:

PARCEL 1:

THAT PORTION OF THE FOLLOWING DESCRIBED PARCEL LYING WITHIN SECTION 15, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 141, SUMMIT PARK, PLAT M-2, WHICH POINT OF 2207.47 FEET SOUTH AND 1138.42 FEET EAST FROM THE NORTHWEST CORNER OF SECTION 15, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE NORTH 80°00'00" WEST 466.48 FEET; THENCE SOUTH 68°00'00" WEST 503.23 FEET; THENCE NORTH 63°00'00" WEST 380.00 FEET; THENCE SOUTH 83°00'00" WEST 290.00 FEET; THENCE SOUTH 40°00'00" WEST 305 FEET; THENCE NORTH 35°00'00" WEST 181.69 FEET; THENCE SOUTH 14°00'00" WEST 298.54 FEET; THENCE NORTH 76°00'00" WEST 278.41 FEET; THENCE SOUTH 81°24'29" WEST 264.98 FEET; THENCE SOUTH 43°30'00" WEST 609.74 FEET; THENCE NORTH 76°00'00" WEST 425.90 FEET; THENCE SOUTH 78°00'00" WEST 175.00 FEET; THENCE NORTH 53°00'00" WEST 175.00 FEET; THENCE SOUTH 88°30'00" WEST 215.00 FEET; THENCE NORTH 02°30'00" EAST 385.00 FEET; THENCE NORTH 32°30'00" EAST 380.00 FEET; THENCE NORTH 10°00'00" WEST 305.00 FEET; THENCE NORTH 33°30'00" EAST 215.21 FEET; THENCE NORTH 65°00'00" EAST 203.28 FEET; THENCE SOUTH 25°00'00" EAST 435.24 FEET; THENCE SOUTH 20°00'00" EAST 136.36 FEET TO A POINT ON THE ARC OF A 100 FOOT RADIUS CURVE TO THE RIGHT; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID 100 FOOT RADIUS CURVE 148.35 FEET; THENCE SOUTH 25°00' EAST 30.00 FEET TO A POINT OF TANGENCY WITH A 50.00 FOOT RADIUS CURVE TO THE LEFT; THENCE EASTERLY ALONG THE ARC OF SAID 50.00 FOOT RADIUS CURVE 93.72 FEET TO THE SOUTH CORNER OF LOT 45, SUMMIT PARK, PLAT J; THENCE NORTH 42°23'40" WEST 120.00 FEET; THENCE NORTH 47°35'20" EAST 165.00 FEET; THENCE NORTH 33°24'29" EAST 80.68 FEET; THENCE NORTH 338.00 FEET; THENCE NORTH 17°30'30" EAST 987.75 FEET; THENCE NORTH 17°18'45" EAST 157.75 FEET TO THE NORTHWEST CORNER OF LOT 28, SUMMIT PARK, PLAT J, SAID CORNER ALSO BEING THE SOUTH CORNER OF LOT 79, SUMMIT PARK, PLAT I; THENCE NORTH 47°41'30" WEST 239.60 FEET; THENCE NORTH 25°58'00" WEST 475.00 FEET; THENCE NORTH 56°55'09" WEST 345.78 FEET; THENCE NORTH 84°55'00" WEST 455.00 FEET TO AN ANGLE POINT ON THE SOUTH LINE OF LOT 99, SUMMIT PARK, PLAT I, SAID POINT ALSO BEING THE NORTHEAST CORNER OF LOT 11, SUMMIT PARK, PLAT I; THENCE SOUTH 42°24'11" WEST 164.40 FEET; THENCE SOUTH 48°58'00" WEST 50.00 FEET; THENCE SOUTH 44°48'28" WEST 162.11 FEET; THENCE SOUTH 47°28'00" WEST 50.00 FEET; THENCE SOUTH 51°48'03" WEST 188.03 FEET; THENCE NORTH 60°55'00" WEST 70.00 FEET; THENCE NORTH 72°55'00" WEST 250.00 FEET; THENCE NORTH 15°55'00" WEST 330.00 FEET TO THE NORTHWEST CORNER OF LOT 18, SUMMIT PARK, PLAT I, SAID CORNER BEING ON THE COUNTY LINE BETWEEN SALT LAKE AND SUMMIT COUNTIES; THENCE ALONG THE BOUNDARY LINE BETWEEN SALT LAKE AND SUMMIT COUNTIES THE FOLLOWING COURSES AND DISTANCES: SOUTH 44°05'00" WEST 370.00 FEET; THENCE SOUTH 73°20'00" WEST 1042.81 FEET; THENCE SOUTH 26°23'00" WEST 272.37 FEET; THENCE SOUTH 07°45'00" EAST 622.68 FEET; THENCE SOUTH 76°53'00" EAST 457.25 FEET; THENCE SOUTH 31°42'00" EAST 513.62 FEET TO THE TOP OF A PEAK DIVIDE; THENCE SOUTH 03°26'00" WEST 799.44 FEET; THENCE SOUTH 17°16'00" WEST 1290.03 FEET; THENCE SOUTH 01°34'00" WEST 728.27 FEET; THENCE SOUTH 38°40'00" EAST 256.15 FEET TO A PEAK ON THE RIDGE LINE; THENCE SOUTH 82°59'00" EAST 589.39 FEET; THENCE SOUTH 79°21'00" EAST 1260.75 FEET; THENCE SOUTH 59°13'00" EAST 849.96 FEET TO A POINT WHERE TWO RIDGES MEET; THENCE LEAVING THE COUNTY LINE AND RUNNING NORTHERLY TO THE LEFT ALONG THE

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RIDGE THE FOLLOWING COURSES AND DISTANCES: NORTH 09°13'00" EAST 830.72 FEET; THENCE NORTH 46°00'00" EAST 683.79 FEET; THENCE NORTH 28°29'00" EAST 773.64 FEET; THENCE NORTH 74°15'00" EAST 821.54 FEET; THENCE NORTH 64°01'00" EAST 928.99 FEET; THENCE NORTH 13°48'00" EAST 520.30 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED TRACT OF LAND:

BEGINNING AT A POINT NORTH 30 FEET AND WEST 2300 FEET FORM THE SOUTHEAST CORNER OF SECTION 9, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN; THENCE NORTH 50 FEET; THENCE WEST 50 FEET; THENCE SOUTH 50 FEET; THENCE EAST 50 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

THAT PORTION OF THE FOLLOWING DESCRIBED PARCEL LYING WITHIN SECTION 16, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 141, SUMMIT PARK, PLAT M-2, WHICH POINT OF 2207.47 FEET SOUTH AND 1138.42 FEET EAST FROM THE NORTHWEST CORNER OF SECTION 15, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE NORTH 80°00'00" WEST 466.48 FEET; THENCE SOUTH 68°00'00" WEST 503.23 FEET; THENCE NORTH 63°00'00" WEST 380.00 FEET; THENCE SOUTH 83°00'00" WEST 290.00 FEET; THENCE SOUTH 40°00'00" WEST 305 FEET; THENCE NORTH 35°00'00" WEST 181.69 FEET; THENCE SOUTH 14°00'00" WEST 298.54 FEET; THENCE NORTH 76°00'00" WEST 278.41 FEET; THENCE SOUTH 81°24'29" WEST 264.98 FEET; THENCE SOUTH 43°30'00" WEST 609.74 FEET; THENCE NORTH 76°00'00" WEST 425.90 FEET; THENCE SOUTH 78°00'00" WEST 175.00 FEET; THENCE NORTH 53°00'00" WEST 175.00 FEET; THENCE SOUTH 88°30'00" WEST 215.00 FEET; THENCE NORTH 02°30'00" EAST 385.00 FEET; THENCE NORTH 32°30'00" EAST 380.00 FEET; THENCE NORTH 10°00'00" WEST 305.00 FEET; THENCE NORTH 33°30'00" EAST 215.21 FEET; THENCE NORTH 65°00'00" EAST 203.28 FEET; THENCE SOUTH 25°00'00" EAST 435.24 FEET; THENCE SOUTH 20°00'00" EAST 136.36 FEET TO A POINT ON THE ARC OF A 100 FOOT RADIUS CURVE TO THE RIGHT; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID 100 FOOT RADIUS CURVE 148.35 FEET; THENCE SOUTH 25°00' EAST 30.00 FEET TO A POINT OF TANGENCY WITH A 50.00 FOOT RADIUS CURVE TO THE LEFT; THENCE EASTERLY ALONG THE ARC OF SAID 50.00 FOOT RADIUS CURVE 93.72 FEET TO THE SOUTH CORNER OF LOT 45, SUMMIT PARK, PLAT J; THENCE NORTH 42°23'40" WEST 120.00 FEET; THENCE NORTH 47°35'20" EAST 165.00 FEET; THENCE NORTH 33°24'29" EAST 80.68 FEET; THENCE NORTH 338.00 FEET; THENCE NORTH 17°30'30" EAST 987.75 FEET; THENCE NORTH 17°18'45" EAST 157.75 FEET TO THE NORTHWEST CORNER OF LOT 28, SUMMIT PARK, PLAT J, SAID CORNER ALSO BEING THE SOUTH CORNER OF LOT 79, SUMMIT PARK, PLAT I; THENCE NORTH 47°41'30" WEST 239.60 FEET; THENCE NORTH 25°58'00" WEST 475.00 FEET; THENCE NORTH 56°55'09" WEST 345.78 FEET; THENCE NORTH 84°55'00" WEST 455.00 FEET TO AN ANGLE POINT ON THE SOUTH LINE OF LOT 99, SUMMIT PARK, PLAT I, SAID POINT ALSO BEING THE NORTHEAST CORNER OF LOT 11, SUMMIT PARK, PLAT I; THENCE SOUTH 42°24'11" WEST 164.40 FEET; THENCE SOUTH 48°58'00" WEST 50.00 FEET; THENCE SOUTH 44°48'28" WEST 162.11 FEET; THENCE SOUTH 47°28'00" WEST 50.00 FEET; THENCE SOUTH 51°48'03" WEST 188.03 FEET; THENCE NORTH 60°55'00" WEST 70.00 FEET; THENCE NORTH 72°55'00" WEST 250.00 FEET; THENCE NORTH 15°55'00" WEST 330.00 FEET TO THE NORTHWEST CORNER OF LOT 18, SUMMIT PARK, PLAT I, SAID CORNER BEING ON THE COUNTY LINE BETWEEN SALT LAKE AND SUMMIT COUNTIES; THENCE ALONG THE BOUNDARY LINE BETWEEN SALT LAKE AND SUMMIT COUNTIES THE FOLLOWING COURSES AND DISTANCES: SOUTH 44°05'00" WEST 370.00 FEET; THENCE SOUTH 73°20'00" WEST 1042.81 FEET; THENCE SOUTH 26°23'00" WEST 272.37 FEET; THENCE SOUTH 07°45'00" EAST 622.68 FEET; THENCE SOUTH 76°53'00" EAST 457.25 FEET; THENCE SOUTH 31°42'00" EAST 513.62 FEET TO THE TOP OF A PEAK DIVIDE; THENCE SOUTH 03°26'00" WEST 799.44 FEET; THENCE SOUTH 17°16'00" WEST 1290.03 FEET; THENCE SOUTH 01°34'00" WEST 728.27 FEET; THENCE SOUTH 38°40'00" EAST 256.15 FEET TO A PEAK ON THE RIDGE LINE; THENCE SOUTH 82°59'00" EAST 589.39 FEET; THENCE SOUTH 79°21'00" EAST 1260.75 FEET; THENCE SOUTH 59°13'00" EAST 849.96 FEET TO A POINT WHERE TWO RIDGES

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MEET; THENCE LEAVING THE COUNTY LINE AND RUNNING NORTHERLY TO THE LEFT ALONG THE RIDGE THE FOLLOWING COURSES AND DISTANCES: NORTH 09°13'00" EAST 830.72 FEET; THENCE NORTH 46°00'00" EAST 683.79 FEET; THENCE NORTH 28°29'00" EAST 773.64 FEET; THENCE NORTH 74°15'00" EAST 821.54 FEET; THENCE NORTH 64°01'00" EAST 928.99 FEET; THENCE NORTH 13°48'00" EAST 520.30 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED TRACT OF LAND:

BEGINNING AT A POINT NORTH 30 FEET AND WEST 2300 FEET FROM THE SOUTHEAST CORNER OF SECTION 9, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN; THENCE NORTH 50 FEET; THENCE WEST 50 FEET; THENCE SOUTH 50 FEET; THENCE EAST 50 FEET TO THE POINT OF BEGINNING.

ALSO, LESS AND EXCEPTING THEREFROM THE FOLLOWING:

LOCATED IN THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, SUMMIT COUNTY, UTAH, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 15, SUMMIT PARK SUBDIVISION, PLAT L, AS RECORDED IN THE SUMMIT COUNTY RECORDERS OFFICE, SAID POINT ALSO BEING SOUTH 2656.05 FEET ALONG SECTION LINE, AND WEST 2752.21 FEET FROM THE EAST QUARTER CORNER OF SECTION 9, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE SOUTH 42°32'00" EAST 45.13 FEET; THENCE SOUTH 51°48'03" WEST 172.65 FEET; THENCE NORTH 60°55'00" WEST 48.78 FEET TO THE SOUTHEAST CORNER OF ABOVE SAID LOT 15; THENCE NORTH 51°48'03" EAST 188.08 FEET ALONG THE EASTERLY LINE OF ABOVE SAID LOT 15 TO THE POINT OF BEGINNING.

ALSO, LESS AND EXCEPTING THEREFROM THE FOLLOWING:

BEGINNING AT A POINT SOUTH 42°32'00" EAST 45.13 FEET FROM THE NORTHEAST CORNER OF LOT 15, SUMMIT PARK SUBDIVISION, PLAT L, AS RECORDED IN THE SUMMIT COUNTY RECORDERS OFFICE, SAID POINT BEING SOUTH 2689.30 FEET ALONG SECTION LINE AND WEST 2721.70 FEET FROM THE EAST QUARTER CORNER OF SECTION 9, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE SOUTH 51°48'03" WEST 36.00 FEET; THENCE SOUTH 75°00'00" EAST 36.00 FEET; THENCE NORTH 74°12'04" EAST 18.56 FEET; THENCE NORTH 42°32'00" WEST 36.00 FEET TO THE POINT OF BEGINNING.

ALSO, LESS AND EXCEPTING THEREFROM THE FOLLOWING:

A CIRCULAR PARCEL OF LAND LOCATED IN SECTION 16, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, AND HAVING A RADIUS OF 150 FEET EXTENDING FROM A POINT SITUATED SOUTH 35°33'49" WEST 4189.68 FEET FROM THE EAST QUARTER OF SECTION 9, A FOUND STONE, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, (BASIS OF BEARING BEING NORTH 00°02'00" WEST BETWEEN SAID EAST QUARTER CORNER AND THE NORTHEAST CORNER OF SAID SECTION 9); TOGETHER WITH A PERPETUAL NON-EXCLUSIVE EASEMENT FOR ROAD ACCESS, UTILITY CONSTRUCTION AND MAINTENANCE PURPOSES FOR UTAH POWER, LOCATED IN THE SOUTH ONE-HALF OF SECTION 9 AND THE NORTH ONE-HALF OF SECTION 16, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, 30 FEET WIDE LYING 15 FEET ON EACH SIDE OF CENTER LINE, WITH SIDE LINES TO BE EXTENDED OR SHORTENED AT ANGLE POINTS, THE CENTER LINE OF WHICH IS TO BE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT IS SOUTH 46°00'19" WEST 3800.117 FEET FROM THE EAST QUARTER CORNER OF SECTION 9, A FOUND STONE, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, SAID POINT OF BEGINNING ALSO BEING ON THE BOUNDARY OF SUMMIT PARK, PLAT L,

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RECORD NO. 107948 WHERE THE SOUTHERN MOST CENTER LINE OF INNSBRUK STRASSE INTERSECTS SAID BOUNDARY OF PLAT L; THENCE ALONG AN EXISTING ROAD SOUTH 42°32'00" EAST 25.00 FEET; THENCE SOUTH 46°56'32" EAST 148.274 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 100.00 FEET WITH A CHORD BEARING OF SOUTH 4°52'08" EAST; THENCE SOUTHERLY 146.863 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 84°08'47"; THENCE SOUTH 37°12'16" WEST 26.013 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 150.00 FEET WITH A CHORD BEARING OF SOUTH 49°28'20" WEST; THENCE SOUTHWESTERLY 64.235 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24°32'08"; THENCE SOUTH 61°44'25" WEST 103.183 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 60.00 FEET WITH A CHORD BEARING OF SOUTH 1°15'58" WEST; THENCE SOUTHERLY 126.656 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 120°56'53"; THENCE SOUTH 59°12'28" EAST 117.004 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 300.00 FEET WITH A CHORD BEARING OF SOUTH 46°33'41" EAST; THENCE 132.432 FEET SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 25°17'34"; THENCE SOUTH 33°54'54" EAST 115.327 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTH HAVING A RADIUS OF 70.00 FEET WITH A CHORD BEARING OF SOUTH 74°53'09" EAST; THENCE EASTERLY 100.110 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 81°56'29"; THENCE NORTH 64°08'37" EAST 24.00 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 300.00 FEET WITH A CHORD BEARING OF NORTH 51°51'25" EAST; THENCE NORTHEASTERLY 128.666 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24°34'24"; THENCE NORTH 39°34'12" EAST 318.427 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 325.00 FEET WITH A CHORD BEARING OF NORTH 29°35'56"; THENCE NORTHEASTERLY 113.121 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19°56'34"; THENCE NORTH 19°37'39" EAST 145.796 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTH HAVING A RADIUS OF 50.00 FEET WITH A CHORD BEARING OF NORTH 89°26'41" EAST; THENCE SOUTHEASTERLY 121.854 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 13°38'05" TO THE TERMINATION OF THIS DESCRIPTION.

ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED TRACT OF LAND:

A PORTION OF THAT CERTAIN PARCEL DESCRIBED IN BOOK 1069 AT PAGE 471 IN THE OFFICE OF THE SUMMIT COUNTY RECORDER, LOCATED IN THE SOUTHEAST QUARTER OF SECTION 9 AND THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF A 30.00-FOOT WIDE ACCESS EASEMENT, AS DESCRIBED IN BOOK 1296 AT PAGE 1311 IN THE OFFICE OF THE SUMMIT COUNTY RECORDER, ALSO BEING A POINT ON A 65.00-FOOT RADIUS CURVE TO THE LEFT (RADIUS POINT BEARS SOUTH 43°56'51" WEST), WHICH POINT IS 88.18 FEET SOUTH 00°00'00" EAST AND 1886.07 FEET SOUTH 90°00'00" WEST FROM THE SUMMIT COUNTY MONUMENT FOUND MARKING THE SOUTHEAST CORNER OF SAID SECTION 9 (BASIS OF BEARINGS BEING NORTH 00°06'49" WEST 2694.59 FEET BETWEEN THE SUMMIT COUNTY MONUMENTS FOUND MARKING THE SOUTHEAST CORNER AND THE EAST QUARTER CORNER OF SAID SECTION 9), AND RUNNING THENCE WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 70°01'43" (CHORD BEARS 74.59 FEET NORTH 81°04'01" WEST) TO A NON-TANGENT LINE; THENCE NORTH 26°04'52" WEST 125.00 FEET; THENCE NORTH 63°55'08" EAST 150.00 FEET; THENCE SOUTH 26°04'52" EAST 135.49 FEET; THENCE SOUTH 43°56'51" WEST 94.60 FEET TO THE POINT OF BEGINNING.

PARCEL 2A:

A NON-EXCLUSIVE RIGHT OF WAY AND EASEMENT FOR THE PURPOSE OF INGRESS AND EGRESS AS SET FORTH IN THAT CERTAIN EASEMENT GRANT RECORDED AUGUST 07, 1998, AS ENTRY NO. 514600 IN BOOK 1172 AT PAGE 17 OF OFFICIAL RECORDS.

PARCEL 3:

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THAT PORTION OF THE FOLLOWING DESCRIBED PARCEL LYING WITHIN SECTION 9, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 141, SUMMIT PARK, PLAT M-2, WHICH POINT OF 2207.47 FEET SOUTH AND 1138.42 FEET EAST FROM THE NORTHWEST CORNER OF SECTION 15, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE NORTH 80°00'00" WEST 466.48 FEET; THENCE SOUTH 68°00'00" WEST 503.23 FEET; THENCE NORTH 63°00'00" WEST 380.00 FEET; THENCE SOUTH 83°00'00" WEST 290.00 FEET; THENCE SOUTH 40°00'00" WEST 305 FEET; THENCE NORTH 35°00'00" WEST 181.69 FEET; THENCE SOUTH 14°00'00" WEST 298.54 FEET; THENCE NORTH 76°00'00" WEST 278.41 FEET; THENCE SOUTH 81°24'29" WEST 264.98 FEET; THENCE SOUTH 43°30'00" WEST 609.74 FEET; THENCE NORTH 76°00'00" WEST 425.90 FEET; THENCE SOUTH 78°00'00" WEST 175.00 FEET; THENCE NORTH 53°00'00" WEST 175.00 FEET; THENCE SOUTH 88°30'00" WEST 215.00 FEET; THENCE NORTH 02°30'00" EAST 385.00 FEET; THENCE NORTH 32°30'00" EAST 380.00 FEET; THENCE NORTH 10°00'00" WEST 305.00 FEET; THENCE NORTH 33°30'00" EAST 215.21 FEET; THENCE NORTH 65°00'00" EAST 203.28 FEET; THENCE SOUTH 25°00'00" EAST 435.24 FEET; THENCE SOUTH 20°00'00" EAST 136.36 FEET TO A POINT ON THE ARC OF A 100 FOOT RADIUS CURVE TO THE RIGHT; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID 100 FOOT RADIUS CURVE 148.35 FEET; THENCE SOUTH 25°00' EAST 30.00 FEET TO A POINT OF TANGENCY WITH A 50.00 FOOT RADIUS CURVE TO THE LEFT; THENCE EASTERLY ALONG THE ARC OF SAID 50.00 FOOT RADIUS CURVE 93.72 FEET TO THE SOUTH CORNER OF LOT 45, SUMMIT PARK, PLAT J; THENCE NORTH 42°23'40" WEST 120.00 FEET; THENCE NORTH 47°35'20" EAST 165.00 FEET; THENCE NORTH 33°24'29" EAST 80.68 FEET; THENCE NORTH 338.00 FEET; THENCE NORTH 17°30'30" EAST 987.75 FEET; THENCE NORTH 17°18'45" EAST 157.75 FEET TO THE NORTHWEST CORNER OF LOT 28, SUMMIT PARK, PLAT J, SAID CORNER ALSO BEING THE SOUTH CORNER OF LOT 79, SUMMIT PARK, PLAT I; THENCE NORTH 47°41'30" WEST 239.60 FEET; THENCE NORTH 25°58'00" WEST 475.00 FEET; THENCE NORTH 56°55'09" WEST 345.78 FEET; THENCE NORTH 84°55'00" WEST 455.00 FEET TO AN ANGLE POINT ON THE SOUTH LINE OF LOT 99, SUMMIT PARK, PLAT I, SAID POINT ALSO BEING THE NORTHEAST CORNER OF LOT 11, SUMMIT PARK, PLAT I; THENCE SOUTH 42°24'11" WEST 164.40 FEET; THENCE SOUTH 48°58'00" WEST 50.00 FEET; THENCE SOUTH 44°48'28" WEST 162.11 FEET; THENCE SOUTH 47°28'00" WEST 50.00 FEET; THENCE SOUTH 51°48'03" WEST 188.03 FEET; THENCE NORTH 60°55'00" WEST 70.00 FEET; THENCE NORTH 72°55'00" WEST 250.00 FEET; THENCE NORTH 15°55'00" WEST 330.00 FEET TO THE NORTHWEST CORNER OF LOT 18, SUMMIT PARK, PLAT I, SAID CORNER BEING ON THE COUNTY LINE BETWEEN SALT LAKE AND SUMMIT COUNTIES; THENCE ALONG THE BOUNDARY LINE BETWEEN SALT LAKE AND SUMMIT COUNTIES THE FOLLOWING COURSES AND DISTANCES: SOUTH 44°05'00" WEST 370.00 FEET; THENCE SOUTH 73°20'00" WEST 1042.81 FEET; THENCE SOUTH 26°23'00" WEST 272.37 FEET; THENCE SOUTH 07°45'00" EAST 622.68 FEET; THENCE SOUTH 76°53'00" EAST 457.25 FEET; THENCE SOUTH 31°42'00" EAST 513.62 FEET TO THE TOP OF A PEAK DIVIDE; THENCE SOUTH 03°26'00" WEST 799.44 FEET; THENCE SOUTH 17°16'00" WEST 1290.03 FEET; THENCE SOUTH 01°34'00" WEST 728.27 FEET; THENCE SOUTH 38°40'00" EAST 256.15 FEET TO A PEAK ON THE RIDGE LINE; THENCE SOUTH 82°59'00" EAST 589.39 FEET; THENCE SOUTH 79°21'00" EAST 1260.75 FEET; THENCE SOUTH 59°13'00" EAST 849.96 FEET TO A POINT WHERE TWO RIDGES MEET; THENCE LEAVING THE COUNTY LINE AND RUNNING NORTHERLY TO THE LEFT ALONG THE RIDGE THE FOLLOWING COURSES AND DISTANCES: NORTH 09°13'00" EAST 830.72 FEET; THENCE NORTH 46°00'00" EAST 683.79 FEET; THENCE NORTH 28°29'00" EAST 773.64 FEET; THENCE NORTH 74°15'00" EAST 821.54 FEET; THENCE NORTH 64°01'00" EAST 928.99 FEET; THENCE NORTH 13°48'00" EAST 520.30 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED TRACT OF LAND:

BEGINNING AT A POINT NORTH 30 FEET AND WEST 2300 FEET FROM THE SOUTHEAST CORNER OF SECTION 9, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN; THENCE NORTH 50 FEET; THENCE WEST 50 FEET; THENCE SOUTH 50 FEET; THENCE EAST 50 FEET TO THE POINT OF BEGINNING.

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ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED TRACT OF LAND:

A PORTION OF THAT CERTAIN PARCEL DESCRIBED IN BOOK 1069 AT PAGE 471 IN THE OFFICE OF THE SUMMIT COUNTY RECORDER, LOCATED IN THE SOUTHEAST QUARTER OF SECTION 9 AND THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF A 30.00-FOOT WIDE ACCESS EASEMENT, AS DESCRIBED IN BOOK 1296 AT PAGE 1311 IN THE OFFICE OF THE SUMMIT COUNTY RECORDER, ALSO BEING A POINT ON A 65.00-FOOT RADIUS CURVE TO THE LEFT (RADIUS POINT BEARS SOUTH 43°56'51" WEST), WHICH POINT IS 88.18 FEET SOUTH 00°00'00" EAST AND 1886.07 FEET SOUTH 90°00'00" WEST FROM THE SUMMIT COUNTY MONUMENT FOUND MARKING THE SOUTHEAST CORNER OF SAID SECTION 9 (BASIS OF BEARINGS BEING NORTH 00°06'49" WEST 2694.59 FEET BETWEEN THE SUMMIT COUNTY MONUMENTS FOUND MARKING THE SOUTHEAST CORNER AND THE EAST QUARTER CORNER OF SAID SECTION 9), AND RUNNING THENCE WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 70°01'43" (CHORD BEARS 74.59 FEET NORTH 81°04'01" WEST) TO A NON-TANGENT LINE; THENCE NORTH 26°04'52" WEST 125.00 FEET; THENCE NORTH 63°55'08" EAST 150.00 FEET; THENCE SOUTH 26°04'52" EAST 135.49 FEET; THENCE SOUTH 43°56'51" WEST 94.60 FEET TO THE POINT OF BEGINNING.

ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED TRACT OF LAND:

A PORTION OF THAT CERTAIN PARCEL DESCRIBED IN BOOK 1069 AT PAGE 471 IN THE OFFICE OF THE SUMMIT COUNTY RECORDER, LOCATED IN THE NORTH HALF OF SECTION 16, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

10/17/2013

Escrow No.: 041-5593617 (cam)

BEGINNING AT THE REBAR AND CAP MARKED "LS 359005" LOCATED AT THE NORTHEAST CORNER OF LOT 101, SUMMIT PARK PLAT M-2, AS RECORDED IN THE OFFICE OF THE SUMMIT COUNTY RECORDER, WHICH POINT IS 1535.60 FEET SOUTH 00°00'00" EAST AND 2203.99 FEET SOUTH 90°00'00" WEST FROM THE SUMMIT COUNTY MONUMENT FOUND MARKING THE NORTHEAST CORNER OF SAID SECTION 16 (BASIS OF BEARINGS BEING NORTH 00°06'59" WEST 2694.59 FEET BETWEEN THE SUMMIT COUNTY MONUMENTS FOUND MARKING THE SOUTHEAST CORNER AND THE EAST QUARTER CORNER OF SECTION 9, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN), AND RUNNING THENCE NORTH 73°57'43" WEST 796.43 FEET; THENCE NORTH 00°00'00" EAST 614.45 FEET; THENCE NORTH 70°17'33" EAST 410.13 FEET TO A POINT ON THE SOUTHWESTERLY LINE OF A 30.00-FOOT WIDE ACCESS EASEMENT, AS DESCRIBED IN BOOK 1296 AT PAGE 1311 IN THE OFFICE OF THE SUMMIT COUNTY RECORDER, AND A POINT OF NON-TANGENCY WITH A 285.00-FOOT RADIUS CURVE TO THE RIGHT (RADIUS POINT BEARS SOUTH 52°17'11" WEST); THENCE ALONG SAID SOUTHWESTERLY LINE THE FOLLOWING TWO (2) COURSES: (1) SOUTHEASTERLY 18.49 FEET ALONG THE ARC OF SAID, CURVE THROUGH A CENTRAL ANGLE OF 03°43'03" (CHORD BEARS SOUTH 35°51'18" EAST 18.49 FEET) TO A TANGENT LINE; (2) SOUTH 33°59'46" EAST 31.52 FEET TO A POINT ON A 150 FOOT RADIUS WELL PROTECTION ZONE EASEMENT, AS RECORDED IN SAID BOOK 1296 AT PAGE 1311, AND A POINT OF NON-TANGENCY WITH A 150.00-FOOT RADIUS CURVE TO THE LEFT (RADIUS POINT BEARS SOUTH 45°31'44" EAST); THENCE SOUTHWESTERLY, SOUTHEASTERLY AND NORTHERLY 651.23 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 248°45'06" (CHORD BEARS SOUTH 79°54'17" EAST 247.61 FEET) TO A POINT ON THE SOUTHEASTERLY LINE OF SAID ACCESS EASEMENT AND A POINT OF NON-TANGENCY WITH A 315.00-FOOT RADIUS CURVE TO THE LEFT (RADIUS POINT BEARS NORTH 40°42'39" WEST); THENCE ALONG SAID SOUTHEASTERLY AND WESTERLY LINES OF SAID ACCESS EASEMENT THE FOLLOWING SEVENTEEN (17) COURSES: (1) NORTHEASTERLY 53.88 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 09°48'00" (CHORD BEARS NORTH 44°23'21" EAST 53.81 FEET) TO A TANGENT LINE; (2) NORTH 39°29'20" EAST 318.43 FEET TO THE POINT OF CURVATURE WITH A 340.00-FOOT RADIUS CURVE TO THE LEFT; (3) NORTHEASTERLY 118.34 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 19°56'34" (CHORD BEARS NORTH 29°31'03" EAST 117.75 FEET) TO A TANGENT LINE; (4) NORTH 19°32'47" EAST 145.80 FEET TO THE POINT OF CURVATURE WITH A 35.00-FOOT RADIUS CURVE TO THE RIGHT; (5) EASTERLY 85.30 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 139°38'04" (CHORD BEARS NORTH 89°21'49" EAST 65.70 FEET) TO A TANGENT LINE; (6) SOUTH 20°49'08" EAST 155.07 FEET TO THE POINT OF CURVATURE WITH A 285.00-FOOT RADIUS CURVE TO THE RIGHT; (7) SOUTHEASTERLY 62.13 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 12°29'25" (CHORD BEARS SOUTH 14°34'26" EAST 62.01 FEET) TO A TANGENT LINE; (8) SOUTH 08°19'43" EAST 161.13 FEET TO THE POINT OF CURVATURE WITH A 265.00-FOOT RADIUS CURVE TO THE LEFT; (9) SOUTHEASTERLY 78.17 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 16°54'06" (CHORD BEARS SOUTH 16°46'46" EAST 77.89 FEET) TO A TANGENT LINE; (10) SOUTH 25°13'49" EAST 89.06 FEET TO THE POINT OF CURVATURE WITH A 135.00-FOOT RADIUS CURVE TO THE RIGHT; (11) SOUTHERLY 106.62 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 45°14'59" (CHORD BEARS SOUTH 02°36'20" EAST 103.87 FEET) TO A TANGENT LINE; (12) SOUTH 20°01'10" WEST 101.39 FEET TO THE POINT OF CURVATURE WITH A 265.00-FOOT RADIUS CURVE TO THE LEFT; (13) SOUTHERLY 73.02 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 15°47'15" (CHORD BEARS SOUTH 12°07'33" WEST 72.79 FEET) TO A TANGENT LINE; (14) SOUTH 04°13'55" WEST 85.11 FEET TO THE POINT OF CURVATURE WITH A 335.00-FOOT RADIUS CURVE TO THE RIGHT; (15) SOUTHWESTERLY 158.21 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'32" (CHORD BEARS SOUTH 17°45'41" WEST 156.74 FEET) TO A TANGENT LINE; (16) SOUTH 31°17'33" WEST 38.88 FEET TO THE POINT OF CURVATURE WITH A 215.00-FOOT RADIUS CURVE TO THE LEFT; (17) SOUTHERLY 47.20 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 12°34'39" (CHORD BEARS SOUTH 25°00'14" WEST 47.10 FEET) TO A POINT OF NON-TANGENCY; THENCE NORTH 71°17'06" WEST 221.77 FEET; THENCE SOUTH 16°02'17" WEST 400.00 FEET TO THE POINT OF BEGINNING.

ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED TRACT OF LAND:

10/17/2013

Escrow No.: 041-5593617 (cam)

A PORTION OF THAT CERTAIN PARCEL DESCRIBED IN BOOK 1069 AT PAGE 471 IN THE OFFICE OF THE SUMMIT COUNTY RECORDER, LOCATED IN THE NORTH HALF OF SECTION 16, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE REBAR AND CAP MARKED "LS 359005" LOCATED AT THE NORTHWEST CORNER OF LOT 101, SUMMIT PARK PLAT M-2, AS RECORDED IN THE OFFICE OF THE SUMMIT COUNTY RECORDER, WHICH POINT IS 1535.60 FEET SOUTH 00°00'00" EAST AND 2203.99 FEET SOUTH 90°00'00" WEST FROM THE SUMMIT COUNTY MONUMENT FOUND MARKING THE NORTHEAST CORNER OF SAID SECTION 16 (BASIS OF BEARINGS BEING NORTH 00°06'59" WEST 2694.59 FEET BETWEEN THE SUMMIT COUNTY MONUMENTS FOUND MARKING THE SOUTHEAST CORNER AND THE EAST QUARTER CORNER OF SECTION 9, TOWNSHIP 1 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN), AND RUNNING THENCE NORTH 16°02'17" EAST 400.00 FEET; THENCE SOUTH 71°17'06" EAST 221.77 FEET TO A POINT ON THE WESTERLY LINE OF A 30.00-FOOT WIDE ACCESS EASEMENT AS DESCRIBED IN BOOK 1296 AT PAGE 1311 IN THE OFFICE OF THE SUMMIT COUNTY RECORDER, AND A POINT OF NON-TANGENCY WITH A 215.00-FOOT RADIUS CURVE TO THE LEFT; (RADIUS POINT BEARS SOUTH 71°17'06" EAST); THENCE ALONG SAID WESTERLY LINE THE FOLLOWING FOUR (4) COURSES AND DISTANCES: (1) SOUTHWESTERLY 81.93 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 21°50'01" (CHORD BEARS SOUTH 07°47'54" WEST 81.44 FEET); (2) SOUTH 03°07'07" EAST 85.33 FEET TO THE POINT OF CURVATURE WITH A 335.00-FOOT RADIUS CURVE TO THE RIGHT; (3) SOUTHWESTERLY 397.61 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 68°00'15" (CHORD BEARS SOUTH 30°53'00" WEST 374.68 FEET); (4) SOUTH 64°53'08" WEST 36.38 FEET TO A POINT ON THE EASTERLY LINE OF SAID SUMMIT PARK PLAT M-2; THENCE NORTH 25°06'57" WEST 209.41 FEET TO THE POINT OF BEGINNING.

Said property is also known by the street address of:
Vacant Land, UT

WHEN RECORDED, PLEASE RETURN TO:

Snyderville Basin Special Recreation District
c/o Will Pratt, Planning & Project Manager
5715 Trailside Drive
Park City, Utah 84098

MEMORANDUM OF UNDERSTANDING

between

**THE STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY, FIRE AND STATE LANDS,**

and

SNYDERVILLE BASIN SPECIAL RECREATION DISTRICT

and

SUMMIT COUNTY

This Memorandum of Understanding (“MOU”) is made and entered into this ____ day of _____, 2014, (the “Effective Date”) by and among the Utah Division of Forestry, Fire and State Lands, a _____ of the State of Utah (“FFSL”), Snyderville Basin Special Recreation District, a _____ of the State of Utah (“BASIN RECREATION”), and Summit County, a body corporate and politic of the State of Utah (“COUNTY”). Each is individually referred to as a PARTY and collectively as the PARTIES.

RECITALS:

WHEREAS, FFSL owns in fee title 325 acres, more or less, of land within the Summit Park area in Summit County, Utah, identified as tax parcels PP-57-A-X, PP-58-A-X and PP-58-A-1-X, and referred to hereinafter as the “Summit Park Lands,” which are more particularly described in Appendix “A” hereto; and,

WHEREAS, the FFSL holds as “EASEMENT HOLDER” a legally executed Deed of Conservation Easement encumbering the Summit Park Lands recorded on May 7, 2001 as Entry No. 00588433 in the Office of the Summit County Recorder in Book 01369 beginning at Page 00336, which was modified by an amendment to the Deed of Conservation Easement was signed on July 12, 2002 and recorded on October 20, 2002 as Entry No. 00636610 in the Office of the Summit County Recorder in Book 01484 beginning at Page 00055 (the “Conservation Easement”); and,

WHEREAS, the Conservation Easement recognizes that the Summit Park Lands possess a myriad of aesthetic, biological and cultural resources and values, collectively categorized in the Conservation Easement as the "Conservation Values";

WHEREAS, the Conservation Easement provides FFSL as EASEMENT HOLDER with the authority and administrative procedures, including among others the right to unrestricted access to the Summit Park Lands, necessary to ensure that the Conservation Values are protected; and,

WHEREAS, FFSL acquired fee title to the Summit Park Lands from Harrison Gentry on April 24, 2002 by that certain General Warranty Deed recorded on October 30, 2002 as Entry No. 00636609 in the Office of the Summit County Recorder in Book 01484 beginning at Page 00044; and,

WHEREAS, BASIN RECREATION has the right to and is able to design, construct, and maintain trails through the Summit Park Lands pursuant to that certain Summit Park Trails Agreement between BASIN RECREATION and the FFSL dated June 6, 2007 (the "Trails Agreement"); and,

WHEREAS, the PARTIES believe that the transfer of fee title ownership in the Summit Park Lands will not compromise protection of the Conservation Values of the Summit Park Lands: provided that the stipulations, requirements, and rights of the EASEMENT HOLDER, as enumerated in the Conservation Easement, continue to remain in force as required by law and those specific management strategies, as enumerated in FFSL's Forest Stewardship Plan, are implemented; and,

WHEREAS, the PARTIES desire to enter into this MOU to cooperatively facilitate the transfer of fee title of the Summit Park Lands from the FFSL to BASIN RECREATION.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises and commitments set forth herein, the PARTIES agree as follows:

A. FFSL agrees to:

1. At the Closing (defined below), convey and transfer fee title ownership of the Summit Park lands, as enumerated in Appendix "A", including all appurtenances, including but not limited to water rights, capital improvements and other interests, to BASIN RECREATION.
2. After the Closing in perpetuity, continue to provide an appropriate level of timber management and weed treatment in order to meet the desired future conditions and management objectives outlined in the Forest Stewardship Plan.
3. After the Closing in perpetuity, act as the EASEMENT HOLDER, with all the associated rights and privileges as defined in the Conservation Easement, to ensure that the Conservation Values of the Summit Park Lands remain undiminished.
4. After the Closing in perpetuity, when requested by the PARTIES, provide expert opinion on matters of wildlife, wildlife and aquatic habitat, land and water management, and any other pertinent natural resource issues, particularly in instances where those resources may be affected by activities proposed by BASIN RECREATION, the COUNTY or other entities.

B. BASIN RECREATION agrees to:

1. From and after the Closing, continue to maintain the Conservation Values enumerated in the Conservation Easement.
2. After the Closing in perpetuity, continue trail maintenance operations as outlined in the Trails Agreement.
3. At the Closing, provide a cash payment of \$100.00 to FFSL for the fee title purchase.
4. Within _____ days after the Closing, transfer to the COUNTY fee title of the Innsbruck Strasse road (the "Road"), thereby ensuring proper maintenance and access for the potential subdivision surrounded by the Summit Park Lands and providing an alternative fire escape route for the Summit Park community.

C. Upon receipt and acceptance of title to the Road pursuant to Section B(4) of this MOU, the COUNTY agrees to:

1. Perpetually maintain the Road from Innsbruck Strasse to Matterhorn Dr. to uphold the Conservation Values,
2. Install crash gates, as deemed appropriate by the County Engineer and FFSL, at both ends of the Road to facilitate fire escape routes in the Summit Park subdivision, and
3. Coordinate with FFSL regarding any improvements to the Road or applications submitted to the COUNTY that propose changes to the Road.

D. FFSL and BASIN RECREATION each agree as follows:

1. Conveyance of the Summit Park lands property. At Closing, FFSL shall convey and transfer to BASIN RECREATION fee title to the Summit Park Land by General Warranty Deed, subject to a reservation by FFSL as EASEMENT HOLDER of the Conservation Easement.
2. Closing. The transactions contemplated by this MOU shall be settled and closed (the "Closing") through escrow at the offices of US Title Insurance Company, 1630 Shortline Road, #3, Park City, UT, 84060 (the "Escrow Agent"). The Closing shall occur on or before December 1, 2014. Except as otherwise provided in this MOU, all closing costs and other charges associated with Closing shall be paid for by BASIN RECREATION.
3. Title Commitment. Within twenty (20) days of the Effective Date, BASIN RECREATION shall order a commitment for title insurance from the Escrow Agent showing the condition of title of the Summit Park Lands, along with copies of the documents identified therein as exceptions (collectively, the "Title Commitment") and shall provide to the other PARTIES a copy of the Title Commitment.. Within sixty (60) days after receipt of the Title Commitment, BASIN RECREATION and the COUNTY shall advise FFSL and the other PARTY of any exceptions in the Title Commitment to which BASIN RECREATION and/or the COUNTY

objects ("Title Objections"). Thereafter, FFSL shall use its best efforts to correct or remove the Title Objections prior to Closing. In the event that FFSL is unable or unwilling to remove or correct any Title Objections, the objecting PARTY(IES) may elect to: (a) terminate this MOU, in which case the objecting PARTY(IES) shall have no obligation to complete the property transaction;; or (b) proceed with Closing and accept a policy of title insurance with the Title Objections; or (c) delay the Closing until the Title Objections are removed or corrected, if the Title Objections can be removed or corrected with additional time.

4. Title Insurance. At the Closing, BASIN RECREATION shall obtain, at its expense, an ALTA standard coverage owner's policy of title insurance in the amount of _____ dollars (\$ _____) which is hereby stipulated to be the fair market value of the Summit Park Lands, insuring that title to the Summit Park Lands is vested in BASIN RECREATION.

5. Covenants.

(a) Each PARTY covenants that from the Effective Date until Closing, neither will:

- (i) cause or permit any lien, encumbrance, mortgage, deed of trust, right, restriction or easement to be placed upon or created with respect to the Summit Park Lands, except pursuant to this MOU;
- (ii) engage in any activity in relation to the Summit Park Lands which would impair or interfere with the Conservation Values;
- (iii) cause or permit any dumping or depositing of any materials on the Summit Park Lands, including, without limitation, garbage, construction debris, or solid or liquid wastes of any kind (this provision does not relate to the use of septic tanks and fields).

(b) Each PARTY shall promptly cure, at its sole cost and expense, each and every breach or default of any covenant set forth in this MOU upon receipt of notice thereof by the other PARTY(IES). If the breach or default is not remedied before Closing, the notifying PARTY(IES) may elect to either:

- (i) terminate this MOU, in which case the notifying PARTY shall have no obligation to complete the property transaction; or
- (ii) defer the Closing until the breach or default has been remedied. A PARTY'S election in this regard shall not constitute a waiver of its rights with respect to any loss or liability suffered as a result of a default or a breach of a covenant, nor shall it constitute a waiver of any other remedies provided in this MOU or by law or equity.

6. Representations and Warranties. FFSL makes the following representations and warranties with respect to the Summit Park Lands to BASIN RECREATION:

- (a) No persons other than the FFSL, or as of the Closing will be, in possession of the Summit Park Lands, and no persons other than FFSL owns any portion of the Summit Park Lands.
- (b) There is no suit, action, arbitration, legal proceeding or injury pending or threatened against or involving the Summit Park Lands which could affect title thereto or any portion thereof, affect the value of the Summit Park Lands or any portion thereof, or subject an owner of the Summit Park Lands or any portion thereof to liability.
- (c) To the best of FFSL's knowledge, there are no:

- (i) actual or impending public improvements or private rights or actions which will result in the creation of any lien upon the Summit Park Lands or any portion thereof.
 - (ii) uncured notices by any governmental agency identifying any violations of statute, order, ordinance, rule, requirement or regulation which would affect the Summit Park Lands or any portion thereof.
 - (iii) pending contracts for improvements to the Summit Park Lands or actual or impending mechanics liens against the Summit Park Lands or any portion thereof.
 - (iv) notices or other information suggesting that any condition existing on the Summit Park Lands or in the vicinity thereof or in ground or surface waters associated with the Summit Park Lands may have a material effect on the value thereof or subject the owner thereof to potential liabilities under environmental laws.
- (d) There is no lease, license, permit, option, right of first refusal or other agreement, oral or written, which affects the Summit Park Lands or any portion thereof.
- (e) There is no condition at, on, under or related to the Summit Park Lands presently or potentially posing a significant hazard to human health or the environment (whether or not such condition constitutes a violation of Environmental Laws, as hereinafter defined). There has been no production, use, treatment, storage, transportation, or disposal of any Hazardous Substance (as hereinafter defined) on the Summit Park Lands, nor has there been any release or threatened release of any Hazardous Substance, pollutant or contaminant into, upon or over the Summit Park Lands or into or upon ground or surface water thereon or within the immediate vicinity thereof. No Hazardous Substance is now or ever has been stored on the Summit Park Lands in underground tanks, pits or surface impoundments. As used herein, "Hazardous Substance(s)" means any substance which is:
- (i) defined as a hazardous substance, hazardous material, hazardous waste, pollutant or contaminant under any Environmental Law;
 - (ii) a petroleum hydrocarbon, including crude oil or any fraction thereof;
 - (iii) hazardous, toxic, corrosive, flammable, explosive, infectious, radioactive, carcinogenic, or reproductive toxicant regulated pursuant to any Environmental Law(s); or
 - (iv) any pesticide regulated under state or federal law.
- (f) There are no encumbrances or liens against the Summit Park Lands, including but not limited to mortgages or deeds of trust, other than as are set forth in the Title Commitment.

E. The PARTIES mutually agree as follows:

1. This MOU shall become as of the Effective Date and remain in effect in perpetuity unless amended by mutual consent. The terms of this MOU shall survive and shall not merge at Closing with the General Warranty Deed.
2. This MOU may be amended periodically as necessary, provided all such amendments are in writing and agreed to by all PARTIES.
3. This MOU shall be liberally construed. The PARTIES acknowledge that each has reviewed and revised the MOU with the assistance of counsel, and that no rule of construction resolving ambiguities against the drafting party shall be employed in interpreting this MOU.
4. This MOU contains the entire agreement between the PARTIES. All previous agreements, communications, discussions and negotiations relating to the subject matter hereof have been

merged and finalized. This MOU may only be modified or amended in writing by all PARTIES hereto.

5. This MOU in no way restricts the PARTIES from entering into other agreements with other public or private agencies, organizations and individuals provided such agreements do not result in actions that are in conflict with the Deed of Conservation Easement or the intent of the Congress.
6. Each PARTY agrees to indemnify, defend, and hold harmless each other PARTY from and against any claims, lawsuits, liability, damages, loss, costs or expense, including attorneys' fees incurred as a result of: (a) bodily injury, death, personal injury or damage to property caused by or arising out of the intentional, wrongful, or negligent acts or omissions of such PARTY or (b) any default or breach of this MOU by such PARTY. Notwithstanding the foregoing sentence, no PARTY waives any defenses or immunity available under the Utah Governmental Immunity Act, UCA Title 63G, Chapter 7, nor does any PARTY waive any limits of liability currently provided by the Act.
7. This MOU, and the interpretation, validity, effect and performance hereof, shall be governed by the laws of Utah.
8. Time is expressly made of the essence of each and every provision of this MOU.
9. The individuals executing this MOU represent and warrant that they have the power and authority to do so and to bind the entities for which they are executing this MOU.
10. The PARTIES hereto expressly disclaim and disavow any partnership, joint venture, fiduciary, agency or employment status or relationship between them and expressly affirm that they have entered into this MOU as part of an "arms-length" transaction. No PARTY hereto has the authority to make any representation or warranty or incur any obligation or liability on behalf of any other PARTY hereto, nor shall they make any representation to any third party inconsistent with this provision.
11. This MOU may be executed in any number of duplicate counterparts, each of which shall be deemed an original, and when taken together shall constitute one and the same original MOU, which shall be fully binding upon each PARTY who executes the same.
12. All PARTIES represent to each other that they have not engaged a real estate broker or other professional to whom monies might be owed by reason of this transaction. The PARTIES agree to indemnify and hold the other harmless from any and all costs, expenses or damages resulting from any claims for brokerage fees or other similar forms of compensation made by any real estate broker or any other person or entity because of the option and future sale contemplated by this MOU.
13. This MOU shall be deemed to run with the Summit Park Land and, at the Closing, shall be recorded in against the title to the Summit Park Land in the Office of the Summit County Recorder.

APPENDIX A
Property Description
(Tax Parcel No.s PP-57-A, PP-58-A, and PP-58-A-1)

A tract of real property located in Summit County, Utah, consisting of approximately 325 acres, more or less, and more particularly described as follows:

PARCEL #1:

That portion of the following described Parcel lying within Section 15, Township 1 South, Range 3 East, Salt Lake Base and Meridian, Described as follows:

BEGINNING at the Southeast Corner of Lot 141, Summit Park, Plat M-2, which point of 2207.47 feet South and 1138.42 feet East from the Northwest Corner of Section 15, Township 1 South, Range 3 East, Salt Lake Base and Meridian, and running thence North 80°00'00" West 466.48 feet; thence South 68°00'00" West 503.23 feet; thence North 63°00'00" West 380.00 feet; thence South 83°00'00" West 290.00 feet; thence South 40°00'00" West 305 feet; thence North 35°00'00" West 181.69 feet; thence South 14°00'00" West 298.54 feet; thence North 76°00'00" West 278.41 feet; thence South 81°24'29" West 264.98 feet; thence South 43°30'00" West 609.74 feet; thence North 76°00'00" West 425.90 feet; thence South 78°00'00" West 175.00 feet; thence North 53°00'00" West 175.00 feet; thence South 88°30'00" West 215.00 feet; thence North 02°30'00" East 385.00 feet; thence North 32°30'00" East 380.00 feet; thence North 10°00'00" West 305.00 feet; thence North 33°30'00" East 215.21 feet; thence North 65°00'00" East 203.28 feet; thence South 25°00'00" East 435.24 feet; thence South 20°00'00" East 136.36 feet to a point on the arc of a 100 foot radius curve to the right; thence Southeasterly along the arc of said 100 foot radius curve 148.35 feet; thence South 25°00' East 30.00 feet to a point of tangency with a 50.00 foot radius curve to the left; thence Easterly along the arc of said 50.00 foot radius curve 93.72 feet to the South Corner of Lot 45, Summit Park, Plat I; thence North 42°23'40" West 120.00 feet; thence North 47°35'20" East 165.00 feet; thence North 33°24'29" East 80.68 feet; thence North 338.00 feet; thence North 17°30'30" East 987.75 feet; thence North 17°18'45" East 157.75 feet to the Northwest Corner of Lot 28, Summit Park, Plat J, said corner also being the South Corner of Lot 79, Summit Park, Plat I; thence North 47°41'30" West 239.60 feet; thence North 25°58'00" West 475.00 feet; thence North 56°55'09" West 345.78 feet; thence North 84°55'00" West 455.00 feet to an angle point on the South line of Lot 99, Summit Park, Plat I, said point also being the Northeast Corner of Lot 11, Summit Park, Plat I; thence South 42°24'11" West 164.40 feet; thence South 48°58'00" West 50.00 feet; thence South 44°48'28" West 162.11 feet; thence South 47°28'00" West 50.00 feet; thence South 51°48'03" West 188.03 feet; thence North 60°55'00" West 70.00 feet; thence North 72°55'00" West 250.00 feet; thence North 15°55'00" West 330.00 feet to the Northwest Corner of Lot 18, Summit Park, Plat I, said corner being on the County Line between Salt Lake and Summit Counties; thence along the boundary line between Salt Lake and Summit Counties the following courses and distances: South 44°05'00" West 370.00 feet; thence South 73°20'00" West 1042.81 feet; thence South 26°23'00" West 272.37 feet; thence South 07°45'00" East 622.68 feet; thence South 76°53'00" East 457.25 feet; thence South 31°42'00" East 513.62 feet to the top of a peak divide; thence South 03°26'00" West 799.44 feet; thence South 17°16'00" West 1290.03 feet; thence South 01°34'00" West 728.27 feet; thence South 38°40'00" East 256.15 feet to a peak on the ridge line; thence South 82°59'00" East 589.39 feet; thence South 79°21'00" East 1260.75 feet; thence South 59°13'00" East 849.96 feet to a point where two ridges meet; thence leaving the County line and running Northerly to the left along the ridge the following courses and distances: North 09°13'00" East 830.72 feet; thence North 46°00'00" East 683.79 feet; thence North 26°29'00" East 773.64 feet; thence North 74°15'00" East 821.54 feet; thence North 64°01'00" East 928.99 feet; thence North 13°48'00" East 520.30 feet to the point of beginning.

EXCEPTING THEREFROM the following described tract of land:

BEG INNING at a point North 30 feet and West 2300 feet from the Southeast Corner of Section 9, Township 1 South, Range 3 East, Salt Lake Base and Meridian; thence North 50 feet; thence West 50 feet; thence South 50 feet; thence East 50 feet to the point of beginning.

PARCEL # 2:

That portion of the following described Parcel lying within Section 16, Township 1 South, Range 3 East, Salt Lake Base and Meridian, described as follows:

BEGINNING at the Southeast Corner of Lot 141, Summit Park, Plat M-2, which point of 2207.47 feet South and 1138.42 feet East from the Northwest Corner of Section 15, Township 1 South, Range 3 East, Salt Lake Base and Meridian, and running thence North 80°00'00" West 466.48 feet; thence South 48°00'00" West 503.23 feet; thence North 63°00'00" West 380.00 feet; thence South 83°00'00" West 290.00 feet; thence South 40°00'00" West 305 feet; thence North 35°00'00" West 181.69 feet; thence South 14°00'00" West 298.54 feet; thence North 76°00'00" West 278.41 feet; thence South 81°24'29" West 264.98 feet; thence South 43°30'00" West 609.74 feet; thence North 76°00'00" West 425.90 feet; thence South 78°00'00" West 175.00 feet; thence North 53°00'00" West 175.00 feet; thence South 88°30'00" West 215.00 feet; thence North 02°30'00" East 385.00 feet; thence North 32°30'00" East 380.00 feet; thence North 10°00'00" West 305.00 feet; thence North 33°30'00" East 215.21 feet; thence North 65°00'00" East 203.28 feet; thence South 25°00'00" East 435.24 feet; thence South 20°00'00" East 136.36 feet to a point on the arc of a 100 foot radius curve to the right; thence Southeasterly along the arc of said 100 foot radius curve 148.35 feet; thence South 25°00' East 30.00 feet to a point of tangency with a 50.00 foot radius curve to the left; thence Easterly along the arc of said 50.00 foot radius curve 93.72 feet to the South Corner of Lot 45, Summit Park, Plat I; thence North 42°23'40" West 120.00 feet; thence North 47°35'20" East 165.00 feet; thence North 33°24'29" East 80.68 feet; thence North 338.00 feet; thence North 17°30'30" East 987.75 feet; thence North 17°18'45" East 157.75 feet to the Northwest Corner of Lot 28, Summit Park, Plat J, said corner also being the South Corner of Lot 79, Summit Park, Plat I; thence North 47°41'30" West 239.60 feet; thence North 25°58'00" West 475.00 feet; thence North 56°55'09" West 345.78 feet; thence North 84°55'00" West 455.00 feet to an angle point on the South line of Lot 99, Summit Park, Plat I, said point also being the Northeast Corner of Lot 11, Summit Park, Plat I; thence South 42°24'11" West 164.40 feet; thence South 48°58'00" West 50.00 feet; thence South 44°48'28" West 162.11 feet; thence South 47°28'00" West 50.00 feet; thence South 51°48'03" West 188.03 feet; thence North 60°55'00" West 70.00 feet; thence North 72°55'00" West 250.00 feet; thence North 15°55'00" West 330.00 feet to the Northwest Corner of Lot 18, Summit Park, Plat I, said corner being on the County Line between Salt Lake and Summit Counties; thence along the boundary line between Salt Lake and Summit Counties the following courses and distances: South 44°05'00" West 370.00 feet; thence South 73°20'00" West 1042.81 feet; thence South 26°23'00" West 272.37 feet; thence South 07°45'00" East 622.68 feet; thence South 76°53'00" East 457.25 feet; thence South 31°42'00" East 513.62 feet to the top of a peak divide; thence South 03°26'00" West 799.44 feet; thence South 17°16'00" West 1920.03 feet; thence South 01°34'00" West 728.27 feet; thence South 38°40'00" East 256.15 feet to a peak on the ridge line; thence South 82°59'00" East 589.39 feet; thence South 79°21'00" East 1260.75 feet; thence South 59°13'00" East 849.96 feet to a point where two ridges meet; thence leaving the County line and running Northerly to the left along the ridge the following courses and distances: North 09°13'00" East 830.72 feet; thence North 46°00'00" East 683.79 feet; thence North 28°29'00" East 773.64 feet; thence North 74°15'00" East 821.54 feet; thence North 64°01'00" East 928.99 feet; thence North 13°48'00" East 520.30 feet to the point of beginning.

TOGETHER with a non-exclusive right of way and easement for the purpose of ingress and egress as set forth in that certain Easement Grant recorded August 7, 1998, as Entry No. 514600 in Book 1172 at Page 17 of Official Records.

EXCEPTING THEREFROM the following described tract of land:

BEGINNING at a point North 30 feet and West 2300 feet from the Southeast Corner of Section 9, Township 1 South, Range 3 East, Salt Lake Base and Meridian; thence North 50 feet; thence West 50 feet; thence South 50 feet; thence East 50 feet to the point of beginning.

ALSO, LESS AND EXCEPTING THEREFROM the following:

Located in the Northwest Quarter of Section 16, Township 1 South, Range 3 East, Salt Lake Base and Meridian, Summit County, Utah, and being more particularly described as follows:

BEGINNING at the Northeast Corner of Lot 15, Summit Park Subdivision, Plat L, as recorded in the Summit County Recorders Office, said point also being South 2656.05 feet along Section Line, and West 2752.21 feet from the East Quarter Corner of Section 9, Township 1 South, Range 3 East, Salt Lake Base and Meridian, and running thence South $42^{\circ}32'00''$ East 45.13 feet; thence South $51^{\circ}48'03''$ West 172.65 feet; thence North $60^{\circ}55'00''$ West 48.78 feet to the Southeast Corner of above said Lot 15; thence North $51^{\circ}48'03''$ East 188.08 feet along the Easterly line of above said Lot 15 to the point of beginning.

ALSO, LESS AND EXCEPTING THEREFROM the following:

BEGINNING at a point South $42^{\circ}32'00''$ East 45.13 feet from the Northeast Corner of Lot 15, Summit Park Subdivision, Plat L, as recorded in the Summit County Recorders Office, said point being South 2689.30 feet along Section Line and West 2721.70 feet from the East Quarter Corner of Section 9, Township 1 South, Range 3 East, Salt Lake Base and Meridian, and running thence South $51^{\circ}48'03''$ West 36.00 feet; thence South $75^{\circ}00'00''$ East 36.00 feet; thence North $74^{\circ}12'04''$ East 18.56 feet; thence North $42^{\circ}32'00''$ West 36.00 feet to the point of beginning.

ALSO, LESS AND EXCEPTING THEREFROM the following:

A circular parcel of land located in Section 16, Township 1 South, Range 3 East, Salt Lake Base and Meridian, and having a radius of 150 feet extending from a point situated South $35^{\circ}33'49''$ West 4189.68 feet from the East Quarter of Section 9, a found stone, Township 1 South, Range 3 East, Salt Lake Base and Meridian, (basis of bearing being North $00^{\circ}02'00''$ West between said East Quarter Corner and the Northeast Corner of said Section 9);

together with a perpetual non-exclusive easement for road access, utility construction and maintenance purposes for Utah Power, located in the South one-half of Section 9 and the North one-half of Section 16, Township 1 South, Range 3 East, Salt Lake Base and Meridian, 30 feet wide lying 15 feet on each side of center line, with side lines to be extended or shortened at angle points, the center line of which is to be described as follows:

Beginning at a point that is South $46^{\circ}00'19''$ West 3800.117 feet from the East Quarter Corner of Section 9, a found stone, Township 1 South, Range 3 East, Salt Lake Base and Meridian, said point of beginning also being on the boundary of Summit Park, Plat L, Record No.107948 where the Southern most center line of Innsbruck Strasse intersects said boundary of Plat L; thence along an existing road South $42^{\circ}32'00''$ East 25.00 feet; thence South $46^{\circ}56'32''$ East 148.274 feet to the beginning of a curve concave to the West having a radius of 100.00 feet with a chord bearing of South $4^{\circ}52'08''$ East; thence Southerly 146.863 feet along said curve through a central angle of $84^{\circ}08'47''$; thence South $37^{\circ}12'16''$ West 26.013 feet to the beginning of a curve concave to the Northwest having a radius of 150.00 feet with a chord bearing of South $49^{\circ}28'20''$ West; thence Southwesterly 64.235 feet along said curve through a central angle of $24^{\circ}32'08''$; thence South $61^{\circ}44'25''$ West 103.183 feet to

the beginning of a curve concave to the East having a radius of 60.00 feet with a chord bearing of South 1°15'58" West; thence Southerly 126.656 feet along said curve through a central angle of 120°56'53"; thence South 59°12'28" East 117.004 feet to the beginning of a curve concave to the Southwest having a radius of 300.00 feet with a chord bearing of South 46°33'41" East; thence 132.432 feet Southeasterly along said curve through a central angle of 25°17'34"; thence South 33°54'54" East 115.327 feet to the beginning of a curve concave to the North having a radius of 70.00 feet with a chord bearing of South 74°53'09" East; thence Easterly 100.110 feet along said curve through a central angle of 81°56'29"; thence North 64°08'37" East 24.00 feet to the beginning of a curve concave to the Northwest having a radius of 300.00 feet with a chord bearing of North 51°51'25" East; thence Northeasterly 128.666 feet along said curve through a central angle of 24°34'24"; thence North 39°34'12" East 318.427 feet to the beginning of a curve concave to the Northwest having a radius of 325.00 feet with a chord bearing of North 29°35'56"; thence Northeasterly 113.121 feet along said curve through a central angle of 19°56'34"; thence North 19°37'39" East 145.796 feet to the beginning of a curve concave to the South having a radius of 50.00 feet with a chord bearing of North 89°26'41" East; thence Southeasterly 121.854 feet along said curve through a central angle of 13°38'05" to the termination of this description.

PARCEL # 3:

That portion of the following described Parcel lying within Section 9, Township 1 South, Range 3 East, Salt Lake Base and Meridian, described as follows:

BEGINNING at the Southeast Corner of Lot 141, Summit Park, Plat M-2, which point of 2207.47 feet South and 1138.42 feet East from the Northwest Corner of Section 15, Township 1 South, Range 3 East, Salt Lake Base and Meridian, and running thence North 80°00'00" West 466.48 feet; thence South 48°00'00" West 503.23 feet; thence North 63°00'00" West 380.00 feet; thence South 83°00'00" West 290.00 feet; thence South 40°00'00" West 305 feet; thence North 35°00'00" West 181.69 feet; thence South 14°00'00" West 298.54 feet; thence North 76°00'00" West 278.41 feet; thence South 81°24'29" West 264.98 feet; thence South 43°30'00" West 609.74 feet; thence North 76°00'00" West 425.90 feet; thence South 78°00'00" West 175.00 feet; thence North 53°00'00" West 175.00 feet; thence South 88°30'00" West 215.00 feet; thence North 02°30'00" East 385.00 feet; thence North 32°30'00" East 380.00 feet; thence North 10°00'00" West 305.00 feet; thence North 33°30'00" East 215.21 feet; thence North 65°00'00" East 203.28 feet; thence South 25°00'00" East 435.24 feet; thence South 20°00'00" East 136.36 feet to a point on the arc of a 100 foot radius curve to the right; thence Southeasterly along the arc of said 100 foot radius curve 148.35 feet; thence South 25°00' East 30.00 feet to a point of tangency with a 50.00 foot radius curve to the left; thence Easterly along the arc of said 50.00 foot radius curve 93.72 feet to the South Corner of Lot 45, Summit Park, Plat I; thence North 42°23'40" West 120.00 feet; thence North 47°35'20" East 165.00 feet; thence North 33°24'29" East 80.68 feet; thence North 338.00 feet; thence North 17°30'30" East 987.75 feet; thence North 17°18'45" East 157.75 feet to the Northwest Corner of Lot 28, Summit Park, Plat J, said corner also being the South Corner of Lot 79, Summit Park, Plat I; thence North 47°41'30" West 239.60 feet; thence North 25°58'00" West 475.00 feet; thence North 56°55'09" West 345.78 feet; thence North 84°55'00" West 455.00 feet to an angle point on the South line of Lot 99, Summit Park, Plat I, said point also being the Northeast Corner of Lot 11, Summit Park, Plat I; thence South 42°24'11" West 164.40 feet; thence South 48°58'00" West 50.00 feet; thence South 44°48'28" West 162.11 feet; thence South 47°28'00" West 50.00 feet; thence South 51°48'03" West 188.03 feet; thence North 60°55'00" West 70.00 feet; thence North 72°55'00" West 250.00 feet; thence North 15°55'00" West 330.00 feet to the Northwest Corner of Lot 18, Summit Park, Plat I, said corner being on the County Line between Salt Lake and Summit Counties; thence along the boundary line between Salt Lake and Summit Counties the following courses and

distances: South 44°05'00" West 370.00 feet; thence South 73°20'00" West 1042.81 feet; thence South 26°23'00" West 272.37 feet; thence South 07°45'00" East 622.68 feet; thence South 76°53'00" East 457.25 feet; thence South 31°42'00" East 513.62 feet to the top of a peak divide; thence South 03°26'00" West 799.44 feet; thence South 17°16'00" West 1920.03 feet; thence South 01°34'00" West 728.27 feet; thence South 38°40'00" East 256.15 feet to a peak on the ridge line; thence South 82°59'00" East 589.39 feet; thence South 79°21'00" East 1260.75 feet; thence South 59°13'00" East 849.96 feet to a point where two ridges meet; thence leaving the County line and running Northerly to the left along the ridge the following courses and distances: North 09°13'00" East 830.72 feet; thence North 46°00'00" East 683.79 feet; thence North 26°29'00" East 773.64 feet; thence North 74°15'00" East 821.54 feet; thence North 64°01'00" East 928.99 feet; thence North 13°48'00" East 520.30 feet to the point of beginning.

EXCEPTING THEREFROM the following described tract of land:

BEGINNING at a point North 30 feet and West 2300 feet from the Southeast Corner of Section 9, Township 1 South, Range 3 East, Salt Lake Base and Meridian; thence North 50 feet; thence West 50 feet; thence South 50 feet; thence East 50 feet to the point of beginning.

LESS AND EXCEPT THE FOLLOWING DESCRIBED TRACT OF LAND:

PARCEL #1:

A portion of that certain parcel described in Book 1069 at Page 471 in the Office of the Summit County Recorder, located in the Southeast quarter of Section 9 and the Northeast quarter of Section 16, Township 1 South, Range 3 East, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at a point on the Northerly line of a 30.00-foot wide access easement, as described in Book 1296 at Page 1311 in the Office of the Summit County Recorder, also being a point on a 65.00-foot radius curve to the left (radius point bears South 43°56'51" West), which point is 88.18 feet South 00°00'00" East and 1886.07 feet South 90°00'00" West from the Summit County Monument found marking the Southeast corner of said Section 9 (basis of bearings being North 00°06'49" West 2694.59 feet between the Summit County Monuments found marking the Southeast corner and the East quarter corner of said Section 9), and running thence Westerly along the arc of said curve through a central angle of 70°01'43" (chord bears 74.59 feet North 81°04'01" West) to a non-tangent line; thence North 26°04'52" West 125.00 feet; thence North 63°55'08" East 150.00 feet; thence South 26°04'52" East 135.49 feet; thence South 43°56'51" West 94.60 feet to the point of beginning. Contains 21,830 square feet, or 0.501 acre, more or less.°

PARCEL #2:

A portion of that certain parcel described in Book 1069 at Page 471 in the Office of the Summit County Recorder, located in the North half of Section 16, Township 1 South, Range 3 East, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the rebar and cap marked "LS 359005" located at the Northeast corner of Lot 101, Summit Park Plat M-2, as recorded in the Office of the Summit County Recorder, which point is 1535.60 feet South 00°00'00" East and 2203.99 feet South 90°00'00" West from the Summit County Monument found marking the Northeast corner of said Section 16 (basis of bearings being North

00°06'59" West 2694.59 feet between the Summit County Monuments found marking the Southeast corner and the East quarter corner of Section 9, Township 1 South, Range 3 East, Salt Lake Base and Meridian), and running thence North 73°57'43" West 796.43 feet; thence North 00°00'00" East 614.45 feet; thence North 70°17'33" East 410.13 feet to a point on the Southwesterly line of a 30.00-foot wide access easement, as described in Book 1296 at Page 1311 in the Office of the Summit County Recorder, and a point of non-tangency with a 285.00-foot radius curve to the right (radius point bears South 52°17'11" West); thence along said Southwesterly line the following two (2) courses: (1) Southeasterly 18.49 feet along the arc of said, curve through a central angle of 03°43'03" (chord bears South 35°51'18" East 18.49 feet) to a tangent line; (2) South 33°59'46" East 31.52 feet to a point on a 150 foot radius well protection zone easement, as recorded in said Book 1296 at Page 1311, and a point of non-tangency with a 150.00-foot radius curve to the left (radius point bears South 45°31'44" East); thence Southwesterly, Southeasterly and Northerly 651.23 feet along the arc of said curve through a central angle of 248°45'06" (chord bears South 79°54'17" East 247.61 feet) to a point on the Southeasterly line of said access easement and a point of non-tangency with a 315.00-foot radius curve to the left (radius point bears North 40°42'39" West); thence along said Southeasterly and Westerly lines of said access easement the following seventeen (17) courses: (1) Northeasterly 53.88 feet along the arc of said curve through a central angle of 09°48'00" (chord bears North 44°23'21" East 53.81 feet) to a tangent line; (2) North 39°29'20" East 318.43 feet to the point of curvature with a 340.00-foot radius curve to the left; (3) Northeasterly 118.34 feet along the arc of said curve through a central angle of 19°56'34" (chord bears North 29°31'03" East 117.75 feet) to a tangent line; (4) North 19°32'47" East 145.80 feet to the point of curvature with a 35.00-foot radius curve to the right; (5) Easterly 85.30 feet along the arc of said curve through a central angle of 139°38'04" (chord bears North 89°21'49" East 65.70 feet) to a tangent line; (6) South 20°49'08" East 155.07 feet to the point of curvature with a 285.00-foot radius curve to the right; (7) Southeasterly 62.13 feet along the arc of said curve through a central angle of 12°29'25" (chord bears South 14°34'26" East 62.01 feet) to a tangent line; (8) South 08°19'43" East 161.13 feet to the point of curvature with a 265.00-foot radius curve to the left; (9) Southeasterly 78.17 feet along the arc of said curve through a central angle of 16°54'06" (chord bears South 16°46'46" East 77.89 feet) to a tangent line; (10) South 25°13'49" East 89.06 feet to the point of curvature with a 135.00-foot radius curve to the right; (11) Southerly 106.62 feet along the arc of said curve through a central angle of 45°14'59" (chord bears South 02°36'20" East 103.87 feet) to a tangent line; (12) South 20°01'10" West 101.39 feet to the point of curvature with a 265.00-foot radius curve to the left; (13) Southerly 73.02 feet along the arc of said curve through a central angle of 15°47'15" (chord bears South 12°07'33" West 72.79 feet) to a tangent line; (14) South 04°13'55" West 85.11 feet to the point of curvature with a 335.00-foot radius curve to the right; (15) Southwesterly 158.21 feet along the arc of said curve through a central angle of 27°03'32" (chord bears South 17°45'41" West 156.74 feet) to a tangent line; (16) South 31°17'33" West 38.88 feet to the point of curvature with a 215.00-foot radius curve to the left; (17) Southerly 47.20 feet along the arc of said curve through a central angle of 12°34'39" (chord bears South 25°00'14" West 47.10 feet) to a point of non-tangency; thence North 71°17'06" West 221.77 feet; thence South 16°02'17" West 400.00 feet to the point of beginning. Contains 21.666 acres, more or less.

PARCEL#3:

A portion of that certain parcel described in Book 1069 at Page 471 in the Office of the Summit County Recorder, located in the North half of Section 16, Township 1 South, Range 3 East, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the rebar and cap marked "LS 359005" located at the Northwest corner of Lot 101, Summit Park Plat M-2, as recorded in the Office of the Summit County Recorder, which point is 1535.60 feet South 00°00'00" East and 2203.99 feet South 90°00'00" West from the Summit County Monument found marking the Northeast corner of said Section 16 (basis of bearings being North 00°06'59" West 2694.59 feet between the Summit County Monuments found marking the Southeast corner and the East quarter corner of Section 9, Township 1 South, Range 3 East, Salt Lake Base and Meridian), and running thence North 16°02'17" East 400.00 feet; thence South 71°17'06" East 221.77 feet to a point on the Westerly line of a 30.00-foot wide access easement as described in Book 1296 at Page 1311 in the Office of the Summit County Recorder, and a point of non-tangency with a 215.00-foot radius curve to the left; (radius point bears South 71°17'06" East); thence along said Westerly line the following four (4) courses and distances: (1) Southwesterly 81.93 feet along the arc of said curve through a central angle of 21°50'01" (chord bears South 07°47'54" West 81.44 feet); (2) South 03°07'07" East 85.33 feet to the point of curvature with a 335.00-foot radius curve to the right; (3) Southwesterly 397.61 feet along the arc of said curve through a central angle of 68°00'15" (chord bears South 30°53'00" West 374.68 feet); (4) South 64°53'08" West 36.38 feet to a point on the Easterly line of said Summit Park Plat M-2; thence North 25°06'57" West 209.41 feet to the point of beginning. Contains 2.840 acres, more or less.



STAFF REPORT

To: Summit County Council
From: Snyderville Basin Special Recreation District (SBSRD)
Report Date: July 31, 2014
Meeting date: August 6, 2014
Re: Off leash Dog Trail on County and Basin Recreation Open Space

EXECUTIVE SUMMARY:

Summit County Council requested that the Snyderville Basin Special Recreation District (“Basin Recreation”) explore options it may have to create an off leash dog trail on any appropriate Open Space Parcels or other Basin Recreation properties. As such, the staff of Basin Recreation presented to a Council Sub-committee its recommendations of an area for such an off leash dog trail.

BACKGROUND:

Summit County continues to explore how to meet the needs and desires of the multiple dog owners in its jurisdiction.

Summit County and Basin Recreation jointly own a property of open space located West of Highway 224, north of Bear Hollow and just east of the Utah Olympic Park. This open space parcel has been referred to as the “Kimball Junction Open Space”.

Basin Recreation and the County acquired the Kimball Junction Open Space parcels as part of the Boyer Park City Heights development approval process and a larger land swap agreement with Park City Municipal and other parties which occurred earlier this year. The District and the County are tenants in common on the parcels. The District currently owns a 63% undivided interest in the land, including KJS Lot 3, and the County owns an undivided 37% interest.

Basin Recreation has identified an area on this jointly owned parcel to facilitate the creation of a 2 mile trail loop that will be a designated off leash dog trail. The trail and parking are allowed uses on the parcel which. The area will have a minor trailhead (10 parking stalls) and will remain fenced. Basin Recreation will build the trail, maintain the trail and provide all necessary support for the area including trash receptacle, dog “poop” bag dispensers as well as portable restrooms depending on the season and use.

RECOMMENDATION: SBSRD recommends that the County Council vote to approve the use of the jointly owned Kimball Junction Open Space area depicted on Exhibit A as an area that will be for an off leash dog trail subject to the Council's adoption of the off leash dog area ordinance. Basin Recreation be directed to construct and manage the project and apply for any required permits.

Motion:

For the Summit County Council to provide its approval for the use of the jointly owned Kimball Junction Open Space area depicted on Exhibit A as an area that will be for an off leash dog trail subject to the Council's adoption of the off leash dog area ordinance.

ATTACHMENT(S):

Exhibit A: Map of proposed Off Leash Dog Area

**PRI-KIMBALL JUNCTION Open Space
proposed leash free dog area**

grazing 31 acres

existing fence

needed trail
parking

leash free area 47 acres

2 mile trail loop

East 224 Connector

Millennium Trail



Annette Singleton

From: Steve Martin
Sent: Wednesday, July 23, 2014 11:32 AM
To: Annette Singleton
Cc: MaryAnn Trussell
Subject: FW: 2013 NOC
Attachments: 2013 NOC.pdf

Hey Annette;

These are the years in question for the Errors and Omissions appointment with the Council I would like to set up.

In 2010 Park City annexed the "Park City Heights parcel " from tax serial # PP-S-46 (105 acres) and created PCA-pp-s-46 (104.42 acres) as that portion described in the annexation. The annexation left a small (.57 acre) parcel out of the annexation, creating a remainder parcel retaining the original PP-S-46 serial number.

The annexed parcel with the new derail number (PCA-PP-S-46) has been assessed correctly since then.

However, the remainder parcel PP-S-46) acreage should have been at .57 acres. The change was not made on the legal and sent to the Assessor's office for a change in assessment. Maryanne caught the problem recently and sent it over for a change this year which we will be doing via the BOE (Board of Equalization)

That leaves the tax years 2011, 2012, and 2013 as being assessed in error and the difference from what was paid and what was actually owed needing to be adjusted and refunded.

The amount is :

2011--\$8,047.62

2012--\$8504.00

2013--\$8191.69

A total of \$24,743.31.

Taxes have been paid in full for both parcels for the years in question.

Thanks

STEVE MARTIN

SUMMIT COUNTY ASSESSOR

smartin@summitcounty.org

435.336.3251

2013 Notice of Correction

Summit County Utah Recorder

As Of: 07/23/2014

Account: 0281372
 UNITED PARK CITY MINES
 PO BOX 1450
 PARK CITY, UT 84060-1450

Parcel: PP-S-46

Summit County Utah Recorder
 Steve Martin, Assessor or Mary Ann Trussell, Recorder
 60 North Main
 PO Box 128
 Coalville, UT 84017
 435-336-3251 or 435-336-3238

Legal Summary

(SEE ALL OF SEC 11 T2SR4E SLBM FOR LOCATION OF BELOW DESC PROPERTY) THAT PORTION OF THE FOLLOWING PATENTED MINING CLAIMS LYING WITHIN THE BOUNDARYS OF SUMMIT COUNTY UINTAH & BLUE LEDGE MD; WEARY WILLIE MS #4980; REPUBLICAN MS #4980; VELVET #3,4,7 & 8 MS #6842; AJO #6,7,8,14,15,21,22,23 MS #6989; EXCEPTING THEREFROM ANY PORTION LYING WITHIN BOUNDARIES THE FOLLOWING: ROYAL OAKS SUBD; THE OAKS AT DEER VALLEY; SOLOMERE SUBD #1; HIDDEN MEADOW SUBD; SOLOMERE SUBD #2A; (PP-26-A-X INTERSTATE 40); HIDDEN OAKS AT DV PH 1A,1B,2 & 3; (LESS 177.0 AC M/L MORNING STAR ESTATES SUBD 717-132) G-450-473 48-389-404 230-574 (LESS 717-117,120 PP-26)(LESS PCA-S-98 887-75) (LESS THAT PORTION LYING WITHIN 1326-594 PP-26-D-X) BAL 119.18 AC M/L (NOTE: CONFLICTS WITH SS-122 & SS-121)(SEE WD 1326-594 FLORENCE J GILLMOR TO UDOT) (NOTE: SEE PARTITION DECREE 2018-1862 (PG 73-74) POSSIBLE CONFLICT)

Reason For Correction

Other

Operator
 Travis Lewis (travisl)

Additional Explanation

Tax Roll
 2013.TRC.1573S1

Value Corrections

Tax Area	Property Code	Actual Value		Taxable Value	
		Original	Corrected	Original	Corrected
12	02B - RESIDENTIAL SECONDARY UNIMPROVED	968,338	1,425	968,338	1,425
Total		968,338	1,425	968,338	1,425

Tax Corrections

Tax Area	Tax Type	Original	Corrected	Difference
12	TAXCHG	8,203.76	12.07	-8,191.69
Total		8,203.76	12.07	-8,191.69

2012 Notice of Correction

Summit County Utah Recorder

As Of: 07/23/2014

Account: 0281372
 UNITED PARK CITY MINES
 PO BOX 1450
 PARK CITY, UT 84060-1450

Parcel: PP-S-46

Summit County Utah Recorder
 Steve Martin, Assessor or Mary Ann Trussell, Recorder
 60 North Main
 PO Box 128
 Coalville, UT 84017
 435-336-3251 or 435-336-3238

Legal Summary

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Reason For Correction

Adjustment Correction

Operator
 Travis Lewis (travisl)

Additional Explanation

Tax Roll
 2012.TRC.1573S1

Value Corrections

Tax Area	Property Code	Actual Value		Taxable Value	
		Original	Corrected	Original	Corrected
12	02B - RESIDENTIAL UNIMPROVED	968,338	1,425	968,338	1,425
Total		968,338	1,425	968,338	1,425

Tax Corrections

Tax Area	Tax Type	Original	Corrected	Difference
12	TAXCHG	8,516.53	12.53	-8,504.00
Total		8,516.53	12.53	-8,504.00

2011 Notice of Correction

Summit County Utah Recorder

As Of: 07/23/2014

Account: 0281372
 UNITED PARK CITY MINES
 PO BOX 1450
 PARK CITY, UT 84060-1450

Parcel: PP-S-46

Summit County Utah Recorder
 Steve Martin, Assessor or Mary Ann Trussell, Recorder
 60 North Main
 PO Box 128
 Coalville, UT 84017
 435-336-3251 or 435-336-3238

Legal Summary

(SEE ALL OF SEC 11 T2SR4E SLBM FOR LOCATION OF BELOW DESC PROPERTY) THAT PORTION OF THE FOLLOWING PATENTED MINING CLAIMS LYING WITHIN THE BOUNDARYS OF SUMMIT COUNTY UINTAH & BLUE LEDGE MD; WEARY WILLIE MS #4980; REPUBLICAN MS #4980; VELVET #3,4,7 & 8 MS #6842; AJO #6,7,8,14,15,21,22,23 MS #6989; EXCEPTING THEREFROM ANY PORTION LYING WITHIN BOUNDARIES THE FOLLOWING: ROYAL OAKS SUBD; THE OAKS AT DEER VALLEY; SOLOMERE SUBD #1; HIDDEN MEADOW SUBD; SOLOMERE SUBD #2A; (PP-26-A-X INTERSTATE 40); HIDDEN OAKS AT DV PH 1A,1B,2 & 3; (LESS 177.0 AC M/L MORNING STAR ESTATES SUBD 717-132) G-450-473 48-389-404 230-574 (LESS 717-117,120 PP-26)(LESS PCA-S-98 887-75) (LESS THAT PORTION LYING WITHIN 1326-594 PP-26-D-X) BAL 119.18 AC M/L (NOTE: CONFLICTS WITH SS-122 & SS-121)(SEE WD 1326-594 FLORENCE J GILLMOR TO UDOT) (NOTE: SEE PARTITION DECREE 2018-1862 (PG 73-74) POSSIBLE CONFLICT)

Reason For Correction

Other

Operator
 Travis Lewis (travisl)

Additional Explanation

Tax Roll
 2011.TRC.1573S1

Value Corrections

Tax Area	Property Code	Actual Value		Taxable Value	
		Original	Corrected	Original	Corrected
12	02B - RESIDENTIAL UNIMPROVED	968,338	1,425	968,338	1,425
Total		968,338	1,425	968,338	1,425

Tax Corrections

Tax Area	Tax Type	Original	Corrected	Difference
12	TAXCHG	8,059.48	11.86	-8,047.62
Total		8,059.48	11.86	-8,047.62



Proclamation No. 2014-4

PROCLAMATION RECOGNIZING THE TOUR OF UTAH

**“Summit County Athletes and Communities
Proudly Represented in the 2014 Tour of Utah”**

SUMMIT COUNTY, UTAH

Whereas, the Tour of Utah celebrates its 10th anniversary in 2014. From its grassroots start to an international seven-day sporting event with some of the best professional cycling teams in the world participating. As one of only five UCI sanctioned, multi-stage pro cycling events in North America, the Tour of Utah attracts worldwide attention; and

Whereas, the Tour of Utah is the longest professional cycling stage race in North America, with 753.8 miles and 57,863 feet of vertical gain in seven days of racing, with a 16 team field; and

Whereas, Summit County, Utah takes great pride in our geographical involvement in Tour of Utah and proudly serves as a host site for two stages, Kamas and Park City, and races through Summit County on August 8th, 9th & 10th. Summit County acknowledges the hard work and dedication put forward by Kamas Mayor Marchant and Park City Mayor Thomas along with Summit County residents serving on the local organizing committee; and

Whereas, Summit County, Utah is proud to have two athletes represented in the Tour of Utah, Mr. Tanner Putt and Mr. Christopher Putt and deems great pride in their participation and athletic accomplishments; and

Now, therefore, be it resolved by County Council, Summit County, Utah, that do hereby proclaim August 8th, 9th and 10th, 2014 as Summit County Tour of Utah Days and encourage all citizens to observe and participate in related activities.

ATTEST:

APPROVED AND ADOPTED this 6th day of August, 2014.

SUMMIT COUNTY COUNCIL

SUMMIT COUNTY, UTAH

By:

Kent Jones, County Clerk

Chris Robinson, Chair

NEW BUILDING PERMITS
July 17 – July 30, 2014

Name	Address	Description
Jon And Alissa Shulkin	37 White Pine Canyon Road	Single Family Dwelling
Greg Bailar	5795 Old Ranch Road	Roof Top Solar PV
Karen Henrie Trustee	1950 E Chalk Creek Road	Canopy
Daniel Aucunas	1414 Meadows Connection	Stairway
Barbara Morris	5534 Cross Country	Breeze Way
Westgate Resort	3000 The Canyons Resort Drive	Temp Other
John G Labrum	455 Upper Evergreen Drive	Single Family Dwelling
Schmidt	3760 Saddle Back Road	Swimming Pool
Jan-Jam LLC	5675 Aiden Court	Single Family Dwelling
Andrew Brighome	7712 Tall Oaks Drive	Electrical
J. Kent Howard	3220 Day Breaker Drive	Garage Addition
David James	3801 Village Round Road	Interior Plumbing and Electrical
Ramon Gomez	280 Matterhorn	Garage
Deanna Rees/Chris Paskett	2903 N Main Henefer	Single Family Dwelling
Jack Limback	3717 Sunridge Drive	Mechanical
Gillies George	153 Rock Port Blvd	Mechanical
Shari Christman	2097 Mahre Drive	Water Heater
Alan Light	611 Westwood Road	Roof Top Solar
Dennis Gilmore	57 White Pine Canyon Rd	Single Family Dwelling - Main House
Dennis Gilmore	57 White Pine Canyon Rd	Single Family Dwelling - Guest House
Art Wood	1417 Alexander Road	Garage
Keith & Ann Conrad	8663 N Promontory Ranch Road	Retaining Wall
Darren & Rita Gilmore	3227 Central Pacific Trail	Retaining Wall
Jeannine Smith	2070 Bear Hollow Drive	Generator & Gas Meter Install
Richard & Bobbie Robinson	8998 Lariat Road	Single Family Dwelling
The Woods Of Parley's Lane	8814 Parleys Lane	Retaining Wall
Martyn Kingston	6150 Silver Sage Drive	Water Heater
Robert Guild	3075 W Fawn Drive	Furnace
Holli Marriott	6955 N 2200 W	Water Heater
GPG Investments LLC	1375 W Old Ranch Road	Garage/Trash
Jonathan & Leslie Snavely	3356 Buckboard Drive	Single Family Dwelling
Jonathan & Leslie Snavely	3356 Buckboard Drive	Retaining Wall

LDS Church ATTN: Brent Bigelow	2455 South Hwy 89 Hoyte Canyon Marion	Retaining Wall
LDS Church ATTN: Brent Bigelow	2455 South Hwy 89 Hoyte Canyon Marion	Restroom Facility
Mark & Maylene Millburn	9500 Weber Canyon Road	Garage
William G Rawson	8827 Shingle Mill Drive	Residential
Roxann & Brett Jeppesen	SS-69-3 Garff Ranches	Storage
Kim Heider	5121 Cove Canyon Drive #B	A.C. Unit

MINUTES

SUMMIT COUNTY BOARD OF COUNTY COUNCIL WEDNESDAY, JULY 9, 2014 SHELDON RICHINS BUILDING PARK CITY, UTAH

PRESENT:

Chris Robinson, *Council Chair*
Kim Carson, *Council Vice Chair*
Roger Armstrong, *Council Member*
Claudia McMullin, *Council Member*
David Ure, *Council Member*

Robert Jasper, *Manager*
Anita Lewis, *Assistant Manager*
Dave Thomas, *Deputy Attorney*
Kent Jones, *Clerk*
Karen McLaws, *Secretary*

CLOSED SESSION

Council Member Carson made a motion to convene in closed session to discuss personnel. The motion was seconded by Council Member Ure and passed unanimously, 4 to 0. Council Member Armstrong was not present for the vote.

The Summit County Council met in closed session for the purpose of discussing personnel from 1:10 p.m. to 1:35 p.m. Those in attendance were:

Chris Robinson, *Council Chair*
Kim Carson, *Council Vice Chair*
Claudia McMullin, *Council Member*
David Ure, *Council Member*

Anita Lewis, *Assistant Manager*
David Brickey, *Attorney*
Dave Thomas, *Deputy Attorney*
Brian Bellamy, *Personnel Director*

Council Member Carson made a motion to dismiss from closed session to discuss personnel and to convene in closed session to discuss litigation. The motion was seconded by Council Member McMullin and passed unanimously, 4 to 0. Council Member Armstrong was not present for the vote.

The Summit County Council met in closed session for the purpose of discussing litigation from 1:35 p.m. to 2:55 p.m. Those in attendance were:

Chris Robinson, *Council Chair*
Kim Carson, *Council Vice Chair*
Claudia McMullin, *Council Member*
David Ure, *Council Member*

Anita Lewis, *Assistant Manager*
David Brickey, *Attorney*
Dave Thomas, *Deputy Attorney*

Council Member Carson made a motion to dismiss from closed session to discuss litigation and to convene in closed session to discuss property acquisition. The motion was seconded by Council Member McMullin and passed unanimously, 4 to 0. Council Member Armstrong was not present for the vote.

The Summit County Council met in closed session for the purpose of discussing property acquisition from 2:55 p.m. to 3:00 p.m. Those in attendance were:

Chris Robinson, *Council Chair*
Kim Carson, *Council Vice Chair*
Roger Armstrong, *Council Member*
Claudia McMullin, *Council Member*
David Ure, *Council Member*

Anita Lewis, *Assistant Manager*
David Brickey, *Attorney*
Dave Thomas, *Deputy Attorney*

Council Member Carson made a motion to dismiss from closed session and to convene in work session. The motion was seconded by Council Member McMullin and passed unanimously, 5 to 0.

WORK SESSION

Chair Robinson called the work session to order at 3:10 p.m.

- **Presentation regarding Columbus Supported Employment Program; Alison Weyher for the Columbus Community Center**

Alison Weyher stated that she has started working with Debbie Downs from the Columbus Center, which is associated with Salt Lake City School District and provides employment opportunities for disabled adults. She started working with them because she thought they might be able to fill some of the service sector jobs with people living in the community who need employment. She offered to introduce Ms. Downs to people in this community who might be able to help provide employment opportunities.

Ms. Downs explained that the Columbus Center has had some joint projects with the National Ability Center, and people had asked them about employment opportunities. As a result, the Columbus Center expanded its supported employment program to Summit and Wasatch Counties. She explained that they currently have employees at Deer Valley, McDonalds, and Park Silly Sunday Market. She explained that supported employment is a program that assists people with disabilities to become and maintain being successfully employed in their local communities and is targeted toward people with disabilities. This includes a variety of people and a variety of skill sets, including people with college degrees. Disabilities include PTSD, anxiety disorders, physical disabilities, mental illnesses, and people with intellectual disabilities. She reviewed some organizations where their participants are employed in Salt Lake City. She hoped there would be possibilities to work with Summit County to make placements in this community.

Ms. Weyher stated that she would like the Council to serve as a referral agency as they hear of employment opportunities in the County. Ms. Downs explained that they also provide businesses services in Park City. She invited the Council Members to attend a symposium sponsored by Columbus on Monday.

- **Update from Basin Recreation Special Service District; Rena Jordan, Director**

Rena Jordan, Director of the Snyderville Basin Special Recreation District, explained that this is their semi-annual update to the County Council and introduced her staff members.

Brian Hanton, Parks and Recreation Manager, stated that many things they have done were based on the community survey done a few years ago. First had to do with dogs and creating the dog park at Willow Creek Park and expanding the dog park at Trailside Park. They are creating a dog park at the Woods at Parley's Lane and looking at other options in the open space areas for an off-leash trail area. He noted that he also serves on the leash law task force. He reported that they have installed exercise stations on the east side of Willow Creek Park and will add two tennis courts at Willow Creek Park this summer. They have developed a supervised adaptive play program for children with disabilities which allows parents to take some time off. They also hope to develop a tweens program and a senior citizens program. He explained that they work with the school district to run the activities portion of summer school and an after-school program at Ecker Hill. They also work with the North Summit and South Summit Recreation District on their recreation programs. He stated that they have developed a survey for the parks to determine what the community wants. They continue to work with Park City Recreation and share facilities and programs with them. He noted that they have made a push to involve more of the Hispanic community in their programs. They have 15 construction projects planned this summer and have increased their staffing for the summer months.

Bob Radke, Trails Manager, stated that they have been spending down the trails bond over the last couple of years and are working hard this year to get the rest of the trails projects completed. He stated that the Rasmussen Road trail will be completed within three weeks, which will provide 2 miles of trail uninterrupted by driveway or street crossings. The trail through Silver Creek will go out to bid next week, which will be Silver Creek's first public trail and connection to the rest of the public trails. Another project is the recreation and wildlife underpass under Highway 40 that is scheduled to start the end of August and be done before it snows. They are working on a stretch of the Millennium Trail from the Gorgoza tubing hill to Summit Park which could continue into next year. They will also start a project this year to continue the Millennium Trail from the underpass at Highway 224 to Liberty Peaks and Crestview Condominiums. When those two sections are done, they will have paved trail from Summit Park to the Park City Nursery. He recalled that the open space funds purchased a conservation easement in Hi-Ute Ranch and Toll Canyon, and they are working the Utah Open Lands to look at trail alignments with the goal of breaking ground this fall. Long-range goals include completing a stretch of trail between St. Mary's Church and the Park City Nursery that will close the gaps in the Millennium Trail and complete that trail, working with Utah Olympic Park to create more recreational trails there, and working with the developer of Silver Creek Village to create a trail system and connect out of that subdivision. Ms. Jordan presented a short video showing the bike park and discussed its benefit to the community.

Matt Strader, Fieldhouse and Facilities Manager, reported that the fieldhouse construction is 95% complete. He noted that the 10-year anniversary of the fieldhouse was in May, and they had a grand opening celebration in conjunction with the anniversary. There are still a few issues with the contractor, but that does not impact what they are currently doing. Fitness classes have increased from 41 in June 2013 to 73 in June 2014, with participants increasing from 2,200 to over 3,500. He noted that June is typically their slowest month. In June 2013 overall fitness use of the facility was 8,300 people, and in June 2014 it was 11,388. He stated that what they do with the final phase of the fieldhouse will be determined after the bond election in November.

Megan Suhadolc, Business Manager, reported on the wellness program the District started in the spring, which includes a fitness program and biometrics. She explained that every month they highlight a new fitness class that staff is required to take, plus four mandatory staff activities. Staff is given the opportunity to get biometric testing at the Live Well Center. She also reported that the impact fee facilities plan is being updated, and it appears that the residential development impact fee will decrease and the commercial development impact fee will increase. After the administrative control board has reviewed it, it will come to the County Council for a public hearing and approval. She explained that they have two tax rates, one for operations and one for debt service, and both rates will decrease for 2014, for an overall reduction in the tax rate of 6.6%. She explained that they are well within their budget for the year.

Will Pratt, Planning and Project Manager, announced that the Toll Canyon celebration day will be Saturday, September 13, and the public will be able to have access to the canyon on that day. The Hi-Ute open house will be Saturday, October 4.

Ms. Jordan stated that the Recreation District has been discussing a possible bond election in November with the Council, and they will know shortly whether they will proceed with that. Deputy County Attorney Dave Thomas explained that on July 16 a bond resolution will potentially be passed by the Recreation District requesting the Council to put it on the ballot. On July 30, the Council will consider the resolution and decide the exact amount and whether to place it on the ballot. That starts a process that requires a public hearing sometime in August and other notice requirements and another public meeting in October. Council Member Ure asked if the Council could decide to remove the bond from the ballot after the public hearing. Mr. Thomas confirmed that they can remove it from the ballot at any time, but they must pass a resolution to put it on the ballot before August 20 in order to put it on the ballot.

- **Presentation by Division of Water Quality regarding Echo/Rockport Reservoir Total Maximum Daily Loads (TMDL); Walt Baker and Kari Lundeen**

Walt Baker, Director of the Division of Water Quality, explained that his agency's responsibility is to protect the surface water and ground water in Utah for the use of the citizens. He explained that they monitor their water and do an assessment every two years that is a pass-fail report card showing how their waters are doing. The waters are either doing well and sustaining their beneficial uses or not. When waters are sick, they are obligated to do a total maximum daily load (TMDL) study to identify the pollutant causing the impairment of the water. There are problems with the Echo and Rockport reservoirs, and they are at the end of the study period and initiating an implementation aspect of the process.

Kari Lundeen with the Division of Water Quality explained that they operate under the Water Quality Act, which establishes the State's Water Quality Board and authorizes them to set beneficial uses or water values and water quality standards to protect those uses. They are required to identify waters that do not attain the water quality standards and develop a TMDL for each pollutant. If expenditure are expected to exceed \$10 million, they are required to take the results to the Natural Resources, Agriculture, and Environment Interim Committee, and this study was taken to that committee on June 18. She reported that they have done multiple studies on these waters over the years, and the ultimate goal is to take waters off the list of impaired water bodies. She explained that this study includes the upper Weber watershed, which includes Echo Reservoir, Rockport Reservoir, and the tributaries coming into them. She noted that most of the land in this watershed is privately owned, and the watershed includes the municipalities of

Park City, Kamas, Oakley, and Coalville. She explained that both reservoirs have drinking water use designations, and Rockport Reservoir and the Weber River are very important drinking water sources that provide water to about 600,000 people. They are also designated as cold water fisheries, and recreation is a big part of the use that they are trying to protect. There are also important agricultural uses, with Echo and Rockport Reservoirs providing a significant amount of irrigation water and stock watering. A key part of the study is population growth, and Summit County has grown significantly over the last 20 years. It is projected that the County will increase another 56% between 2010 and 2030 according to the Governor's Office of Management and Budget, and Summit County wastewater treatment plant flows are anticipated to increase by 82%. She explained that they view the TMDL study as an investment in the future to accommodate growth and preserve the quality of life.

Ms. Lundeen reported that neither Rockport nor Echo Reservoirs meet the cold water fish species standards. She reviewed a graph showing dissolved oxygen in the water and temperature and the standard for dissolved oxygen and temperature. She noted that when the temperature is at a satisfactory level, the dissolved oxygen drops off, and they have particular difficulty maintaining good habitat for fish to thrive in Echo Reservoir. Both reservoirs violate the dissolved oxygen and temperature standards, which necessitated a TMDL study, and it was found that the pollutants of concern are nitrogen and phosphorous. These increased nutrients promote algae growth, which increases organic matter at the bottom of the reservoirs, and as it decomposes, it consumes oxygen, resulting in low dissolved oxygen levels. She explained that lakes and reservoirs develop layers of different temperatures during the summer months, with warm water at the top and cold water at the bottom. The temperature decreases in the deeper water, but the dissolved oxygen also decreases. Where the temperature is too high, there is good dissolved oxygen, and where the temperature is good for the fish, there is too little dissolved oxygen. As the reservoirs draw down, they begin to lose fish habitat, and the algae and oxygen concentrate near the dam. The water quality target is to maintain an acceptable level of oxygen and temperature in the 6-foot layer of the reservoir near the dam. The goal is TMDL allocations of nonpoint sources of 40%, point sources of 39%, and future growth of 21%.

Council Member Ure noted that Rockport Reservoir is upstream from Echo Reservoir and asked if the nutrients that flow from Rockport into Echo are measured twice. Ms. Lundeen replied that they recognize that and set part of the load from Rockport to Echo aside in their calculations.

Ms. Lundeen reviewed point source implementation projects as shown in her written report and explained that nonpoint sources are based on voluntary reductions. She explained that they have had success with voluntary implementation plans in other areas. Once a TMDL study is completed on a water body, it is placed at a higher priority to receive State and federal grants for implementation of voluntary projects. She stated that a lot of stakeholder and the public have been involved in this process. She reported that they provided the report to the Water Quality Board in the spring of 2012, went to the Water Quality Board to initiate rulemaking and get additional public comment, met with the interim committee, and they have petitioned the Water Quality Board to adopt the TMDL rule and are waiting to submit it to the EPA.

Chair Robinson asked who administers the incentives for the nonpoint source voluntary program and how a landowner would apply for financial assistance. Ms. Lundeen replied that people could apply for State nonpoint source funding, and federal money is also available. She noted that Jake Powell with the Kamas Valley Conservation District can help people with grants.

Mike Luers, General Manager of the Snyderville Basin Water Reclamation District, explained that they have had years of meetings, and the TMDL impact study was no surprise to them. The \$19 million impact to the Water Reclamation District is a big one, but they feel it is necessary to protect the water resources and correct their portion of the problem. He stated that they have met with all the major entities, and he did not believe this information was a surprise to any of them.

Mr. Baker reviewed several of the entities involved and noted that, for a number of them, no upgrade is currently needed.

Council Member Ure asked how the rules that are in the process of being adopted will impact people. Mr. Baker explained that the rules that are out for adoption right now are independent of the TMDL. After this meeting, they intend to submit the TMDL to the EPA for approval. The rules that are out for public comment right now pertain to all wastewater treatment plants in the State, and mechanical plants must meet a certain standard for the effluent they discharge. Lagoons will not have an effluent limit but will be capped, and once they reach the cap limit, they will have to treat the side stream.

Council Member Ure asked how much of the \$19 million the Water Reclamation District will spend comes from federal or State grants. Mr. Luers explained that the plant was built in the 1980's, and now there is a demand for additional capacity. They need to double the size of the facility and upgrade the way they treat the wastewater to address TMDLs and other nutrient regulations. Altogether, the cost is \$44.3 million, and of that, about \$19 million is needed to address these TMDL issues. They have asked for a low-interest loan from the Water Quality Board, and they indicated they could possibly give them about \$20 million. He explained that they have planned financially for this for about five years, and the rates are in place for this, so they are in pretty good shape. They anticipate starting engineering next year, which will take 12 months, and it will take 36 months to construct. He noted that there may be inflation costs and unforeseen costs related to this project that may require a small rate increase, and they should know by 2016 whether a rate increase is needed for unforeseen costs for this project.

County Manager Bob Jasper recalled that one of the Council's strategic priorities is clean water, and they have focused on septic systems and stormwater discharge. He asked how this ties in with the EPA cleanup of the soils in the Snyderville Basin. John Whitehead, Deputy Director of the Division of Water Quality, explained that the issues with the EPA have to do with metals contamination and cleanup from past practices, and the TMDL has nothing to do with metals. They are two different issues. They are working with Park City to get bids on the discharges and treat them so they can keep the drinking water safe. He explained that they want to take the water out of the Judge Tunnel and treat it to use in the drinking water system rather than running it into Silver Creek, which is loaded with metals, and eventually produce a healthy stream.

Council Member Ure asked how they would stop nutrients from coming down into the reservoirs if they put the Kamas Valley on a pressurized system. Mr. Baker explained that the nonpoint source contributions are multi-faceted, and there is no guarantee that putting in a pressurized system would resolve the issue. Stormwater, agricultural runoff, and streambed erosion all impact the reservoirs. He noted that flood irrigation picks up the nutrients and takes them into the streams, and if they can abate flood irrigation, which will be more efficient water wise, it will help preserve the reservoirs. Council Member Ure asked if there is money available to the irrigation companies for the pressurized systems. Mr. Baker replied that there is not a global answer to that question; it is site specific. The Water Quality Board does not have funds to pressurize the entire State, and they have to set priorities. He explained that they are currently

working on a project with a consortium of irrigation companies in the Hoytsville area, and they will support projects that have the goal of protecting and restoring water quality.

Council Member Armstrong asked if all nonpoint source projects will be voluntary or if there will be some requirements, such as fencing, grazing, and keeping cattle away from the stream systems. Ms. Lundeen replied that it would all be voluntary. Council Member Armstrong asked about the point sources, and Ms. Lundeen noted that they are all shown in her report. He asked if the Snyderville Basin Water Reclamation District project would take care of their part of the point sources. Mr. Luers replied that it would. He explained that they only discharge into the Weber River via Silver Creek and only impact Echo Reservoir. Council Member Armstrong asked if there will be some sort of active engagement with the nonpoint sources to help them and guide them through the process. Jake Powell explained that if someone is interested in doing conservation, he can help them find the funding. He explained that they also go out and knock on doors and introduce themselves, and they work with watershed groups to talk to their neighbors and friends and put them in touch with him or other agencies that can help them. Council Member Armstrong asked if the irrigation companies might be interested in entering into a coalition to address some of the issues. Council Member Ure replied that would depend on who is on the irrigation company board. He believed there are enough new people moving into the Kamas Valley that they will eventually move to a pressurized system. He stated that the boards need to be educated about the TMDLs and how they influence the reservoirs.

Summit County Health Director Rich Bullough explained that the Health Department's authority with regard to nonpoint source relates to septic systems. They have already implemented new policies for new septic systems and are becoming more proactive and supportive of the County's strategic priorities. He believed the TMDL provides another tool. If the Health Department adopts policies that are stricter than State policy, they have to justify them, and this data provides a component of their justification that they need to do more. He stated that his department fully supports this.

Council Member Armstrong asked if flood irrigation is a significant source of nutrients or if it is just one of many. Ms. Lundeen replied that it is one of many, but when they last looked at the data, it was a pretty significant source.

Council Member Ure commented that he believes the State needs to communicate with the County when adopting rules that affect the citizens of the County and requested updates from the State when issues like this arise.

Council Member Ure was excused from the remainder of the meeting.

- **Update from Park City Fire Special Service District; Paul Hewitt, Fire Chief**

Fire Chief Paul Hewitt reviewed the organizational chart, commenting that it has not changed much since he arrived 3 ½ years ago, and discussed a number of the requirements the Fire District must meet. He discussed staffing at the fire stations and explained that they meet the NFPA 1710 standards for staffing, which determine how fast they should respond and with what apparatus and what personnel. Those standards urge that within five minutes they should be able to have four people on the scene of a fire 90% of the time. On medical response they ask for two paramedics on scene within five minutes, and with the County's help, they run four ambulances. He explained that when they reach a point that they can save the citizenry as much in insurance premiums as the entire fire department budget, it is an indication that the fire department should

be a full-time department, and the Park City Fire District reach that point quite some time ago. When the North Summit and South Summit Fire Districts reach that point, it will indicate that they should become full-time fire departments. Chief Hewitt reviewed the calls received by the Fire District and noted that EMS is the bulk of what they do. With Chief Hales managing the North and South Summit Fire Districts, they can also request ambulances from them if needed. He explained that their call volume continues to increase, and they are becoming more accurate in how they report the calls.

CFO Bill Pyper reported that revenue during 2014 is fairly flat with just a little bit of new growth, and they project a little bit of new growth in 2015. He explained that they have quite a bit budgeted for apparatus in 2015, but depending on the revenues, they may scale that back. He answered questions regarding the budget for the Manager and Council Members.

Battalion Chief Eric Hales stated that the Fire District has partnered with Summit County to provide emergency medical services since 1996 when they entered an agreement with the County to provide ambulance services. Over the years they have enhanced their level of service to an advanced EMT level. They have four staffed ambulances and two additional ambulances that can be dispatched at any time. After the hospital came into the community, they sought additional licensure to include the paramedic inter-facility transport license to retain as much revenue in the County as possible. In February 2001, the County Commission asked Park City Fire District to manage the North Summit ambulance service, and their goal is to improve the operations and management of the ambulance service in that area. He explained that finding coverage on weekdays during the day in that rural setting is very difficult, and they are working hard to retain and recruit good people. In October 2013, they also started managing the South Summit Ambulance, and things are going well. There are paramedics who live in the South Summit community, and they hope to enhance their level of service to advanced EMT.

Chief Hewitt explained that there are several ways of delivering emergency services, and the most efficient way is to have dual-trained people operating out of the same station. It is not only a safer way to respond, but more cost efficient. He explained that they also have special operations and a hazardous materials technical response team, and they can provide all kinds of rescues. They also have a wildland team that is also a revenue generator.

Deputy County Attorney Dave Thomas asked if the Fire District has any specialized training in the event of a pipeline failure. Chief Hewitt replied that they could divert, dike, deny entry, and bring in the necessary resources to deal with it. They could not handle a 100,000-gallon spill, but they could mitigate the damage and have a positive impact.

Chief Hales stated that last year they introduced their motorcycle program to get to emergencies on the trails. They also have had a Ranger with a patient compartment for special events, and they now have a tracked Ranger that can go anywhere. It will have a compartment to carry a patient and small firefighting capabilities.

Chief Hewitt reported that in 2012 the District was deployed 55 days on wildland fires, and they are reimbursed for all their costs.

Assistant Chief Scott Adams discussed the District's prevention services and explained that they have wildland fire danger signs around the community and have worked closely with Fire Warden Bryce Boyer to identify areas that are in particular danger. Since 1999 they have had a fuel reduction or chipping program, and they have hired two additional people this year. They

have been swamped with construction plan and site review requests from the Planning Department since May, and they also assist with reviews for the Park City Building Department. He reported that last year they worked with the Division of Natural Resources and Division of Forestry and amended the community wildfire protection plan for the entire Fire District. By doing that, the homeowners associations are eligible for work in kind to provide defensible space and receive benefits back. He explained that they try to work with the HOAs each year to promote fire wise safety and defensible space. They also work with the ski resorts and other large businesses in the community to plan and provide defensible space.

Chief Hewitt reported that the District puts out an annual report each year, and they update their strategic plan every 24 months. That plan includes buildout of another station, staff development, leadership development, and minimum standards so firefighters have to prove they can do their work every year.

CONVENE AS THE GOVERNING BOARD OF THE PARK CITY FIRE SERVICE DISTRICT

Council Member Carson made a motion to convene as the Governing Board of the Park City Fire District. The motion was seconded by Council Member Armstrong and passed unanimously, 4 to 0. Council Member Ure was not present for the vote.

The meeting of the Governing Board of the Park City Fire District was called to order at 5:30 p.m.

CONSIDERATION FOR ADOPTION OF RESOLUTION NO. 2014-18 OF THE COUNTY COUNCIL OF SUMMIT COUNTY, UTAH, ACTING AS THE GOVERNING AUTHORITY OF THE PARK CITY FIRE SERVICE DISTRICT, SUMMIT COUNTY, UTAH (THE "DISTRICT"), RATIFYING AND CONFIRMING A RESOLUTION ADOPTED BY THE ADMINISTRATIVE CONTROL BOARD OF PARK CITY FIRE SERVICE DISTRICT; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF ALL RELATED MATTERS; BILL PYPER, CFO, PARK CITY FIRE SERVICE DISTRICT

Chair Robinson stated that it appears that the Fire District is refinancing something, but he could not determine the dollar amount of the debt being refinanced or the proposed terms. Mr. Pyper explained that in 2004 the District entered into certificates of participation with Wells Fargo Bank, and they are refinancing that debt. On July 1 the Fire Board met and passed a resolution to adopt the refinance. The current interest rate is 4.44%, and the new interest rate would be 2.71%. There is 15 years remaining on the life of the loan, and the refinance would decrease that to 10 years. The principal outstanding is \$5.495 million. He explained one component of the collateral for the certificates of participation was land adjacent to the fire station on Canyons Resort Drive that would be released from collateral. He explained that the land south of the station has been requested as part of the Canyons golf maintenance facility, and Deputy County Attorneys Dave Thomas and Jami Brackin requested that they release that portion of the land. He noted that there is a clause that states the Fire District would release that land if they do not need it for a fire station. He explained that the terms sheet has all the pertinent information.

Mr. Thomas explained that a series of events must occur before the property exchanges and open space easement can occur at the Canyons, and the refinance with Wells Fargo is also time sensitive. He explained that the bond counsel prepared the documents, and he believed all the information was forwarded to them.

Board Member Carson stated that she would be comfortable with an approval contingent on the Chair seeing all the necessary documents. Chair Robinson noted that the resolution states that they will be lowering the interest rate and lowering the term, so this would not give the District carte blanche. He believed they could pass the resolution conditioned on seeing the details in the letter from Wells Fargo.

Board Member McMullin made a motion to adopt Resolution No. 2014-18 ratifying and confirming a resolution adopted by the Administrative Control Board of the Park City Fire Service District contingent upon the Chair's receipt of the terms of the refinance that are substantially similar to those set forth in the June 27, 2014, letter from Wells Fargo Bank to Bill Pyper, CFO of the Park City Fire District, and incorporation of Exhibit B. The motion was seconded by Board Member Carson and passed by a vote of 3 to 1, with Board Members Carson, McMullin, and Robinson voting in favor of the motion, Board Member Armstrong voting against the motion, and Board Member Ure being absent.

Chief Hewitt commented that they are working toward becoming a debt-free district, and the Fire District is sustainable.

DISMISS AS THE PARK CITY FIRE SERVICE DISTRICT

Board Member Armstrong made a motion to dismiss as the Governing Board of the Park City Fire District and to reconvene as the Summit County Council in regular meeting. The motion was seconded by Board Member Carson and passed unanimously, 4 to 0. Board Member Ure was not present for the vote.

The meeting of the Governing Board of the Park City Fire Service District adjourned at 5:40 p.m.

REGULAR MEETING

Chair Robinson called the regular meeting to order at 5:40 pm.

- **Pledge of Allegiance**

CONSIDERATION AND POSSIBLE ADOPTION OF ORDINANCE #773-A PROHIBITING THE USE OF FIREWORKS AND OPEN FIRES WITHIN SUMMIT COUNTY DURING THE FIRE SEASON 2014

Fire Marshall Bryce Boyer reported that he met with Chief Smith with the North Summit Fire District, Chief Adams, Fire Marshall for Park City, and Chief Hewitt with the Park City Fire District. Based on the fire activity in the last week, they felt it would be best to impose fire restrictions that would ban open burning and fireworks for the remainder of the 2014 fire season. He clarified that the fireworks banned would be Class C and above, which is anything that flies or explodes, and the State has prepared a waiver form for commercial fireworks displays. He

explained that this would apply only in unincorporated County lands, not in cities, and cities would have to take their own independent action.

Chair Robinson confirmed with Mr. Boyer that open fires means outside of an established fire pit.

Mr. Boyer explained that, if they can ban instances and potential fires that could be caused by fireworks and bonfires, they will have more resources to deal with circumstances they cannot control. He explained that most of the resources are currently committed on fires between Utah, Nevada, and Idaho. In the event of a fire in Summit County, they would only have the resources that are on hand and would have to bring in additional resources.

Council Member McMullin asked how they could get the word out about the fireworks ban. Mr. Boyer replied that they have already contacted the County public information officer and Health Department public information officer, and the State has prepared a statement for the media. Once Summit County signs off on this, the State will issue a press release.

Council Member McMullin made a motion to adopt Ordinance #773-A prohibiting the use of fireworks and open fires within Summit County during the fire season 2014. The motion was seconded by Council Member Carson and passed unanimously, 4 to 0. Council Member Ure was not present for the vote.

APPROVAL OF COUNCIL MINUTES

MAY 28, 2014

JUNE 4, 2014

JUNE 10, 2014

JUNE 18, 2014

Council Member Carson noted that she had some edits to the May 28 minutes that she would provide to the County Clerk.

Council Member McMullin made a motion to approve the June 4, 2014; June 10, 2014; and June 18, 2014, County Council minutes as written and the May 28, 2014, County Council minutes as corrected. The motion was seconded by Council Member Carson and passed unanimously, 4 to 0. Council Member Ure was not present for the vote.

MANAGER COMMENTS

Mr. Jasper reported that he met with Mike Gore and an attorney, and they intend to have the Canyons golf course done by September 30. Some items still need to be worked on, and they will start clarifying and negotiating them. One issue is that the County believes the golf course is to allow public play, but that has not been defined, and they need to determine what that will mean. They want the County to turn over some property to make everything work, and there is a question about what can be done in the winter on the golf course, such as cross-country skiing. He noted that there is a combination of parties in these negotiations, which makes them more complex. He also reported that he and members of the Planning and Engineering Staff met with them and drove to a number of locations on the mountain to look for potential sites for a maintenance facility. Mr. Jasper stated that he has committed to work with them to try to find a reasonable location for a maintenance facility.

COUNCIL COMMENTS

Council Member Carson thanked Staff for putting together a fact sheet regarding the pipeline issue. She believed it would have some good information and be a good resource for the community and for Staff. Council Member Armstrong requested the press's help when the fact sheet is ready to let people know they can go there to get their questions answered.

Council Member Carson recalled that they previously discussed hazardous spill reimbursements for North Summit and South Summit Fire Districts and creating an ordinance to cover them. She did not want to forget to do that.

PUBLIC INPUT

Chair Robinson opened the public input.

There was no public input.

Chair Robinson closed the public input.

The County Council meeting adjourned at 6:00 p.m.

Council Chair, Chris Robinson

County Clerk, Kent Jones

MINUTES

SUMMIT COUNTY
BOARD OF COUNTY COUNCIL
WEDNESDAY, JULY 16, 2014
COUNCIL CHAMBERS
COALVILLE, UTAH

PRESENT:

Chris Robinson, Council Chair
Kim Carson, Council Vice Chair
Roger Armstrong, Council Member
Claudia McMullin, Council Member
David Ure, Council Member

Robert Jasper, Manager
Anita Lewis, Assistant Manager
David Thomas, Deputy Attorney
Kent Jones, Clerk
Karen McLaws, Secretary

CLOSED SESSION

Council Member Carson made a motion to convene in closed session to discuss litigation. The motion was seconded by Council Member McMullin and passed unanimously, 4 to 0. Council Member Armstrong was not present for the vote.

The Summit County Council met in closed session for the purpose of discussing litigation from 2:35 p.m. to 3:05 p.m. Those in attendance were:

Chris Robinson, Council Chair
Kim Carson, Council Vice Chair
Claudia McMullin, Council Member
David Ure, Council Member

Anita Lewis, Assistant Manager
David Thomas, Deputy Attorney
Brian Bellamy, Personnel Director

Council Member Ure made a motion to dismiss from closed session to discuss litigation and to convene in closed session to discuss personnel. The motion was seconded by Council Member Carson and passed unanimously, 4 to 0. Council Member Armstrong was not present for the vote.

The Summit County Council met in closed session for the purpose of discussing personnel from 3:05 p.m. to 3:40 p.m. Those in attendance were:

Chris Robinson, Council Chair
Kim Carson, Council Vice Chair
Roger Armstrong, Council Member
Claudia McMullin, Council Member
David Ure, Council Member

Robert Jasper, Manager
Anita Lewis, Assistant Manager
Dave Thomas, Deputy Attorney
Brian Bellamy, Personnel Director

Council Member Ure made a motion to dismiss from closed session and to convene in work session. The motion was seconded by Council Member Carson and passed unanimously, 5 to 0.

WORK SESSION

Chair Robinson called the work session to order at 3:50 p.m.

- **Discuss changes to the Summit County Animal Control Code; Helen Strachan, Deputy County Attorney**

Deputy County Attorney Helen Strachan presented the staff report and explained that Staff has been working on the leash law and felt this would be a good opportunity to work on other desired changes to the Animal Control Code. First would be to change dog licensing to a three-year license to correspond with the three-year rabies vaccination. Currently, dogs that are not sterilized can be licensed at a higher rate, and it is proposed that they require sterilization prior to licensing.

Council Member McMullin asked if there is an exemption from sterilization for dog breeders. Council Member Armstrong suggested an exemption for breeders and show dogs. Council Member McMullin expressed concern that people would take advantage of the exemption for show dogs. Council Member Ure stated that he did not believe they should list exemptions and just charge a higher rate for unsterilized animals. Council Member Carson expressed concern that, if they charge a higher fee for unsterilized animals, people would not have their animals sterilized and not license them. Chair Robinson argued that people would just claim they are a breeder and are not required to sterilize their animals. Council Member McMullin stated that unsterilized animals are a huge problem in the County and in the country, and they need to do whatever they can to encourage sterilization. Ms. Strachan offered to address that when they prepare the fee schedule.

Ms. Strachan explained that agricultural dogs are currently exempt from licensing, and it is recommended that they require agricultural dogs to be licensed because they are required to be vaccinated under State law, and associating a license with that would help ensure that they are vaccinated. There have been instances where agricultural dogs have attacked other dogs or individuals and then run off, and it may be difficult to determine who owns the dog and whether it has been vaccinated. Brian Bellamy explained that sometimes they get dogs at Animal Control and do not know who to return them to, and licensing would help with that.

Council Member Ure stated that an agricultural dog that wears a collar can easily hang itself if it gets caught on a fence. Mr. Bellamy explained that a license could be tied to a microchip so an agricultural dog would not have to wear a collar and license. Chair Robinson noted that many agricultural dog owners also breed their own dogs and suggested that the Code state that properly licensed breeders and agricultural dog owners be exempt from having to sterilize their dogs. Mr. Bellamy offered to do some additional research to see how that is handled by other entities.

Ms. Strachan stated that another change is to the dogs running at large provision, and they recommend that dogs can be off leash on the real property limits of the owner, within a car, if the dog is an agricultural dog, within the real property of another person with the property owner's

consent, or in a formally-approved off-leash dog area. Staff also recommended that dogs be allowed to be off leash for hunting purposes.

Council Member Carson requested that they include a provision that the owner must always have a leash in hand, even if using an electronic collar. Council Member Armstrong explained that just having an electronic collar is not enough; the owner is obligated to be sure the collar controls the dog. Ms. Strachan offered to include language that dogs with electronic collars must be under voice and sight control.

Ms. Strachan presented the proposed language for the off-leash dog tag. Mr. Bellamy explained that they cannot make this provision work unless they add to their staff. Council Member McMullin did not believe there is any question that they need to provide staff for Animal Control, because they are already under-staffed. Mr. Bellamy noted that this should be part of the budget discussion. Council Member McMullin felt they need to at least get back to the staff level they had in 2008 and did not believe there was any question that this would be a priority in the budget process, because they have had a group of citizens working on it for 18 months. Mr. Bellamy explained that they will need a couple more officers to be able to enforce the off-leash tag provision.

Chair Robinson asked if off-leash dogs in designated areas are the problem, or if the problem is dogs off leash in all other areas of the County. He asked how the off-leash tag would improve the situation if the problem is off-leash dogs in other areas of the County. Council Member Carson responded that the problem is lack of official off-leash areas for people to take their dogs. One recommendation of the committee was to expand the off-leash areas, but their research showed they need a commitment on the part of dog owners to help support the off-leash areas. That is where the idea of the tag came in, and it has been successful in other communities. She proposed that when they license dogs in the coming year, they provide information about off-leash areas, the responsibilities that go with that, and that owners assume liability for their pets when they go into off-leash areas. They can evaluate that in a year to see how the off-leash areas are working and incorporate something into the fees to help support off-leash areas.

Council Member Armstrong stated that some people are terrified of dogs because of a negative encounter with them, and often people do not think about their pets that way. He explained that people need to be responsible dog owners and recognize that not everyone shares their attitude about their animals. Some people are genuinely and legitimately frightened of dogs, and any dog approaching them is a negative experience. They have the same right to share the trails and open space as people with dogs, and they need to figure out a way to enforce and educate dog owners to know that they need to control their animals and have some empathy and understanding for people they encounter. Council Member Carson stated that another aspect is enforcement, especially in parks where children are playing, and they need to let people know that some areas will be off limits for dogs to be off leash.

Chair Robinson asked how much of the need for additional personnel is driven by the new off-leash tag versus policing the expanded off-leash areas and other general administration. It appeared to him that the purpose of the off-leash tag is to educate dog owners who buy the tag. If that is the purpose, he believed they could educate people without hiring employees to police the off-leash parks to be sure they have a tag. He liked the idea of postponing the off-leash tag, expanding the off-leash areas, and then looking at whether they want to implement an off-leash

tag. He expressed concern that the off-leash tag is driving the need for additional personnel. Council Member Armstrong stated that the off-leash tag is driving part of the specialist component of the need for additional personnel, but they cannot stay with the status quo. Even with expanded off-leash areas, he believed people would take their dogs off leash in leash areas. They need a new Animal Control Director and are down Animal Control officers, so they do not even have the ability to enforce the status quo. They are seeing more and more negative interactions with off-leash dogs and need to address that, so they need additional personnel whether they implement the off-leash tag or not.

County Manager Bob Jasper stated that, if they adopt something, they should be able to implement it reasonably well, and he did not want to adopt another set of laws and not be able to enforce them. That would only create friction with the citizens.

Council Member Armstrong summarized that they are trying to resolve the greater problem, which is conflicts with dogs being off leash in areas where dogs should be on leash, and they do not have enough Animal Control support or Sheriff's deputies to enforce that. An additional complaint they get from the public is that there are not enough unleashed areas where people can take their dogs, and they are trying to accommodate that by opening non-leash areas. If they educate the public regarding their responsibilities in on-leash areas, they should be able to have less conflict there. He disagreed with the notion that the idea is to police the off-leash areas, which is only a small part of this process. The goal is to minimize conflicts, and off-leash areas and tags are just a couple of tools for doing that.

Council Member Carson explained that, if they implement the off-leash tag requirement, they would need occasional patrolling to be sure people purchase and use the tag properly. However, they also need to patrol the on-leash areas to be sure people have their dogs on leash. She stated that they cannot budget for something unless they already have it in mind, and that is why they are presenting this now. She suggested that they incorporate some of the benefits of the off-leash tag into the regular licensing process, use that for the coming year as they develop more off-leash areas, and re-evaluate it next year to see if they are relieving the problems on the trails where people allow their dogs to run off leash, if people are using the off-leash areas, and whether they are able to develop new off-leash areas.

Mr. Bellamy explained that this will be a process. Even if they had a 100-acre off-leash dog park, they want compliance. They are not interested in writing citations; they just want people to comply with the Code. The emphasis will be on asking people to fix the problem before issuing a citation. He explained that some of the money they receive could help defray the costs of doggy bags and other things needed to help those who own the off-leash area.

Chair Robinson believed they should include the language regarding the off-leash tag in the ordinance and pass it now, and he would agree with implementing it knowing they will not be adding staff right now. Then they should have a discussion during the budget session about the best way to deal with the real problems. He believed the real problem is that there is a great disregard for the leash law requirements, and they are trying to alleviate that by providing more off-leash areas, using the tag to help pay for those areas and provide education. Council Member Carson suggested that they not have the separate tag and include the education with the normal license. She recommended that they send that information back to the task force for their

feedback and commit to evaluating it in a year, once they have expanded off-leash areas, to see how the education campaign and other components have worked.

Ms. Strachan addressed the proposed nuisance provision related to barking dogs and defining what an extended period means. The amendment would also put the responsibility on the complainant to identify his or herself and provide specific information regarding the complaint. Council Member McMullin stated that 30 minutes sounds a little short to her, and she believed there is a distinction between dogs barking all night versus barking during the day. Ms. Strachan explained that they have exemptions for trespass or dogs being teased or provoked and for agricultural dogs actively working. However, if there is a continual problem, Animal Control would act, and she believed the language addresses that. Council Member Carson stated that she supports the 10-day correctional period.

The Council Members and Ms. Strachan addressed the section regarding attacking dogs and vicious animals, and Ms. Strachan offered to address that in the ordinance.

Council Member McMullin asked about dogs left in a hot car. Ms. Strachan replied that is addressed in the Code as cruelty to animals. Council Member McMullin asked if the Code allows someone to break a window if they see a dog in distress in a car. Mr. Bellamy stated that it has been explained to Animal Control that they are to call the Sheriff's Office to respond if they see an animal in distress in a car. Ms. Strachan did not believe they should include language in the Code encouraging people to break windows. Mr. Bellamy suggested that they strengthen the tethering language and stated that they have seen instances where dogs have been tethered 24 hours a day on a 5- or 6-foot tether. Ms. Strachan explained that Salt Lake City adopted language making it illegal to tether a dog for more than 10 hours in a 24-hour period. The Council Members suggested language saying tethered on a short tether for more than 10 hours.

Ms. Strachan recalled that they removed the language limiting the number of dogs in a kennel to 30 dogs. Council Member McMullin stated that they removed that language because the number of dogs was less important than the impact, and if a kennel can mitigate the impact, it should be allowed. Mr. Bellamy offered to provide for the Council some of the concerns Staff sees with multiple dogs in an area.

Ms. Strachan stated that she would make the changes discussed, weigh the comments, and schedule the proposed ordinance for a public hearing.

Council Member McMullin was excused from the remainder of the meeting.

- **Presentation regarding Forest Insect and Disease Conditions and the Timber Harvest Tour by Division of Forestry, Fire & State Lands; P.J. Abraham, Area Forester**

P.J. Abraham, Area Forester for the Forestry, Fire & Stand Lands Division, reported that the U.S. Forest Service completed an aerial flight of the forest looking for insect disease. He presented a map showing the results of that flight and noted that the areas shown in blue show where the spruce beetle was observed last year. He explained that the spruce beetle exists at a higher elevation than the area where the pine beetle attacks, and the spruce beetle only attacks spruce trees while the pine beetle will only attack pine trees. They flew over 712,000 acres in Summit

County and found about 12,000 spruce trees affected in about 5,000 acres. In his observations this year, the number had approximately doubled, and each year the infestation moves further north. Summit County is currently getting hit hard by the spruce beetle, and on Highway 35 in the Wolf Creek Pass area, the spruce beetle has killed 85% to 90% of the spruce trees.

Mr. Abraham explained that two things concern him about this situation—the fire potential and forest health issues. He anticipated that lightning could strike the dead trees, and it is likely there will be a significant increase in fire hazard in 20 years if nothing is done and the trees have fallen to the ground. He is trying to get the Forest Service involved and get private land owners to manage their lands now while there is still value in the timber. He explained that they do not spray the forest, and the way to manage this is to promote logging. He acknowledged that there are restrictions on logging on Forest Service lands, but people can log immediately on private lands.

Council Member Ure stated that he has had discussions about a potential grant to start harvesting trees on the North Slope of the Uintas.

Mr. Abraham explained that much of the area impacted by the spruce beetle in Chalk Creek and Weber Canyon is in the Weber River drainage that supplies Summit County. Each year the Division of Forestry, Fire & State Lands puts on a timber harvest tour, and he recommended that the tour be hosted in Summit County this year. They would like to get together as many private land owners as possible for the tour on August 30. They will take a field trip to the Whitney Reservoir area and discuss the spruce beetle, and they will look at current timber harvests, post-treatment sites, and 20-year post-treatment sites. They will answer questions and try to promote management on the headwaters. He provided fliers announcing the timber harvest tour and requested that the Council help promote it. Council Member Ure volunteered himself and Chair Robinson to call people if Mr. Abraham would provide a list of telephone numbers.

Council Member Carson observed that the Council should have regular meetings with the Forest Service and requested that be included on a future agenda.

REGULAR MEETING

Chair Robinson called the regular meeting to order at 5:35 p.m.

- **Pledge of Allegiance**

COUNCIL COMMENTS

Council Member Carson reported that she attended the Chamber of Commerce luncheon today, and Summit County was recognized for its support and the TRT funds. She also attended a presented by HEAL Utah at the Richins Building. She recommended that anyone interested in the future of solar in Utah contact the Public Service Commission by July 29.

Council Member Armstrong reported that he met with Utah Clean Energy and commented that they have made some great advances in the County with solar. One participant discussed a commercial business that installed solar, and with the surcharges, their rates did not change. They saved a lot of money in terms of not using electricity, but not in what they were paying. He

believed there is a fear that the surcharges will have a negative impact on people wanting to adopt solar installations. He stated that Rocky Mountain Power needs to show why the surcharge is needed to equalize the benefits solar users get, and they have not provided any justification for that. Council Member Carson noted that Rocky Mountain Power is required by law to have a cost/benefit analysis, and they claim that having the hearings they have had and the input they have received is that information.

Council Member Ure thanked Council Member Carson for representing the County on so many issues. He stated that at the meeting yesterday with the Forest Service, they discussed the watershed resources the Forest Service is trying to take over, and some very direct questions were posed. It was brought out that the way they are going about this is not legal, because they are calling it a policy and not an administrative rule and are following a different set of guidelines. He stated that the western governors will meet next week to take a stand, and he believed they would be against the Forest Service trying to manage all the water resources. He commented that the State Water Engineer was very upset, because he felt this was a ploy to undermine the state water rights ownership.

MANAGER COMMENTS

There were no Manager comments.

DISCUSSION AND POSSIBLE ADOPTION OF 2014 PROPOSED TAX RATES PERTAINING TO SUMMIT COUNTY, PARK CITY FIRE SPECIAL SERVICE DISTRICT, AND THE SNYDERVILLE BASIN SPECIAL RECREATION DISTRICT; MATT LEAVITT, AUDITOR'S OFFICE

Council Member Carson asked Mr. Leavitt to address an article that was published in the *Salt Lake Tribune* regarding a miscalculation. Finance Officer Matt Leavitt explained that the impact on Summit County is very minimal, because the miscalculation relates to redevelopment areas, and the redevelopment agencies in Summit County are in Park City. He stated that adoption of the tax rates is a formality, and the tax rates have decreased due to increased valuation and new growth values. In the County overall, new growth value is approximately \$177 million, and in the municipal services area, it is approximately \$124 million.

Council Member Armstrong made a motion to adopt the 2014 proposed tax rates pertaining to Summit County, Park City Fire Special Service District, and the Snyderville Basin Special Recreation District. The motion was seconded by Council Member Carson and passed unanimously, 4 to 0. Council Member McMullin was not present for the vote.

PUBLIC INPUT

Chair Robinson opened the public input.

There was no public input.

Chair Robinson closed the public input.

CONVENE AS THE GOVERNING BOARD OF THE WILDLAND FIRE SERVICE AREA

Council Member Carson made a motion to convene as the Governing Board of the Wildland Fire Service Area. The motion was seconded by Council Member Armstrong and passed unanimously, 4 to 0. Council Member McMullin was not present for the vote.

The meeting of the Governing Board of the Summit County Wildland Fire Service Area was called to order at 5:55 p.m.

PUBLIC HEARING REGARDING THE PROPOSED WITHDRAWAL OF THE TOLLGATE CANYON AREA FROM WILDLAND FIRE SERVICE AREA AND POSSIBLE APPROVAL OF RESOLUTION NO. 2014-19, A RESOLUTION APPROVING THE WITHDRAWAL OF THE TOLLGATE CANYON AREA FROM THE BOUNDARIES OF THE SUMMIT COUNTY WILDLAND FIRE SERVICE AREA; HELEN STRACHAN, DEPUTY COUNTY ATTORNEY

Ms. Strachan recalled that the Council previously held a public hearing on a petition to annex Tollgate Canyon into the North Summit Fire District, and no protests were filed. In order to complete that process, it is necessary to de-annex Tollgate Canyon from the Wildland Fire Service Area, as it cannot be within two different districts that provide the same service. A petition was filed to de-annex from the Wildland Fire Service Area, which requires a public hearing and to adopt a resolution to de-annex the area from the Wildland Fire Service Area. That would be followed by approval of a resolution to annex into the North Summit Fire District. She noted that North Summit Fire is considering building a fire station in Tollgate Canyon.

Chair Robinson observed that the fiscal impact of the withdrawal would be a loss of \$25,000 to Wildland Fire out of total revenue of \$69,000. Fire Marshall Bryce Boyer explained that withdrawing from Wildland Fire will give people in Tollgate Canyon protection for structures, which they would not receive from the Wildland Fire Service Area. He stated that North Summit Fire has typically responded to structure fires in Tollgate Canyon with no recuperation of costs. He explained that the Wildland Fire Service Area would still be responsible for fighting wildland fire in Tollgate Canyon, and that would be handled similar to the Rockport fire last year. He stated that the residents will get better coverage considering what has already been built in Tollgate Canyon.

Board Member Armstrong recalled that the North Summit Fire District has serviced structure fires in Tollgate Canyon without authorization to do so. The Council had suggested to the North Summit Fire District that they should probably annex Tollgate Canyon into the Fire District to reflect legally what is actually happening.

Chair Robinson clarified that the Wildland Fire Service Area will lose about \$25,000 in revenue, and the North Summit Fire District is estimated to collect an additional \$83,000 in revenue, which means taxpayers in the annexed area will pay an additional amount for their fire service.

Board Member Armstrong clarified that the Council did not direct Tollgate Canyon to join the North Summit Fire District, but North Summit was to go to the residents and see what they wanted. Ms. Strachan explained that a petition was circulated in the Tollgate area and signed by

registered voters asking to withdraw from the Wildland Fire Service Area and to annex into the North Summit Fire District.

Chair Robinson opened the public hearing.

Margaret Hiller stated that she represents 210 Tollgate Properties, L.P., which owns 218.5 acres in Tollgate Canyon, and they are in favor of the fire station.

Chair Robinson closed the public hearing.

Board Member Ure made a motion to approve Resolution No. 2014-19, a resolution approving the withdrawal of the Tollgate Canyon area from the boundaries of the Summit County Wildland Fire Service Area. The motion was seconded by Board Member Carson and passed unanimously, 4 to 0. Board Member McMullin was not present for the vote.

DISMISS AS THE GOVERNING BOARD OF THE WILDLAND FIRE SERVICE AREA

Board Member Ure made a motion to dismiss as the Governing Board of the Wildland Fire Service Area. The motion was seconded by Board Member Armstrong and passed unanimously, 4 to 0. Board Member McMullin was not present for the vote.

The meeting of the Governing Board of the Summit County Wildland Fire Service Area adjourned at 6:05 p.m.

ACTING AS THE COUNTY COUNCIL, POSSIBLE APPROVAL OF RESOLUTION NO. 2014-20, A RESOLUTION APPROVING THE ANNEXATION OF THE TOLLGATE CANYON AREA INTO THE BOUNDARIES OF THE NORTH SUMMIT FIRE SERVICE DISTRICT; HELEN STRACHAN, DEPUTY COUNTY ATTORNEY

Council Member Ure made a motion to approve Resolution 2014-20, a resolution approving the annexation of the Tollgate Canyon area into the boundaries of the North Summit Fire Service District. The motion was seconded by Council Member Carson and passed unanimously, 4 to 0. Council Member McMullin was not present for the vote.

PUBLIC HEARING AND POSSIBLE ACTION REGARDING A PROPOSED DEVELOPMENT AGREEMENT FOR TANGER OUTLETS RETAIL EXPANSION; 6699 LANDMARK DRIVE; DAVID P. ROSE, APPLICANT; AMIR CAUS, COUNTY PLANNER

County Planner Amir Caus explained that Staff has been working with the developers to finalize a development agreement. He noted that outstanding issues include clarification of a few exhibits and that the architectural guidelines from the original SPA designation were included in this development agreement. He explained that one outstanding issue is determination of the uses. He recalled that the SPA designation was based on retail uses only, and the applicant has expanded the uses somewhat. One of the uses is a restaurant, and the Snyderville Basin Planning Commission indicated they would like that to be deli-style foodservice so it would not attract people from the outside. It would actually reduce traffic by containing people within the center so they do not have to leave to get food and come back. The Code defines a deli as 75 square

feet and no more than 12 people. The applicants are proposing a 3,000-square-foot area and no more than 24 people. The Planning Commission also requested LED lighting, and the applicant has indicated that all the lights are on one switch, so they cannot turn them off at a certain time to address dark sky concerns. He stated that the Planning Commission felt the insides of the stores could use LED lighting for better energy efficiency.

Mr. Thomas stated that Deputy County Attorney Jami Brackin proposed 75 square feet for the deli based on the Deli definition in the Code. As he addressed this with the applicant, they wanted 24 or fewer people in terms of seating in a 3,000-square-foot patron area. He suggested something much smaller than that but larger than 75 square feet that would be in line with what the Planning Commission intended.

Chair Robinson stated that it seemed a lot of comments were inserted into the agreement and asked if they have been resolved. Planner Caus replied that, after the staff report was published, Staff, the Attorney's Office, and the applicant have worked on those, and most of them have been taken care of. Chair Robinson noted that Finding of Fact 12 says the fee for the affordable housing will be paid within one year of receiving a building permit, and the development agreement says within 30 days of receiving a building permit. Planner Caus explained that the language in the development agreement is correct. Chair Robinson verified with Staff that this is a new development agreement that applies only to this expansion and is not an amendment to or restatement of a previous development agreement.

David Rose, the applicant, explained that the staff report came out last week, and he and Mr. Thomas have addressed all the outstanding issues. Chair Robinson stated that he would like to know how those issues were addressed and asked about Section 1.6 regarding commercial infill. Mr. Rose explained that the previous SPA approved in 2001 was for the entire shopping center. That SPA has lapsed, but its governing terms continue to apply to the existing improvements. Because they are now proposing new improvements, they need a new SPA, and there is language throughout the development agreement stating that it applies to the expansion. Planner Caus explained that Staff wanted to delete the commercial infill language, because this is a new SPA, and that language is not applicable to the new SPA.

Chair Robinson opened the public hearing.

Margaret Hiller stated that she shops at this mall all the time with her children, and they definitely need some food.

Chair Robinson closed the public hearing.

Chair Robinson requested that the reference to the Peace House be deleted from the language regarding the contribution for moderate-income housing in 3.6.4., because that money may or may not go to the Peace House. He referred to 7.1.6 and stated that he would like the fee in lieu to be payable upon issuance of the building permit. Mr. Rose explained that Deputy County Attorney Jami Brackin requested that it be based on the date of recordation of the SPA, not building permit issuance, and they have agreed to that. Mr. Thomas confirmed that he has changed that reference to state the date of recordation. Chair Robinson also requested that the last sentence in Section 7.1.6 be deleted, because it refers to a donation to the Peace House. Council Member Carson suggested that they include the reference to a qualified community-

based housing non-profit and just delete the reference to Peace House, because the Council already decided it would go to a housing non-profit. Chair Robinson stated that he did not like the use of the word “may” and suggested that the language state “may, at its sole discretion.”

Chair Robinson and Council Member Armstrong addressed Section 7.2.5 regarding the transportation trip reduction program. Council Member Armstrong asked what standard the 5% trip reduction would be based on. Traffic Engineer Kent Wilkerson explained that it is based on the traffic study the developer submitted. He believed the language should read “shall” rather than “may,” because the developer will be subject to a transportation impact fee, but the fee will be smaller if they produce less traffic. If they fail to achieve that trip reduction, they will have to pay the full impact fee. Council Member Armstrong expressed concern about the level of traffic and requested that the developer pay for the impact if their traffic reduction program does not work. It already feels like there is a choke point on the existing road leading to the shopping center, and he would like to mitigate whatever impacts may be caused by this expansion. Council Member Carson also noted that there have been concerns during the peak season about people parking along the roads. Mr. Rose explained that the present parking configuration has 1,350 parking stalls, and they will add parking to the rear of existing buildings, for a total of 1,396 parking stalls. They are working on a trip reduction plan, and if something happens that is beyond their control and it does not work, they do not want to be boxed in to the County being required to impose a traffic impact fee or other sanction. He suggested language that the County may impose the impact fee at its sole discretion. Chair Robinson suggested that they state that the County shall have the right at its sole discretion to require payment of an additional impact fee. Mr. Wilkerson stated that potential uses could change the amount of traffic, such as the food use that could mitigate traffic because people would not have to leave and come back, thus reducing trips. Council Member Armstrong commented that the Park City/Salt Lake City shuttle service has been actively reaching out to Tanger about using that connection to provide opportunities for employees to use that service, and they could also consider that.

Council Member Carson stated that she did not see anything about the possibility of a need for renewal. Mr. Thomas explained that there was no need for that, because the applicant will record the plat as soon as the development agreement is approved.

Chair Robinson referred to Section 10.14.3 regarding the hold harmless procedures and stated that he did not believe they should limit the County to 10 days to respond. Mr. Rose explained this would be a response to a legal claim where the County would come to the applicant for indemnification. Council Member Armstrong did not believe 10 days was unreasonable, but he suggested that the language state 10 business days. Mr. Rose stated that, if the County is being sued over something involving Tanger, the notice would go to the County Attorney’s Office, and he was confident that the County would contact Tanger quickly. Council Member Armstrong suggested that, if the County does not respond, it should not prejudice Tanger in the action. After further discussion, Mr. Thomas suggested language that the County shall give written notice of legal proceedings and leave in 10 days’ notice after they receive written notice of the proceedings. Council Member Carson believed if this is boilerplate language used in other agreements, the County Attorney’s Office should know they have 10 days to take action.

With regard to the duration language in Paragraph 10.5, Mr. Thomas suggested language stating that the Development Agreement must be recorded within one year of the effective date or the approval will lapse. Mr. Rose agreed to that modification.

Council Member Carson asked how the requirement for the annual review is tracked. Mr. Thomas replied that is done by the Planning Department, which is working on a tickler system to track those reviews.

Council Member Armstrong suggested Paragraph 10.10 state, “This Development Agreement, once this document is fully executed and recorded, . . .”

Mr. Thomas discussed Exhibit C regarding the uses and explained that the applicant is requesting a restaurant of 24 seats and 3,000 square feet. Mr. Rose stated that he has spoken with Charles Worsham with Tanger Outlets, and he would agree to a total size of 2,000 square feet, which would restrict the amount of seating and patron area. Mr. Thomas suggested the following language, “A restaurant of this type is limited to a maximum of 2,000 square feet.” Chair Robinson suggested that the permitted uses sentence state “Retail Sales, Restaurant,” and then include the definition of this type of restaurant that is limited to 2,000 square feet.

With regard to the sign plan, Mr. Caus explained that the Planning Commission asked Staff to determine the square footage for what would be considered an anchor store. Staff believes the trigger for an anchor store would be 10,000 square feet or more for a single tenant that would be allowed an anchor sign. Mr. Rose noted that the applicant has requested that be 5,000 square feet or greater. The Council Members agreed with 5,000 square feet as the trigger for defining an anchor store.

Council Member Carson made a motion to approve the proposed Development Agreement for the Tanger Outlets Retail Expansion with the amendments discussed at this meeting and subject to the following findings of fact, conclusions of law and conditions of approval and to authorize the Chair to sign:

Findings of Fact:

1. **Tanger Outlet, formerly the Factory Store Outlet, was originally built in 1985 with 208,669 sq. ft.**
2. **In 1999 the Summit County Board of County Commissioners approved a 106,835-sq.-ft. addition to the center through the Specially Planned Area and Development Agreement provisions of the Snyderville Basin Development Code.**
3. **COROC Park City LLC is the owner of the property identified as Parcel FSE-1 located at 6699 Landmark Drive, Kimball Junction, Summit County, UT.**
4. **On January 15, 2014, the Summit County Council approved a Specially Planned Area designation for the Tanger Outlet Retail Addition.**
5. **The Specially Planned Area approval conditioned that the Snyderville Basin Planning Commission is the recommending body for the Tanger Outlet Retail Addition Development Agreement.**
6. **Public notice of the public hearing was published in the July 12, 2014, issue of *The Park Record*.**
7. **Postcard notices announcing the public hearing were mailed to property owners within 1,000 feet of the subject parcels on July 1, 2014.**
8. **Service providers have reviewed the proposed Development Agreement for compliance with applicable standards.**
9. **Staff has reviewed the proposed Development Agreement for compliance with applicable Development Code standards.**

10. The applicant proposes a 23,500-sq.-ft. expansion of the Tanger Outlets.
11. The proposed Development Agreement allows for this expansion.
12. A total of \$960,490 will be paid within 30 days of recordation of the SPA.
13. On June 24, 2014, the Snyderville Basin Planning Commission forwarded a positive recommendation to the SCC for the proposed Tanger Retail Addition Development Agreement.

Conclusions of Law:

1. The development agreement has been duly adopted in accordance with the provisions stated in Section 10-3-19 of the Snyderville Basin Development Code.
2. The development agreement includes written consent by the landowner.
3. The Summit County Council has reviewed the recommendation from the Snyderville Basin Planning Commission to ensure that the public health, safety, and general welfare is promoted.
4. The subject development complies with appropriate concurrency management provisions of the Snyderville Basin Development Code.
5. The landowner will include capital improvements and facilities necessary to mitigate the impacts of the project on the County and its special districts.
6. The landowner will mitigate all fiscal impacts on the general public.
7. The subject development does not create unacceptable construction management impacts.
8. The subject development meets development quality objectives of the Snyderville Basin General Plan and the Snyderville Basin Development Code.
9. The subject development is consistent with the goal of orderly growth and minimizes construction impacts to public infrastructure within the Snyderville Basin.
10. The subject development protects life and property from natural and man-made hazards.
11. The subject development prevents harm to neighboring properties and lands, including nuisances.

Conditions of Approval:

1. All service provider requirements shall be met.
2. The Tanger Outlet Retail Additional Development Agreement shall only govern the retail addition portion of the Tanger Outlet property.
3. 21,270 sq. ft. shall be designated as “gross leasable area,” and 2,230 sq. ft. shall be designated as “Tanger storage space,” not to be used for retail purposes.
4. All dumpsters and compactors shall be completely enclosed prior to commencement of construction.
5. All community incentives shall be provided prior to commencement of construction.
6. All shipping containers and temporary storage facilities shall be removed and remain prohibited on the property.
7. The payment of the “fee in lieu” for the affordable housing will occur within 30 days of recordation of the SPA for the proposed expansion.
8. A traffic reduction program as per the Engineering Department shall be implemented as part of the transportation mitigation.
9. LED lighting shall be used for the addition.
10. All exhibits that relate to site planning and architecture shall be wet stamped by the engineer and the architect.

11. **To ensure compliance and spirit of the approval, Staff shall review the final language and exhibits for the proposed Development Agreement prior to recordation.**
12. **If any conflicts arise during the review of the recordation documents, Staff shall return the application before the Summit County Council for a decision.**

The motion was seconded by Council Member Armstrong.

Chair Robinson noted that they need an ordinance to be able to approve the Development Agreement. Mr. Thomas suggested that the Council approve the Development Agreement and give it an ordinance number and have the County Attorney's Office prepare the ordinance.

Council Member Carson amended her motion to include approval of Ordinance 828 approving the Development Agreement. Council Member Armstrong accepted the amendment in his second. The motion passed unanimously, 4 to 0. Council Member McMullin was not present for the vote.

PUBLIC HEARING AND POSSIBLE ACTION REGARDING A DEVELOPMENT AGREEMENT AMENDMENT TO REMOVE A PORTION OF CENTER DRIVE TO ACCOMMODATE A 23-UNIT TOWNHOME DEVELOPMENT IN NEWPARK; PARCEL NPRK-P-2 LOCATED ON PARCEL P-2 (ADJACENT TO THE NEWPARK HOTEL); MICHAEL BRODSKY, APPLICANT; AMIR CAUS, COUNTY PLANNER

Planner Caus briefly described the proposed 23-unit townhome development in Newport and explained that the developer is proposing to not improve the portion of Center Drive that sits on this project site. It is Staff's analysis that the need for a thoroughfare in this location does not exist, and they are comfortable with Center Drive not being improved. He explained that the road currently does not exist, and the traffic counts show no need for the road.

Council Member Carson expressed concern that Center Drive was supposed to be the thoroughfare to connect to the other side of Newport.

Mr. Caus answered questions from Council Member Armstrong about circulation through the area where the development is proposed. Council Member Armstrong noted that some residents are concerned about new residents in the townhome development using Center Drive to exit through Newport and not using North Park Lane. Mr. Caus explained that the original concept showed the access from Park Lane to these units and from the parking area at Cottonwood III, so the overall layout will not change, except that there will be a courtyard in the middle of the proposed development with pedestrian connectivity to Newport rather than a street with on-street parking and sidewalks allowing for through traffic.

Staff recommended that the County Council approve the removal of a portion of Center Drive for the proposed townhome development.

Michael Brodsky, the applicant, explained that the decision to design the project this way was strongly influenced by the DRC. They did an extensive analysis to determine the amount of additional traffic their development would impose, and it was very minimal on Park Lane. He explained that the existing configuration for the site included 24 parking stalls that would back onto Park Lane, so this configuration is not new. He noted that the Fire Marshall and the County

Engineer reviewed and endorsed this concept. He acknowledged that there have been concerns about pedestrian connectivity through the development, and the proposed plaza will significantly help pedestrian connectivity from Cottonwood III to the retail and restaurant areas. They have also designed walkways that connect to Park Lane so the adjacent townhome residents can also use the plaza. It did not make sense to them to build a parallel road 60 feet from an existing road that is more than capable of handling the traffic from the proposed 23 homes. He noted that the cars from only 12 units would back into Park Lane, and the others would back into the parking lot on the other side of the development.

Chair Robinson opened the public hearing.

Jeff Gochner, representing Cottonwood III, owner of the Newpark office buildings and Parcel P-2 on which the development is proposed, recalled that they have long argued that there is no need for Center Drive. They cannot see the justification for creating another roadway 60 feet from a road that already works, and the traffic studies support that. He did not understand why more traffic would use Park Lane North, because people will not come that way to get to the office buildings. They could come that way to the recreation center, but there are many other ways to get there. He noted that Park Lane North is traffic calming and is not conducive for traffic to drive through there. If people want to go from the office building to the retail, they will typically use Highland Drive, but if they go through the parking lot and through the hotel underpass, they would not use Park Lane North. He stated that they are very supportive of this project and did not see the rationale or justification for Center Drive.

Mr. Brodsky noted that the original configuration showing Center Drive was based on a significantly different use than what they currently have. Restaurant and retail uses were originally proposed for this area, but that is no longer the case, and this is now a quiet residential neighborhood.

Mr. Gochner noted that, before Cottonwood III was approved, a 100-unit apartment building was approved on that site that did not include Center Drive, so precedent was already established for not needing Center Drive.

Chair Robinson closed the public hearing.

Council Member Ure asked if the Center Drive area is used for snow storage in the wintertime. Mr. Brodsky replied that it is, and it was very clear that this would be used for snow storage until it was built out. They have had a number of meetings with the homeowners association that is responsible for snow removal, and in heavy snow years, the snow will have to be hauled away. They understand and anticipate that. Chair Robinson noted that, by not creating Center Drive, there will be less area where the snow will have to be removed and hauled away.

Mr. Thomas explained that the amendment to the development agreement would take out Center Drive and replace it with a pedestrian plaza, and he read the proposed language.

Council Member Carson commented that it appears Park Lane North would be quite tight for snow removal and asked if there is any possibility of moving part of the green space in the courtyard to the Park Lane side of the buildings to accommodate a future expansion of Park Lane North. Mr. Brodsky explained that Park Lane North is 22 feet wide with a 2-foot curb, and the

plaza is a nice amenity for the entire community. He indicated the sidewalk connectivity and explained that there is connectivity on both sides as well as a connection between the buildings. It also provides connectivity to the trail system.

Council Member Armstrong made a motion to approve Ordinance 829 to amend the Newpark Development Agreement to eliminate a portion of Center Drive with the following findings of fact, conclusions of law, and conditions of approval shown in the staff report and to authorize the Chair to sign:

Findings of Fact:

1. The Newpark Development Agreement was approved on October 18, 2001, and was subsequently amended in December 2002. It provided for 819,360 square feet of density on approximately 37 acres.
2. Cottonwood Partners is the owner of record of Parcel NPRK-P-2.
3. The development parameters for this project are specifically set forth in the Newpark Development Agreement.
4. The proposed Final Plat and Final Site Plan are legally described as Nevis at Newpark.
5. There is 76,360 sq. ft. of remaining density for the Newpark Town Center.
6. The proposed project consists of 29,041 sq. ft. of residential density, configured in 23 units, a parcel used for Cottonwood III parking, and a common area parcel.
7. There are 19 proposed 1,255-sq.-ft. units and 4 proposed at 1,299 sq. ft.
8. The density is established by the Newpark Development Agreement pool of density.
9. If approved, the remaining density for Newpark Town Center would be 47,319 sq. ft.
10. Parking is regulated and accepted by the Engineering Department.
11. The Design Review Committee reviewed the Nevis at Newpark Final Plat and the Final Site Plan and positively recommended them to the Snyderville Basin Planning Commission.
12. The Newpark Development Agreement establishes that the Summit County Council “is the Land Use Authority for [Substantial Development Agreement Amendments].”
13. Public notice of the public hearing was published in the July 12, 2014, issue of *The Park Record*.
14. Postcard notices announcing the public hearing were mailed to property owners within 1,000 feet of the subject parcel on July 1, 2014.
15. Service providers have reviewed the plat for compliance with applicable standards, and no project issues have been identified that could not be mitigated.
16. Staff has reviewed the proposed plat and final site plan for compliance with applicable Development Code standards.
17. Staff has reviewed the proposed plat and final site plan for compliance with the Newpark Development Agreement standards.
18. On May 27, 2014, the Snyderville Basin Planning Commission forwarded a positive recommendation to the Summit County Council for the proposed Development Agreement Amendment.
19. On May 27, 2014, the Snyderville Basin Planning Commission forwarded a positive recommendation to the Summit County Manager for the proposed Nevis at Newpark Final Plat and Final Site Plan.

Conclusions of Law:

1. **The Summit County Engineer’s Office has accepted the proposed deletion of Center Drive.**
2. **The applicable service providers have accepted the proposed deletion of Center Drive.**
3. **The proposal meets the terms of the Newpark Development Agreement.**
4. **The proposal meets the applicable standards of the Snyderville Basin Development Code.**

Conditions of Approval:

1. **This approval will remain valid only if the Summit County Manager approves the Final Plat and Final Site Plan for Nevis at Newpark.**
2. **All necessary permits must be obtained and fees shall be paid prior to the commencement of any construction activity, including but not limited to the Summit County Engineering and Summit County Building Departments.**

The motion was seconded by Council Member Ure and passed unanimously, 4 to 0. Council Member McMullin was not present for the vote.

Council Member Carson commented that she still believes there are issues that are not resolved. Council Member Ure agreed.

Mr. Brodsky stated that the proposed homes will have solar rooftop panels to provide electricity for up to half of the electricity needs. They have been certified as green built by the National Association of Homebuilders program and will have the most up-to-date energy efficient technology. They will be three stories high and will have rooftop terraces that can be used as patios.

Council Member Carson stated that she is concerned about providing single-level living for an aging population in the community, and it is not available in an affordable price range. Mr. Brodsky explained that these units are targeted to resort buyers.

The County Council meeting adjourned at 8:15 p.m.

Council Chair, Chris Robinson

County Clerk, Kent Jones

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RYAN P.C. STACK
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MARIAH HORNOK
Prosecuting Attorney

Civil Division

DAVID L. THOMAS
Chief Deputy

JAMI R. BRACKIN
Deputy County Attorney

HELEN E. STRACHAN
Deputy County Attorney

To: Summit County Council

**From: Helen Strachan, Deputy County Attorney &
Brian Bellamy, Director of Animal Control**

Meeting Date: August 6, 2014

**Re: *Public Hearing and Possible Approval of Ordinance 113-L, to amend the
Dogs at Large provision of the Summit County Animal Control Code***

Please find attached as **Exhibit A**, a copy of Ordinance 113-L, to amend just the dogs at large provision of the Summit County Animal Control Code. As you will recall, we recently had a work session regarding the entire Animal Control Code. Another work session shall be scheduled to discuss those changes in greater detail. In the meantime, staff wishes to finalize those provisions that relate to dogs at large and expand the ability of those in Summit County and their dogs to recreate off leash. Currently, our code does not have language allowing dogs to recreate off leash within off leash dog areas. As you know, we have three existing off leash dog areas and Snyderville Basin Recreation District, among others, are in the process of possibly expanding their off leash areas, or creating new ones, provided this new code language is adopted.

Per the amendment, a dog would be considered not at large if 1) on a leash or lead, 2) under the control of its owner through the use of an electronic dog collar, provided that the owner maintains voice and sight control and carries a physical leash or lead with them at all times, 3) confined within a vehicle, 4) within the real property limits of the owner, 5) within the real property limits of another with the express permission of the property owner, 6) if the dog is an agricultural dog actively working, 7) if the dog is hunting with its owner or 8) if the dog is within the boundaries of a designated off leash dog area adopted by ordinance or otherwise formally approved by the County, a municipality, a special service district, or a home owner's association within the jurisdiction of the Division of Animal Control. Dogs within off leash dog areas must be under voice and sight control and dogs and owners must abide by certain rules and regulations to be within an off leash dog area.

The Council directed staff to remove the draft off leash dog tag provisions from the current amendments. In lieu of a special off leash dog tag, a current and valid Summit County dog license (not a separate off leash dog tag) shall enable a dog to be off leash within an off leash dog area. When an owner applies for or renews a dog license, the owner shall acknowledge having read and understood the Summit County Animal Control Code, the rules and regulations of the current off leash dog areas,

and that they, as a dog owner, assume certain liabilities with respect to their dog and the actions of their dog. In addition, staff shall be increasing the educational component with respect to the Summit County Animal Control Code in general, and the off leash dog areas in particular.

During the coming budget season, staff respectfully requests that if the County Council is interested in pursuing the off leash dog tag component of the Leash Law Task Force's recommendation, that funding be provided to Animal Control to ensure the program's success. If funding is provided, staff shall present the off leash dog tag portion of the code for the Council's consideration.

At this time, is it respectfully requested that the County Council conduct a public hearing on the dogs at large portion of the Animal Control Code and approve or approve with changes the attached Ordinance.

ORDINANCE NO. 113-L

**AN ORDINANCE AMENDING
SUMMIT COUNTY ANIMAL CONTROL ORDINANCE 113-K**

WHEREAS, the current Summit County Animal Control Code was adopted in 2011; and

WHEREAS, the current Summit County Animal Control Code does not allow dogs to be off leash within designated off leash dog areas; and

WHEREAS, the Summit County Council created a “leash law task force,” which recommended allowing dogs to be off leash in certain designated off leash dog areas; and

WHEREAS, the Summit County Council wishes to expand the opportunities for dogs to be off leash and the ability of people to recreate with their dogs off leash.

NOW THEREFORE, the County Legislative Body of the County of Summit, State of Utah, hereby ordains as follows:

Section 1. Summit County Animal Control Code: The Summit County Animal Control Code is amended as depicted in Exhibit A.

Section 2: Effective Date: This Ordinance shall take effect fifteen (15) days after the date of its publication.

APPROVED, ADOPTED, AND PASSED and ordered published by the Summit County Council, this 6th day of August, 2014.

SUMMIT COUNTY COUNCIL
SUMMIT COUNTY, UTAH

By Council Chair

ATTEST:

SUMMIT COUNTY CLERK

Date of Publication _____, 2014.

EXHIBIT A

100-1-1: DEFINITIONS

As used in this Chapter, the words and phrases specified below shall have the following meanings:

Agricultural Animal or Agricultural Dog: An animal developed or trained to do useful work such as herd other animals rather than kept as a pet.

Animal Shelter: A facility owned, operated, or maintained for the care and custody of seized, stray, homeless, quarantined, abandoned, unwanted animals or animals held for the purpose of protective custody under the authority of this Title or state law.

~~At Large: Any domesticated animal, whether or not licensed, not “under restraint” as defined belowherein.~~

Bite: An actual puncture, tear, or abrasion of the skin inflicted by the teeth of an animal.

Cats: Any age feline of the domesticated types.

Commercial Kennel: Any premises, except where accessory to an agricultural use, where five (5) or more dogs, over four (4) months of age are boarded, trained, groomed, bred, and/or offered for sale for commercial use. The selling of one litter of offspring per year, per premises, shall not be construed as commercial and shall not require a kennel permit.

Director of Animal Control: The director of the Summit County Department of Animal Control who is vested with the power and authority to enforce the provisions of this ordinance.

Dog: Any canis over four (4) months of age.

Domesticated Animals: Animals accustomed to live in or about the habitation of man, including, but not limited to cats, dogs, fowl, horses, swine, goats, and cattle.

Guard Dog: A working dog which must be kept in a fenced run or other suitable enclosure during business hours, or on a leash or under absolute control while working, so it cannot come into contact with the public. This restriction does not apply to service dogs for people and governmental entities and dogs used for agricultural purposes.

Leash or Lead: Any chain, rope, or device used to restrain an animal.

Neuter: A surgical procedure performed on male animals in which its testicles are removed.

Owner: Any person who is either the legal owner, keeper, possessor or the actual custodian of an animal. Ownership is conclusively established by a person registering as owner on a license or

other legal document, or being a person claiming ownership and taking possession of an animal. Where the "owner" is a minor under the age of 18 years, the minor's parents or legal guardian shall be liable for and held responsible for payment of their minor child's citation, fines, and/or late penalties.

Pet: A domesticated animal kept for pleasure rather than utility, including, but not limited to birds, cats, dogs, fish, hamsters, mice, and other animals associated with man's environment.

Private Kennel: Any person owning, possessing or harboring five (5) or more dogs.

Puppy: Any canis four (4) months of age or under.

Quarantine: The isolation of an animal in a substantial enclosure so that the animal is not subject to contact with other animals or unauthorized persons.

Spay: A surgical procedure performed on a female animal in which its ovaries and uterus are removed.

Stray: Any animal "at large" as defined herein.

~~Under Restraint: Any animal under the control of its owner or person having charge, care, custody or control. A dog shall be considered under control of the owner when on a leash or lead, confined within a vehicle, or within the real property limits of the owner.~~

Veterinarian: Any person properly licensed under the laws of the state of Utah to practice veterinary medicine.

Veterinary hospital: Any establishment operated by a licensed veterinarian for surgery, diagnosis, and treatment of diseases and injuries of animals.

Vicious Animal: Any animal which is dangerous or aggressive, including, but not limited to, any animal which has bitten or in any other manner attacked any person or animal.

Vicious Dog: (a) Any dog, which in a vicious or terrorizing manner, approaches any person in apparent attitude of attack upon the streets, sidewalks, or any public grounds or places; (b) Any dog with a known propensity, tendency, or disposition to attack, to cause injury or to otherwise endanger the safety of human beings or animals; or (c) Any dog which bites, inflicts injury, assaults, or otherwise attacks a human being or domestic animal on public or private property.

100-1-9: DOGS RUNNING AT LARGE

A. It shall be unlawful for the owner of any dog or puppy to allow such dog or puppy at any time to run at large. Except as provided in Section 100-1-9(B), a dog or puppy shall be considered under restraint of the owner and therefore not "at large" when: or person having charge, care, custody, or control of any dog to allow such dog at any time to run at large. The owner or person charged with responsibility for a dog found running at large shall be strictly

liable for a violation of this section regardless of the precautions taken to prevent the escape of the dog and regardless of whether or not he knows that the dog is running at large.

1. on a leash or lead,
2. the dog is under the control of its owner through the use of an electronic dog collar, provided that the owner maintains voice and sight control as outlined in Section 100-1-9(B) below and carries a physical leash or lead with them at all times;
3. confined within a vehicle,
4. within the real property limits of the owner,
5. within the real property limits of another with the express permission of the property owner;
6. the dog is an agricultural dog actively working;
7. the dog is hunting with its owner or
8. the dog is within the boundaries of a designated off leash dog area adopted by ordinance or otherwise formally approved by the County, a municipality, a special service district, or a home owner's association within the jurisdiction of the Division of Animal Control.

B. Off Leash Dog Areas

1. Voice and Sight Control: With respect to Section 100-1-9(A)(8) above, dogs within the boundaries of a designated off leash dog area must be managed through the use of "voice and sight control," defined as control of the behavior of a dog which is not leashed or otherwise physically restrained by its owner sufficient that the dog does not, without regard to circumstances or distractions:

- (a) Charge, chase, or otherwise display aggression toward any person or behave toward any person in a manner that a reasonable person would find harassing or disturbing;
- (b) Charge, chase, or otherwise display aggression toward any animal;
- (c) Chase, harass, or disturb wildlife or livestock; or
- (d) Fail to come to and stay with the owner immediately upon command by such person.

2. Off Leash Dog Area Regulations: The following shall be prohibited or illegal within the boundaries of any off leash dog area within the jurisdiction of Summit County Animal Control:

- (a) failure of an owner of any dog within the boundaries of an off leash dog area to carry a leash or lead no longer than 6 feet in length for each dog. Electronic dog collars may not substitute for a physical leash or lead.
- (b) an owner having more than four dogs simultaneously unleashed.
- (c) failure of an owner to exercise voice and sight control at all times
- (d) failure of an owner to properly clean-up and dispose of dog waste.
- (e) bringing a female dog in season (heat) into an off leash dog area.
- (f) failure of a dog to be properly licensed per Section 100-1-5 and to wear a license tag per Section 100-1-6.
- (g) failure to follow any other posted off leash dog area rules and regulations.

C. Sensitive Areas: Summit County recognizes that there are certain sensitive places where dogs and puppies should be on leash at all times. Dogs and puppies may only be allowed

off leash in areas formally designated as off leash areas and beyond 150 feet of an off leash public trail head.

D. The owner of any dog or puppy found running at large shall be strictly liable for a violation of this section regardless of the precautions taken to prevent the escape of the dog or puppy and regardless of whether or not he/she knows that the dog or puppy is running at large.