

# **WORK MEETING**

# Memo

To: Mayor and City Council  
From: Mark K. Anderson  
Date: 02/26/2015  
Re: City Council Agenda Items for March 5, 2015

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## WORK MEETING

**Item 1 – Discuss Proposed Changes to the Farmers’ Market:** Suzanne Hansen, Business License Administrator, is proposing that changes be made to existing practices at the Farmer’s Market. The theme of the market has always been homemade or home grown, but many vendors/causes have been allowed to creep into the market that have made it harder for the market to have a clear identity. Attached are copies of the proposed guidelines and a staff report from Suzanne Hansen indicating how the proposed changes would impact the City financially and what vendors would no longer be eligible to participate. Staff wants to make sure that they have Council support for the proposed changes before new guidelines are sent out.

The most significant changes require all applications to be submitted by June 1<sup>st</sup> to be considered as no vendors would be allowed to join the market during the season. Additionally, 14 of last year’s vendors would no longer be eligible to participate in the Farmer’s Market.

As a word of caution, based on media attention last year, the City may set themselves up for criticism if the Utah Breastfeeding Coalition is denied access to the market based on a policy change.

**Item 2 – Discuss Reorganization of Personnel Policy Committee:** One month ago, I brought forward proposed changes to the makeup and scope of authority of the Personnel Policy Committee. The Council indicated that they wanted to make sure that classified employees have continued opportunity to be a part of the committee. As a result, I have been discussing this issue with department heads and human resources to come up with a better solution. As a result, I am seeking support to modify the makeup of the Board and scope of authority of the Board as outlined in the attached draft policy.

**Item 3 – Approve Airport Hangar Lease Agreement Terms:** The Airport Advisory Board has been working on an amended non-reversionary hangar lease agreement for the past few months and is recommending that the City adopt the enclosed lease agreement for all future hangars. (see enclosed) The portions highlighted in yellow are proposed provisions that have been added or changed from our existing reversionary hangar agreement. Most of the new provisions were taken from the Loveland/Fort Collins, Colorado hangar lease agreement. The most significant changes are as follows:

- The lease agreement is a 20 year non-reversionary lease with (2) 5 year extensions
- The lease allows the tenant to request a new lease at the expiration of the lease
- The proposed initial lease rate is 32¢ per square foot for the entire leasehold. Historically the portion of the leasehold that was unimproved was at 50% of the lease rate for the structure. Revenues that would be generated on a 50' X 50' and 75' X 75 hangar are as follows:

<u>Hangar Size</u>	<u>Historic Rent</u>	<u>New Rent</u>	<u>% Increase</u>
50' X 50'	\$1,184	\$1,568	32.4%
75' X 75'	\$2,344	\$2,888	23.2%

- The agreement indicates the hangar owner is responsible to maintain the asphalt ramp in front of their hangar to the taxilane/taxiway, but the airport is responsible for snow removal of this area. This has been common practice, but we thought it best to reduce it to writing in the lease agreement.
- A section regarding leasehold mortgages has been added to allow lenders to be put on notice of any tenant default.
- If the hangar is sold prior to the end of the lease, the buyer and City may enter into a new lease agreement at the sole discretion of the City if a 1% transfer fee is paid.
- The City is given a first right of refusal to match any purchase offer on a hangar that is to be sold. The City has 10 business days to make a decision.

Staff concerns with the proposed agreement are as follows:

- The proposed language in Section IIC gives very little discretion to the City on whether or not a new lease agreement should be entered into after the lease expires. The City Attorney and I have reviewed this provision and would recommend that language similar to the Loveland/Fort Collins hangar lease agreement remain intact. The recommendation made by the Airport Board does not include the provision highlighted below.

*C. The City desires to offer Lessee an opportunity to enter into a new lease for the Leased Premises on the terms set forth in this Agreement upon the*

*expiration of the last of the two (2) Extended Terms described in Section II.B. above, should they be exercised by Lessee. If Lessee desires to continue occupying the Leased Premises after the expiration of all two (2) Extended Terms, Lessee may request that the City grants a new lease agreement. Such a request shall be made by Lessee in writing and delivered to the City not earlier than three hundred sixty-five (365) days and not later than one hundred twenty (120) days prior to the expiration of the last Extended Term. If: (i) if Lessee is not then in default under any provision of this Agreement; and (ii) the City in its sole discretion wishes to offer to lease the Leased Premises to hangar tenants or an association of the hangar tenants; (iii) the City certifies the conditions of the lease have been met and agrees to offer to lease the Leased Premises to hangar tenants or an association of hangar tenants; and (iv) such a new lease would be consistent with the Airport's master plan then in effect and any and all federal rules, regulations, directives, guidelines or other obligations with respect to Airport, including but not limited to the "grant assurances" to the FAA ; then the City will offer Lessee a new lease of the Leased Premises, under such terms and conditions, including rental rates and duration of the lease term and on the then-current lease form being offered by the City.*

- Although the proposed lease rates increase with the non-reversionary lease, assuming a hangar has a 50 year life, the long term financial return to the City will be lower than a reversionary lease.

Lastly, the Council should feel very comfortable with the proposed lease as I expect that existing reversionary and non-reversionary Daniel Hangar leases will seek a similar agreement.

**Item 4 – Schedule Budget Meeting:** The budget schedule suggests that a budget meeting with the City Council to discuss wages, manpower requests and benefit costs would be held on March 11<sup>th</sup>. An acceptable date that the Council is able to meet prior to March 18<sup>th</sup> needs to be identified.

# TAB 1

March 05, 2015

City Council Work Meeting

Staff Report from Planning and Business Licensing Department concerning Farmers Market proposed changes to the policy

Farmers Market is a great community event! It a great way for crafters and artists to market their creativity, talents and skills. The Planning Department recommends consideration of the following to improve the market.

1. **FEES:** Leave the fees the same as they were. Planning Department does not recall having the Farmers Market included in the Fee Study. Three years ago Planning and Business Licensing staff did a fee study in covering the costs of the market. At \$100 per vendor for the season (\$125 for those requiring electricity) it was determined that the city was still not covering the costs of the market but it put us in a better position to contribute to the music, staff (planning, animal control and police). Heber Valley Farmers Market has the lowest vendor fee from any other market. Park Silly is between \$145 and \$300 per vendor. Oakley is \$150 for applications received prior to Feb 24, \$175 for applications received after February 24. The Tuacahn Saturday Market is \$100 for a 6 week punch card. Their market is year round. Pioneer Saturday Market is between \$300 and \$600 plus a \$25 application fee. To encourage vendors to participate the full season, staff would like to give \$25 refund to those vendors who set up every week!
2. **CUT OFF DATE June 1:** Including a cutoff date on when applications will be accepted until will lessen the workload of the Planning Department. The market manager is at the park a lot of the time during the week before the first market; marking spaces, repainting numbers, etc. When this occurs the planning department is left to take applications, help customers, etc.
3. **ATTENDANCE:** Ask vendors to attend the full season (with the exception of produce because it is typically not ready until July), allowing vendors to miss 1-2 times due to family vacation or illness. When vendor s sign up for one or two weeks it becomes a difficult task to place new vendors in a good location for only one week, then have empty spaces the next week.
4. **PAYMENT:** Ask money to be paid prior to the market beginning. Last year, the total revenue collected after the market started was \$2415. Out of this money, \$930 collected was from non crafters, non produce and non-food vendors. That leaves \$1485 collected from vendors that paid weekly or every other week. There were a few vendors from whom money was never collected.
5. **FARMERS MARKET VALUES:** Go back to the roots of a true Farmers Market, which includes produce, crafts, artists, food for immediate consumption (typically not prepackaged food). Fundraising and political booths have not been allowed to have a booth as they detract from the farmers market experience. Information/ business promoting booths fall into this category. This will open spaces for crafters, artists, produce growers and food for immediate consumption. I have attended several markets that are very strict about only allowing produce, food for immediate consumption (made by the individual—not prepackaged) and artists items. There was a group who tried to push for a true farmers market last year. If we keep our market open for produce, handmade crafts, art work, food prepared on site, or at a cottage kitchen, this

will make more spaces available for the local farmers who would love to participate in our market.

The past few years there has been a growing number of vendors participate in our market that are not crafters, artists, produce or jewelry makers such as:

1. Aspen Glow (Solar Systems) \$100
2. LauraBellas (Womens premade clothing---not by the vendor) \$100
3. Avon \$100
4. BACA (Bikers against Child Abuse) No fee
5. Bad Dog Computing (Computer repair information) \$100
6. Friends of Wasatch Mountain State Park (promote membership in Wasatch Trails Alliance) \$50
7. Paws For Life (Community awareness of animal shelter and pet adoption) \$100
8. Winder Farms (Sign up new customers, sample lemonade, other drinks ) \$100
9. Habitat for Humanity \$20
10. Boy Scouts (selling jamboree tickets) \$20
11. Applegate Homecare & Hospice (Promote services offered by Applegate) \$100
12. Prepackaged ice cream bars, sandwiches (one week) \$20
13. Breastfeeding Coalition (Breastfeeding Café) \$20
14. Voter Registration (have paperwork for people to register to vote) \$100
15. Rotary Club No Fee
16. Wasatch County Fair (rodeo ticket sales) No Fee

16 vendors: \$930

Out these 16 vendors, 6 of them signed up between 1 and 6 weeks after the market started, 4 of them showed up at the market and set up without submitting applications.

WE have typically accepted applications all summer long. Last year vendors had to submit their application at least one week prior to the week they wanted to attend. This tends to prolong the chaos of the application process. The following are benefits to adopting theses proposed changes.

1. Less workload on the Planning Department.
2. Less vulnerability of having money at the park.
3. Improves the overall collection rate of fees.

**Recommendation:** Staff is recommending the City Council to consider adopting these policy changes listed above. Notices are sent out in March. Any policy changes need to be approved as soon as possible.

Mayor: Alan W. McDonald  
Council: Robert L. Patterson  
Jeffery M. Bradshaw  
Erik Rowland  
Heidi Franco  
Kelleen L. Potter

## HEBER CITY CORPORATION

75 North Main  
Heber City, Utah 84032

Phone (435) 654-0757  
Fax (435) 657-2543

March 10, 2015

Dear Vendor:

Heber City Corporation is now accepting applications for the 2015 Farmers Market. The market starting date is June 11. It will be held every Thursday, ending August 27. Enclosed is the application for the 2015 season and the park/market rules.

**Applications must be received prior to June 01, 2015.  
LATE APPLICATIONS WILL NOT BE ACCEPTED!**

Vendor space will be assigned depending on the following criteria:

1. Timeliness in which the completed application is returned to Heber City Corporation;
2. Vendor history of compliance with state and local rules and regulations;
3. Vendor history of market participation. Significant weight, priority and preference should be given to vendors returning from previous seasons;
4. Electricity requirements
5. If the vendor brings his/her own generator; and
6. Number of weeks the vendor signs up for.

All food vendors will also need to send a copy of their Health Permit from the Wasatch County Health Department. **A Copy of this permit must be turned in with the application before a space will be issued.** The person to contact at the Wasatch County Health Department is Dwight Hill, (435) 657-3261, 55 South 500 East, Heber City, UT 84032.

**All produce vendors must meet the guidelines issued from the Utah State Department of Agriculture.** They can be reached at (801) 538-7124.

The Farmers Market hours are from 4:00 p.m. - 9:00 p.m. Food vendors are allowed to arrive by 2:30 p.m. to set up. All other vendor must arrive no sooner than 3:00 p.m. to set up. **If you arrive late, your spot will not be held for you.** If you know you will not be able to attend a certain market day, please notify the Heber City Planning Office at least 24 hours prior to the date you will not be able to attend; failure to do so may result in your space being issued to another vendor for the rest of the season. The number to call is (435) 657-7899.

The Concert in the Park begins at 6:30 p.m. The band will play until approximately 8:30 p.m.

HEBER CITY CORPORATION

Suzanne Hansen, CBLO  
Heber City Business License Administrator

## 2015 Heber Valley Farmers Market Rules and Instructions

1. All Applications must be received prior to June 01, 2015. Late applications will not be accepted.
2. All prospective vendors must have items that are handmade by the applicant or under the direction and control of the applicant. Merchandise imported from outside of the United States will not be permitted. Produce must be grown in the United States. "MADE OR GROWN IN THE USA" is the concept of the market! Items made or grown outside of the United States will not be allowed at this market! **ALL PRODUCE GROWERS MUST CONTACT THE UTAH STATE DEPARTMENT OF AGRICULTURE.** They can be reached at (801)538-7124.
3. Farmers Market begins June 11, 2015 and will be held every Thursday until August 27, 2015. Market time is from 4:00 p.m. - 9:00 p.m. All food vendors need to arrive by 2:30 pm to set up. Craft vendors need to begin setting up no earlier than 3:00 pm. Most craft vendors need to be prepared to unload their merchandise and park their vehicles either across Main Street in the Police Station parking lot, or parking in one of the nearby parking lots. Vendors who arrive earlier than these designated times interfere with the Parks Department maintaining the lawns. Because of the growing number of vendors who wish to participate, if you are not in the space issued to you by 3:30 p.m. your space will not be held.
4. Individual vendors are required to obtain all permits required by state and local agencies. A copy of these permits must be included with the Farmers Market application before a space will be issued (Wasatch County Department of Health (435-654-657-3261) for all food items, Utah State Department of Agriculture for produce (801-538-7124).
5. All vendors are required to collect sales tax. The tax rate for retail in Heber City is 6.25%, produce is 3.25 %. And food for immediate consumption is 7.25%. A Special Events Temporary Sales Tax Number will be issued to each vendor along with the permit for a booth from Heber City Corporation. Each vendor is responsible to submit the appropriate sales tax collected to the Utah State Tax Commission.
6. **Fund-raising activities, Political booths, and information booths are not permitted.**
7. The cost to be a vendor for the entire season is \$100.00 for a space without the use of electricity, or \$125.00 for a space using electricity. If more than one outlet is needed, extra fees may incur. If you choose to pay weekly, the cost is \$20.00 per week without electricity or \$25.00 with electricity. If a check is returned as "NSF", a \$20.00 fee will be added to the total.
8. Food vendors must obtain an "Extended Temporary Food Permit issued from Wasatch County Health Department. **A copy of this certificate must be turned in with the Farmers Market application.** Vendors who do not submit this with their application will **not** receive a space **until** it is received by Heber City Business License Administrator. It must be received by Heber City Business License Administrator no later than one week before the market begins. Additional fees will be charged by the Wasatch County Health Department along with an application for a "Health Permit". This application can be obtained at 55 South 500 East, Heber City. The contact person is Dwight Hill. He can be reached at (435) 657-3261. An alternate number is (435) 657-3264, ask for Carolyn. All Health Department fees are the responsibility of the individual vendor.
9. Glass containers, and drinks in glass bottles will not be allowed.

10. Produce is excluded from the County Health Department regulations. All produce must be sold in raw, whole, fresh, unprocessed and not prepackaged form. For more information concerning the State requirements please contact the Utah State Department of Agriculture at (801) 538-7124.
11. If a vendor sells food by weight, a certified scale must be issued. (Utah State Weights & Measures)
12. All Vendors are responsible for providing their own booth, table and supplies with a canopy **no larger than 10" x 12"**. Food trucks /carts that are required to park on the road are exempt from having a canopy. Vendors who require more space must pay for the extra space. (Example: 30 feet wide is 3 spaces, 10 ½ feet wide is two spaces.) Canopies must have weighted anchors to protect from wind damage. Stakes in the grass are not permitted in order to protect the sprinkler system in the park.
13. All sales must take place from your assigned booth. Roving sales are not permitted. The booth and displays must be confined to the booth space and not encroach on the walkways, or on the sides and rear of the allotted space.
14. Vendors are responsible to keep the area around their booth safe and clean, garbage picked up, etc. Vendors are required to take their own garbage to the large dumpster, and not fill up the public garbage cans. If garbage is left in your space, a warning will be given for the first offense. A second offense will result in the vendor not being allowed to set up the following week.
15. VEHICLES MUST STAY OFF THE GRASS.
16. Pets are not allowed in the park, (This means dogs, cats, birds, snakes, and other animals).
17. Extension cords must be maintained in good condition without splices, deterioration, or damage and have a "UL Listing"
18. The Market Manager reserves the right to deny a vendor if there is too much duplication of a service or product.
19. Smoking is prohibited. Heber City follows the "Utah State Clean Air Act", which prohibits smoking in public places. This includes e cigs.
20. Heber City Corporation shall be indemnified from any accident or incident which may occur during Farmers Market.
21. Applications received the day of market will not be allowed to set up the same day.

I look forward to working with you on this fun event.

HEBER CITY CORPORATION

Suzanne Hansen  
Heber City Business License Administrator



**2015 Heber Valley Farmers Market**  
**Vendor Application (Incomplete applications will not be processed)**  
**Applications will not be accepted after June 01, 2015**

Applicant Name \_\_\_\_\_

Business Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Home Phone \_\_\_\_\_ Work Phone \_\_\_\_\_

e-mail \_\_\_\_\_

SSN and/or SALES TAX # or TAX EXEMPT # \_\_\_\_\_

**(This information must be provided in order to be a vendor at Heber Valley Farmers Market)**

Circle the weeks you would like to attend:

June	July	August
11	02	08
18	09	13
25	16	20
	23	27
	30	

**FEES: Vendor space will not be guaranteed until all fees are paid**

entire season without electricity	\$100.00*
entire season with electricity (per outlet)	\$125.00*
weekly without electricity	\$20.00**
weekly with electricity (per outlet)	\$25.00**

\*This fee applies only to those who pay in full prior to the market starting

\*\*This fee must be paid to Heber City each week the vendor participates in the market

I will be selling:

\_\_\_\_\_ Intermountain West grown produce, honey, or flowers (Must contact Utah State Department of Agriculture)

\_\_\_\_\_ Crafts that I handmade. **Items made outside of the United States will not be accepted.**

\_\_\_\_\_ Processed foods (must be in compliance with all Utah State Department of Agriculture rules)

\_\_\_\_\_ Food prepared at the Heber Valley Farmers Market (A copy of your Wasatch County Department of Health Extended Temporary Food Permit must be included with this application)

Heber City Farmers Market is strictly for crafters, artists, produce and food for immediate consumption. **All vendors must obey the rule of made or grown in the USA.**

**If what you propose to sell does not follow this rule, you will not be allowed to have a booth at this market.**

Please list all products that you have grown, created, or would like to sell at the market: (Be Specific)

\_\_\_\_\_  
\_\_\_\_\_

**(Vendor & product eligibility and acceptability will be determined by Farmers Market Management)**

I am applying for a space in the 2015 Heber Valley Farmers Market.

I have read the rules and instructions and agree that Heber City Corporation shall be indemnified from any accident or incident.

Signature \_\_\_\_\_ Date \_\_\_\_\_

**For Office Use Only**

Accepted      Yes      No      Date Received \_\_\_\_\_

Check # \_\_\_\_\_

Cash \_\_\_\_\_

If you have questions, please contact Suzanne Hansen, Heber City Business License Administrator at (435) 657-7899.

**REFUND SCHEDULE**

Before June 10, 2015	Full Refund
June 11,-August 27, 2015	No Refund

Applications can be mailed to:

HEBER CITY CORPORATION  
c/o Suzanne Hansen  
75 North Main Street  
Heber City, UT 84032

## 2014 FARMERS MARKET VENDORS

Don Wills	Don Wills	Heber City	<a href="mailto:k1don@msn.com">k1don@msn.com</a>	\$100.00	4/4/2014
Michelle Ercanbrack	Haliewa Ice	Heber City	<a href="mailto:mitchreichcheri@gmail.com">mitchreichcheri@gmail.com</a>	\$125.00	4/7/2014
Dana Martin	Dana martin	Heber City	<a href="mailto:202dana@gmail.com">202dana@gmail.com</a>	\$100.00	4/7/2014
Dana Martin	Dana martin	Heber City	<a href="mailto:202dana@gmail.com">202dana@gmail.com</a>	\$50.00	4/8/2014
Edward Wittrock	Edward Wittrock	Kamas	<a href="mailto:epw2@yahoo.com">epw2@yahoo.com</a>	506-36-2261	share w/dana
Stephanie Schirman	Naturally Forested	Oakley	<a href="mailto:s4schirman@gmail.com">s4schirman@gmail.com</a>	200-52-8513	share w/dana
KT Buck	Designing Dragonflies	Heber City	<a href="mailto:designingdragonflies@yahoo.com">designingdragonflies@yahoo.com</a>	\$100.00	4/7/2014
Lisa Angotti	Deer Valley Resort	Park City	<a href="mailto:langotti@deervalley.com">langotti@deervalley.com</a>	\$100.00	4/7/2014
Becky Loveless	Be Informed	Heber City	<a href="mailto:becslopeless@gmail.com">becslopeless@gmail.com</a>	\$125.00	3/31/2014
Joann Parker	Parker Farms Produce	Clinton	<a href="mailto:joannparker13@gmail.com">joannparker13@gmail.com</a>	\$100.00	4/7/2014
Anna Bamgartner	Peak & Pine Handmade	Heber City	<a href="mailto:peakandpinehandmade@gmail.com">peakandpinehandmade@gmail.com</a>	243-65-6494	
Eddis Witt	Bows & Things	Heber City	<a href="mailto:eddiswitt@hotmail.com">eddiswitt@hotmail.com</a>	\$100.00	4/7/2014
Karen Goates	The Purple Stitch	Taylorville	<a href="mailto:bobgoates@comcast.net">bobgoates@comcast.net</a>	\$100.00	4/7/2014
Jessica Sonderegger	Kolaches On Main	Heber City	<a href="mailto:jess.sonderegger@gmail.com">jess.sonderegger@gmail.com</a>	\$125.00	4/7/2014
Valerie Roadfuss	Just Fussin Around	Midway	<a href="mailto:fusser00@aol.com">fusser00@aol.com</a>	\$100.00	4/7/2014
Tim Yates	IndigoSky Art	Draper	<a href="mailto:tim@indigoskyart.com">tim@indigoskyart.com</a>	12368822-00	
Alondra Santana	Alondra Santana	Park City	<a href="mailto:asantana45@hotmail.com">asantana45@hotmail.com</a>	\$125.00	4/8/2014
Paeh Finau	Touch of Polynesia	WVC	<a href="mailto:paeafinau@hotmail.com">paeafinau@hotmail.com</a>	\$125.00	5/1/2014
Paeh Finau	Touch of Polynesia	WVC	<a href="mailto:paeafinau@hotmail.com">paeafinau@hotmail.com</a>	\$125.00	5/1/2014
Karin Harmon	Friends of Kings Peak	Heber City	<a href="mailto:friendsofkingspeak@ymail.com">friendsofkingspeak@ymail.com</a>	\$100.00	5/1/2014
Darrin Caldwell	Papa Murphys' Pizza	Heber City	<a href="mailto:heberbillies@gmail.com">heberbillies@gmail.com</a>	\$125.00	5/1/2014
Angela Johnson	Lost TruthPress	Park City	<a href="mailto:manifesturlife@yahoo.com">manifesturlife@yahoo.com</a>	\$100.00	5/1/2014
Maximilian Gobba	Churroland	Heber City	<a href="mailto:vaninatorreyra2@hotmail.com">vaninatorreyra2@hotmail.com</a>	\$125.00	4/9/2014
Bryan Bresnan	Bad Dog Computing	Heber City	<a href="mailto:bryan@baddogcomputing.com">bryan@baddogcomputing.com</a>	\$125.00	4/29/2014
Sherry Bolca	Friends of Wasatch Mountain State	Midway	<a href="mailto:sherasim1d@gmail.com">sherasim1d@gmail.com</a>	\$50.00	5/13/2014
Rachel Gunnell	Bowlicious Boutique	Eagle Mtn	<a href="mailto:rachelanddanny@gmail.com">rachelanddanny@gmail.com</a>	\$100.00	5/13/2014
Hector Garcia	Iglesia Apostolica	Payson	<a href="mailto:pastor_garcia64@yahoo.com">pastor_garcia64@yahoo.com</a>	\$125.00	5/21/2014
Rosemary Giles	Navajo Tacos	Heber City	<a href="mailto:dannahai@aol.com">dannahai@aol.com</a>	\$125.00	5/21/2014
Leobardo Lara	Mini Market	Heber City	<a href="mailto:leobardoll@hotmail.com">leobardoll@hotmail.com</a>	\$125.00	
Maria Botello	Antojitos Mexicanos	Heber City	<a href="mailto:durantont@hotmail.com">durantont@hotmail.com</a>	\$225.00	8/26/2014
Axel Krider	Ami's	Heber City	<a href="mailto:axek.krider@yahoo.com">axek.krider@yahoo.com</a>	\$125.00	5/20/2014
Momi Smith	Japanese noodles	Heber City	<a href="mailto:mominishimura@gmail.com">mominishimura@gmail.com</a>	\$100.00	5/20/2014
Kelly Baker	Pink Elephant Coffee Roasters	Midway	<a href="mailto:pinkelephantcoffee@gmail.com">pinkelephantcoffee@gmail.com</a>	\$100.00	5/22/2014
Kevin Dalebout	Kevins Gourmet Kitchen	Heber City	<a href="mailto:kevindalebout@gmail.com">kevindalebout@gmail.com</a>	\$125.00	5/22/2014

Cathy Boruch	Paws For Life	Heber City	<a href="mailto:cathyboruch@gmail.com">cathyboruch@gmail.com</a>	\$100.00	5/22/2014
Elena Lara	La Carreta	Orem	<a href="mailto:vicsclean@gmail.com">vicsclean@gmail.com</a>	\$125.00	5/22/2014
Tim MacCourtney	Maclicious	Spanish Fork	<a href="mailto:debtimmac@gmail.com">debtimmac@gmail.com</a>	\$100.00	5/25/2014
Mike Falvo	Winder Farms	West Valley City	<a href="mailto:mike.falvo@winderfarms.com">mike.falvo@winderfarms.com</a>	\$125.00	06/02/2014
Katherine Startup	Katherines Creations	Spanish Fork	<a href="mailto:katherinestartup@hotmail.com">katherinestartup@hotmail.com</a>	647-88-6065	
Katherine Startup	Chaskis Chicken	Spanish Fork	<a href="mailto:devinstartup@gmail.com">devinstartup@gmail.com</a>	647-88-6065	
Matt Bost	Coldstone Creamery	Park City	<a href="mailto:coldstonepc@gmail.com">coldstonepc@gmail.com</a>	\$125.00	6/2/2014
Maria Silva	Tropical Fruit	Orem	<a href="mailto:tropicalfruit@gmail.com">tropicalfruit@gmail.com</a>	\$125.00	5/28/2014
Kent King	Crepe Factory	Heber City	<a href="mailto:amcapmor@yahoo.com">amcapmor@yahoo.com</a>	\$125.00	6/2/2014
Shelley Barrus	Habitat for Humanity	Park City	<a href="mailto:sbarrus@habitat-utah.org">sbarrus@habitat-utah.org</a>	\$20.00	5/28/2014
Nelly Bonilla	Amkha Misky Peruvian Specialties	Orem	<a href="mailto:nellymelgar17@hotmail.com">nellymelgar17@hotmail.com</a>	46-2320891	
Diana Espinoza	Don Pedros	Heber City	<a href="mailto:donpedros.heber@gmail.com">donpedros.heber@gmail.com</a>	\$100.00	6/5/2014
Paige Douglas	Paige Douglas	Heber City	<a href="mailto:paigedouglasemail@yahoo.com">paigedouglasemail@yahoo.com</a>	\$125.00	6/5/2014
Mike Richardson	Mike Richardson	Heber City	<a href="mailto:parkcity1302@yahoo.com">parkcity1302@yahoo.com</a>	\$100.00	6/5/2014
Steve DeBoom	Steve DeBoom	Heber City	<a href="mailto:sdboom@wasatchfitness.us">sdboom@wasatchfitness.us</a>	\$200.00	6/5/2014
Mac Kohler	Boy Scouts	Heber City	<a href="mailto:micksmac@comcast.net">micksmac@comcast.net</a>	\$20.00	6/5/2014
Gustavo Ponce De Leon	Las Chatas	Heber City	UT	\$60.00	6/5/2014
DJ Mitchell	DJ Mitchell	Paragonah	<a href="mailto:dj@jqackrabbitchese.com">dj@jqackrabbitchese.com</a>		
Jen McCarthy	Food For Thought	Heber City	<a href="mailto:jen3817@gmail.com">jen3817@gmail.com</a>		
Alan Riley	Rileys Farm Fresh	Payson	<a href="mailto:jordandri@gmail.com">jordandri@gmail.com</a>		
Dave Udy, Mary Snadino	Grandmas Sandinons	Salt Lake City	<a href="mailto:daveudy@gmail.com">daveudy@gmail.com</a>		
Inge Thompson	Grow on Container Gardening	Park City	<a href="mailto:sofiebark@yahoo.com">sofiebark@yahoo.com</a>	242-47-1852	
Luann Lukenbach	LuAnns Cupcakes & Bakery	Park City	<a href="mailto:luann9@juno.com">luann9@juno.com</a>	\$40.00	6/26/2014
J Kirby Snideman	KlrbYQ Cajun & BBQ	Provo	<a href="mailto:snideman@gmail.com">snideman@gmail.com</a>		
Gay Lynn Costa	GG'sGems	Kamas	<a href="mailto:gigglynn@gmail.com">gigglynn@gmail.com</a>		
Ryan Cooper	R Cooper Sales	Lehi	<a href="mailto:ryankcooper@gmail.com">ryankcooper@gmail.com</a>		
JR & Colleen Cummings	Cummings Farms	Heber City	<a href="mailto:Colleen_avon@msn.com">Colleen_avon@msn.com</a>		
Dax Massengill	Coyote Farms	Heber City	<a href="mailto:daxden@gmail.com">daxden@gmail.com</a>		
Mark Irons	Mark Irons	Orem	<a href="mailto:markirons27@yahoo.com">markirons27@yahoo.com</a>		
Lyndsey Lloyd /Sarah Cla	Quaint Collections	Midway	<a href="mailto:quaintcollections@gmail.com">quaintcollections@gmail.com</a>	\$100.00	6/7/2014
Elizabeth Ducoff	Creative Crafts	Heber City	<a href="mailto:elizabethducoff@aol.com">elizabethducoff@aol.com</a>	\$100.00	6/7/2014
Justin & Lindsay bowen	Wisp	Heber City	<a href="mailto:wisp@roammediagroup.com">wisp@roammediagroup.com</a>	\$125.00	6/7/2014
Raul Riveria	Tequenos Factory	Murray	<a href="mailto:raul4829@hotmail.com">raul4829@hotmail.com</a>	\$125.00	6/10/2014
Natie Yellis	Applegate Homecare & Hospice	Heber City	<a href="mailto:natalie@applegatehomecare.com">natalie@applegatehomecare.com</a>	\$100.00	6/7/2014

Jason Lively	Jimmy Crack Corn	Heber City	<a href="mailto:supremecorn@gmail.com">supremecorn@gmail.com</a>	\$125.00	6/7/2014
Rex Broadhead	Heber Valley BACA	Heber City	<a href="mailto:4@msn.com">4@msn.com</a>	NZ-0331	
Miriam Corona	The Salsa Place	Spanish Fork	<a href="mailto:lunadivine68@hotmail.com">lunadivine68@hotmail.com</a>	\$20.00	6/26/2014
Kelli Winn	Tropical Sno Dealership	Heber City	UT	\$100.00	7/7/2014
Debbie Henley	Avon	Heber City	UT	\$100.00	6/11/2014
Carol Potter	Healthy Wasatch	Heber City	<a href="mailto:carolpotteraz@gmail.com">carolpotteraz@gmail.com</a>		
Beverly Knudsen	Backdoor Bakery	Centerville	<a href="mailto:ctipartners@yahoo.com">ctipartners@yahoo.com</a>	\$100.00	6/11/2014
Larry Proctor	Teres	Toole	UT	\$100.00	6/12/2014
Shauna VanWagoner	Wasatch Conmmunity Foundation	Midway	UT		
Rob Kinch	Riverdale Farms	Heber City	<a href="mailto:robk@redmondtrading.com">robk@redmondtrading.com</a>	546-57-3687	
Sierra Brooks	Utah Breastfeeding Coolition	Salt Lake City	<a href="mailto:sierra@bud2blossom.com">sierra@bud2blossom.com</a>	\$20.00	6/18/2014
Gloria Cowley	Cowley Farms	Payson	<a href="mailto:gscowley5@gmail.com">gscowley5@gmail.com</a>	529-98-4032	
Annette Edwards	Rotary Club				
Valerie Cummings	Wasatch County Forest Service				
Jack Hansen	Jack Hansen orchards	Orem	UT		
Spencer Coleman	Corn Dog Express	Midway	<a href="mailto:corndogexpress@gmail.com">corndogexpress@gmail.com</a>	\$125.00	6/25/2014
Robert Almond	R A Books & Associates	Provo	UT	\$80.00	7/17/2014
Christine Miller	Mommas Circus	Heber City	<a href="mailto:alliaskofyou79@gmail.com">alliaskofyou79@gmail.com</a>	\$25.00	Jun-14
Mindy Wadsworth	Ruffles & Rox	Oakley	<a href="mailto:rufflesyrox@gmail.com">rufflesyrox@gmail.com</a>	529-75-0802	
Cheryl Dudley	Page Thirty Five	Heber City	<a href="mailto:cheryl@pagethirty-five.com">cheryl@pagethirty-five.com</a>	\$20.00	7/3/2014
Scott Griffin	Aspenglow Solar	Park City	<a href="mailto:scott@aspenglowsolar.com">scott@aspenglowsolar.com</a>	\$100.00	7/7/2014
Wendy LeMaster	The Typsy Gypsies	Lehi	<a href="mailto:thegypsies@typsygypsies.com">thegypsies@typsygypsies.com</a>	529-17-6113	
Jane Shepherd	Beartooth Bites	Farmington	<a href="mailto:canececil@ymail.com">canececil@ymail.com</a>	227-66-5839	
Ron Bigger	Tableland	West Jordan	<a href="mailto:sunnyinslc@msn.com">sunnyinslc@msn.com</a>		
Mindy Splinter	Incredible Ice Cream	Heber City	<a href="mailto&gt;window.dynamics@gmail.com">window.dynamics@gmail.com</a>	\$20.00	7/15/2014
Elizabeth Pennington	Soulshine	Heber City	<a href="mailto:penningtonu2@hotmail.com">penningtonu2@hotmail.com</a>	\$100.00	7/15/2014
Rochelle Moore	Applejacs Delights	Heber City	<a href="mailto:brmoore1@msn.com">brmoore1@msn.com</a>	\$20.00	7/15/2014
Teresa Patterson	Teresa patterson	Provo	<a href="mailto:teresapatt@comcast.net">teresapatt@comcast.net</a>	\$20.00	7/17/2014
Rocio Martin	Stones In Bloom	Spanish Fork	<a href="mailto:roc.martin@hotmail.com">roc.martin@hotmail.com</a>	\$60.00	8/21/2014
Laura Young	LauraBellas	SLC	<a href="mailto:youngevents@yahoo.com">youngevents@yahoo.com</a>	\$100.00	7/30/2014
Ana Ortiz	Ana's Jumping Balloons	Heber City	<a href="mailto:anaortiz@yahoo.com">anaortiz@yahoo.com</a>	\$20.00	7/31/2014
Melynee Fritze	Melynne Fritze	Midway	<a href="mailto:minfritze@hotmail.com">minfritze@hotmail.com</a>	20	8/2/2014
Pam Gillette	Pamela Gillette Artist LLC	Midway	<a href="http://pamelagilletteartist.com">pamelagilletteartist.com</a>	60	8/4/2014
Parker Mossman	Don's Veggies	Heber City	<a href="mailto:dmossmann@nucenter.org">dmossmann@nucenter.org</a>	nc	8/7/2014

Jayme powers	Jayme powers	Spanish Fork	<a href="mailto:craftlady801@msn.com">craftlady801@msn.com</a>	\$40.00	9/4/2014
Barbara Burns	Be Bubbly Soap	Kamas	<a href="mailto:bebubbly2013@hotmail.com">bebubbly2013@hotmail.com</a>	share space	8/27/2014
LEGEND					
	Food prepared on site				
	samples				
	produce				

\$5,890.00

# TAB 2

### Section 1.3 Personnel Committee

The Personnel Committee, consisting of ~~two~~ one members of the legislative body appointed by the Mayor, the City Manager (as a non-voting member), Human Resources Representative, City Attorney, Chief of Police on odd numbered years and Public Works Director on even numbered years, and three ~~four~~ (43) classified employees ~~and one (1) at-will employee (elected by the full-time employees)~~ shall serve as a review committee of the provisions of the Personnel Ordinance and the policies and procedures promulgated thereunder. The ~~four~~ three classified employees shall consist of one representative from the Police and Animal Control Departments, one representative from the Public Works and Parks/Cemetery Departments, and one representative from the Administrative, Justice Court, Planning, Building and Engineering Departments ~~and one at-large employee~~. The department representatives shall be elected by persons only in the departments they represent. ~~The at-large employee will be the highest vote-getter that is not a department representative and is elected by all employees.~~ The Committee shall make recommendations to the governing body concerning most policies and benefits of all City employees. Provisions that are governed by State and Federal law, pay grades, wage compensation policies and working hours are not within the scope of authority of the Personnel Committee. Amendments to these personnel policies may be adopted by the City Council upon recommendation from the Personnel Committee.

Any employee can propose an agenda item and related information to the personnel committee chair; and if the employee wants to present to the committee on that agenda item; ~~they must gain the concurrence of at least one of the personnel committee members in order to participate in the presentation.~~

**TAB 3**

**HANGAR GROUND LEASE AGREEMENT**

**HEBER CITY AIRPORT**

**LESSOR: HEBER CITY CORPORATION**

**LESSEE: \_\_\_\_\_**

**DATED: \_\_\_\_\_**

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HANGAR GROUND LEASE AGREEMENT

LEASE AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, between HEBER CITY, herein called City, Lessor or Heber City, and \_\_\_\_\_, herein called Lessee.

RECITALS

A. Heber City owns and operates at the HEBER CITY AIRPORT located in Wasatch County, State of Utah, herein called Airport.

B. Lessee desires to lease a parcel of land on the Airport premises for the purpose of erecting and/or maintaining an existing aircraft hangar owned by Lessee for the storage of aircraft.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained, herein, the parties agree as follows:

I. PREMISES.

The City hereby leases to Lessee the Parcel of land only which is known as Daniel Hangar #1 at the Heber City Airport, Wasatch County Utah more fully described on Exhibit "A" attached and made part hereof.

II. TERM.

A. Subject to all other provisions of this Agreement regarding termination reserved herein, the term of this lease shall commence on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ and end on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, a duration of twenty (20) years, hereinafter the "Initial Term," unless sooner terminated in accordance with the provisions hereof.

B. Subject to the conditions set forth herein, Lessee shall have the option to extend the term of this Agreement for two (2) additional periods of five (5) years each, hereinafter the "Extended Term(s)," provided Lessee is not in default in the payment of any rent

or in default in any other provisions of this Agreement at the time of its exercise of any such option. With the exception of rentals due, the terms and conditions applicable during the Initial Term of this Agreement shall remain applicable during any Extended Term. The rent escalation shall continue throughout the Initial Term and any Extended Term as provided.

C. The City desires to offer Lessee an opportunity to enter into a new lease for the Leased Premises on the terms set forth in this Agreement upon the expiration of the last of the two (2) Extended Terms described in Section II.B. above, should they be exercised by Lessee. If Lessee desires to continue occupying the Leased Premises after the expiration of all two (2) Extended Terms, Lessee may request that the City grants a new lease agreement. Such a request shall be made by Lessee in writing and delivered to the City not earlier than three hundred sixty-five (365) days and not later than one hundred twenty (120) days prior to the expiration of the last Extended Term. If: (i) if Lessee is not then in default under any provision of this Agreement; and (ii) the City certifies the conditions of the lease have been met and agrees to offer to lease the Leased Premises to hangar tenants or an association of hangar tenants; and (iii) such a new lease would be consistent with the Airport's master plan then in effect and any and all federal rules, regulations, directives, guidelines or other obligations with respect to Airport, including but not limited to the "grant assurances" to the FAA ; then the City will offer Lessee a new lease of the Leased Premises, under such terms and conditions, including rental rates and duration of the lease term and on the then-current lease form being offered by the City.

### III. FIRST RIGHT OF REFUSAL TO RENEW LEASE

Lessee shall have the first right of refusal to renew this lease agreement on the condition that Lessee is not in default hereunder at the time of such renewal and provided the renewal term does not exceed five (5) years. To renew this Lease under the first right of refusal, Lessee shall provide a minimum of thirty (30) days written notice to Lessor prior to the expiration of the initial lease term stating Lessee's desire the opportunity to exercise his first right of refusal. The terms and conditions contained herein shall govern any renewal of this Lease unless otherwise agreed between the parties hereto. If Lessee fails to provide a minimum of

thirty (30) days written notice to Lessor prior to the expiration of the initial lease term stating Lessee's desire to exercise his first right of refusal, Lessee then, as a result of inaction, loses the opportunity to exercise the first right of refusal and the Lease shall not be renewed.

IV. LEASEE'S RIGHT TO REMOVE IMPROVEMENTS.

Upon the termination of this lease, Lessee shall have the right to remove any improvements erected by Lessee on the premises during the lease term or any renewal. Lessee, upon removal of any improvements shall restore the land to as good condition as it was in prior to the erection of any improvements thereon. Lessee hereby agrees that removal of any and all improvements shall be completed on or before sixty (60) days from termination of this lease. Lessee hereby consents and agrees that any improvements remaining on the premises after the sixty (60) day removal period shall at the option of the City be deemed abandoned and owned by the City without any claim or right whatsoever in Lessee.

V. RENTALS, FEES AND CHARGES.

Subject to re-negotiation and change of rental rates as hereinafter provided, the Lessee agrees to pay the City for the use of the premises, facilities, rights, services and privileges granted herein, the following rental, payable to Heber City.

A. Rental for the above-described parcel was paid for \_\_\_\_ at the current rate of \$0.32 per square foot for entire lease footprint.

Parcel	Area	Rate
_____	_____	_____

B. The rent of the above described land for each following year of the agreement shall be \$\_\_\_\_\_, and is due and payable to Heber City Corporation, in advance, on the first day of each calendar year of the Agreement.

C. Rents provided for herein are subject to an annual change per the Consumer Price Index (C.P.I.)

D. All payments due the City under this Lease, including rent, that are not

paid on or before thirty (30) days from the due date shall incur a late fee of ten (10%) percent for each 90 days or portions thereof that the amount remains delinquent.

E. All payments due the City under this Lease shall be delivered to the Heber City Corporation, 75 North Main Street, Heber City, Utah 84032 or as otherwise directed in writing by the City.

#### VI. USE OF PREMISES

The leased premises and any and all improvements located thereupon shall be used solely for conducting the following activities and shall not be used as overnight sleeping quarters:

A. Storage of aviation related equipment

B. Non-aviation storage as an incidental use on the condition the space is principally used for aviation purposes.

Lessee acknowledges that the premises may not be used for commercial purposes or as a fixed-base operator without Lessee meeting, complying with and obtaining approval for the minimum standards as may exist at that time for such operation. Further, Lessee agrees to maintain the storage in this area in neat condition.

#### VII. CONSTRUCTION – IMPROVEMENTS.

Lessee may make improvements on the premises. Lessee, as additional rent, shall construct and maintain a paved aircraft ramp area on the Leased Premises (the “Ramp.”). The Ramp must be designed and built to specifications, and for a minimum weight bearing capacity, established by the City, built to the full width of the Leased Premises, and to connect with adjacent taxiway, ramp and/or auto parking areas, in order that a continuous and safe pavement section results. If access to the Leased Premises is not available on existing taxiways and/or roadways, then Lessee may also be required to construct the same. It is the responsibility of Lessee to maintain the entire Ramp area, and all other pavement areas on the Leased Premises, in a manner, which is safe and clean of debris so as not to cause danger or unsafe conditions for

taxiing aircraft and Airport users. Notwithstanding the foregoing, the City shall be responsible for snow removal on the aircraft Ramp area excluding any parking and side lots and excluding any area within three feet (3') of any Hangar; provided, however, that priority of snow removal shall be in accordance with the City's Snow Removal Plan as it now exists or as it may be amended in the City's sole discretion. Lessee grants to users of the Airport the right to use aircraft Ramp areas on the Leased Premises from time to time for passage of aircraft on and near the adjacent taxiway. The construction time and default provisions of this Agreement shall be applicable to the Ramp described in this section.

#### VIII. OBLIGATIONS OF LESSEE.

A. Lessee agrees to notify the airport manager, in writing, within ten (10) days of its basing, of the registration number of the aircraft and the person(s) responsible for it, including off hours emergency phone numbers, for all aircraft stored on the leased premises.

B. Lessee shall be solely responsible for all costs or charges for utility services required by the Lessee during the term of this Lease.

C. Lessee agrees to maintain the demised premises including the interior of the hangar in a neat, orderly and safe condition, and free from waste, rubbish, snow or other hazards throughout the term of this Lease. Lessee shall not store or let stand any equipment or property belonging to the Lessee or under the Lessee's custody, outside the boundaries of the leased areas without prior consent of the City, except when such equipment or property is in the process of being loaded or unloaded. Should the Lessee fail to repair and maintain the leased premises in proper condition, the City shall so notify the Lessee in writing. If the Lessee then fails to make such repair or maintenance within ten (10) days after the notice has been sent the City may cause such repair or maintenance service to be made. Lessee agrees to pay all City's costs incurred thereby and reimburse the City therefore on demand. If said costs and expenses are not paid within fifteen (15) days after demand therefore, this Lease shall be deemed to be in default and the City shall be entitled to all legal remedies provided hereunder, including

termination of this Lease.

D. Lessee shall exercise due and reasonable caution to prevent fire, accidents, hazards or nuisances on the premises. Should the Lessee fail to remove or abate said hazard or nuisance after being notified to do so, the City may abate said hazard or nuisance and charge the cost thereof to the Lessee as provided in Section C above, or at the City's option to terminate the Lease.

E. Lessee agrees at its own expense to cause the premises and improvements and appurtenances thereto to be maintained in a presentable condition consistent with good maintenance practices. This shall include, although not be limited to, the obligations of the Lessee to maintain the premises in a clean, neat and orderly condition at all times, and to perform the necessary mowing and snow removal on the premises during the appropriate periods of the year. The Airport will assist in snow removal when capability and priority permit.

F. Lessee shall not erect, install, or cause to permit to be erected, installed or operated upon the premises herein any sign or advertising device without first having obtained the City's consent thereto. If the City consents it may set forth the size, construction, location and general appearance of any such permitted sign or device.

G. Lessee shall not have the right to sell or distribute any parts, fuels, oils, or similar products upon said demised premises or upon said airport pursuant to this Lease.

H. Lessee agrees to keep the demised premises free of any mechanic's or materialmen's liens or other lien of any kind or nature for any work done, labor performed or material furnished thereon at instance or occasion of the Lessee and the Lessee further agrees to indemnify and save the City harmless from and against any and all claims, demands, costs and expenses of any nature whatsoever from any such work done, labor performed or materials furnished.

I. Lessee shall obey all applicable rules, regulations, ordinances and laws that may be from time to time promulgated by the City, State and Federal Government or agency thereof.

J. Lessee agrees to cause to be removed from the premises at its own expense all waste, garbage and rubbish and agrees not to deposit same, except temporarily in connection with collection for removal in Airport designated locations, on any part of the premises or other property of the City constituting the Airport.

K. With respect to new construction the general design and appearance of the same must receive the approval of the Heber City Airport Board

#### IX. LEASEHOLD MORTGAGES.

A. If Lessee shall execute a Leasehold Mortgage of its leasehold estate to an entity which is not directly or indirectly owned or controlled by, or is not under common ownership or control with Lessee (collectively, an "Unaffiliated Entity" hereafter), and if the holder of such Leasehold Mortgage shall provide the City with notice of such Leasehold Mortgage together with a true copy of such Leasehold Mortgage and the name and address of the Mortgagee, then following receipt of such notice by the City, the provisions of this Article shall apply in respect to such Leasehold Mortgage.

B. The term "Leasehold Mortgage" as used in this Agreement shall include, but not be limited to, a mortgage, a deed of trust, a deed to secure debt, or other security instrument by which Lessee's leasehold estate is mortgaged, conveyed, assigned, or otherwise transferred, to secure a debt or other obligation, in connection with the construction contemplated.

C. The City, upon providing Lessee any notice of default under this Agreement or termination of this Agreement, shall at the same time provide a copy of such notice to the Leasehold Mortgagee by first class U.S. mail at the address specified in the notice given pursuant to Article IX, Section A, above. Such Leasehold Mortgagee shall have the additional periods of time specified in Article IX, Section D hereof to remedy, commence remedying, or cause to be remedied the default or acts or omissions which are specified in any such notice. The City shall accept such performance by or at the instigation of such Leasehold Mortgagee as if the same had been done by Lessee.

D. Anything contained in this Agreement to the contrary notwithstanding, if any default shall occur which entitles the City to terminate this Agreement, the City shall have no right to terminate this Agreement unless, following the expiration of the period of time given Lessee to cure such default or the act or omission which gave rise to such default, the Leasehold Mortgagee is given an additional period of thirty (30) days to:

- i. Notify the City of such Leasehold Mortgagee's desire to defeat such Termination Notice; and
- ii. Pay or cause to be paid all rent, additional rent, and other payments then due and in arrears as specified in the Termination Notice to such Leasehold Mortgagee and which may become due during such thirty (30) day period; and
- iii. Comply with due diligence and continuity, or in good faith commence to and with diligence continue to pursue compliance with all non-monetary requirements of this Agreement then in default.

E. The making of a Leasehold Mortgage shall not be deemed to constitute an assignment or transfer of this Agreement or of the leasehold estate hereby created, nor shall the Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this Agreement or of the leasehold estate hereby created so as to require such Leasehold Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions of this Agreement. Any Leasehold Mortgagee who takes an instrument of assignment or transfer in lieu of the foreclosure of the Leasehold Mortgagee shall be deemed to be a permitted assignee or transferee, and shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of Lessee to be performed hereunder from and after the date of such purchase and assignment, but only for so long as such purchaser or assignee is the owner of the leasehold estate. If the Leasehold Mortgagee or its designee shall become holder of the leasehold estate and if the Hangar and Improvements on the Leased Premises shall have been or become materially

damaged on, before or after the date of such purchase and assignment, the Leasehold Mortgagee or its designee shall be obligated to repair, replace or reconstruct the building or other improvements.

X. INDEMNIFICATION AND HOLD HARMLESS.

Lessee expressly agrees to defend, protect, indemnify and hold harmless the City, its officers, agents and employees free and harmless from and against any and all claims, demands, damages, expenses, losses or liability of any kind or nature whatsoever which the City, its officers, agents or employees may sustain or incur or which may be imposed upon them for injury to or death of persons or damages to property arising out of or resulting from the negligent acts or negligent omissions of the Lessee, its officers, agents, employees or guests in their use or misuse of the demised premises. Lessee agrees to defend at its own cost, expense and risk all claims or legal actions that may be instituted against either the Lessee or the City, which arise out of the negligent acts or omissions of the Lessee. Lessee agrees to pay any settlement entered into and satisfy any judgment that may be rendered against either the Lessee or the City as a result of any negligent injuries or damages which have resulted from or are connected with this Lease or the occupancy or use of the demised premises by the Lessee, or its officers, agents, employees or licensees, including reasonable attorney fees.

XI. HEBER CITY ORDINANCES.

Lessee hereby acknowledges the applicability of the Heber City Municipal Ordinances to this Lease Agreement. Lessee hereby acknowledges notice of the terms, conditions and requirements presently contained therein and agrees, so far as said ordinance applies to persons such as Lessee herein, to comply with such ordinances as now in effect or as it may be amended during the term of this Lease or any renewal. **Specifically, the terms and conditions of Title 15 as currently existing or as may be amended are incorporated herein by reference and made part hereof as though written herein.**

## XII. INSURANCE.

Concurrent with the execution of this Lease and as partial performance of the obligations assumed under paragraph X, (INDEMNIFICATION AND HOLD HARMLESS) hereof, the Lessee shall have from a reliable insurance company or companies authorized to do business in the State of Utah, liability insurance in such minimum amount as may be required by Heber City pursuant to reasonable exercise of its municipal powers.

The above insurance policy or policies shall contain an endorsement which provides that the Lessee is named insured as it pertains to said leasehold. Lessee shall provide the City with written evidence of said insurance at all times this Lease is in effect.

All insurance policies secured by the Lessee providing the coverages which affect the leasehold premises required under this Lease shall require each insurer to notify the City by registered or certified mail of any modification, termination or cancellation of any policy of insurance that affects the leasehold premises no less than thirty (30) days prior to the effective date of such modification, termination or cancellation. Notice by the insurer shall be effective upon the receipt of said notice by the City. In addition to any other requirements of this Lease, the Lessee shall notify the City of any modification which affects the leasehold premises, termination or cancellation of any policy of insurance secured by the Lessee pursuant to this paragraph as soon as the Lessee learns of any such modification, termination or cancellation. Each of said policies shall stipulate that the policy provided coverage is not subordinate to nor contributing with any other insurance coverage held or maintained by the City. The procuring of such policy or policies of insurance shall not be construed to be a limitation upon the Lessee's liability or a waiver of performance on the Lessee's part of the indemnification and hold harmless provisions of this Lease; and the Lessee understands and agrees that notwithstanding any policy or policies of insurance it remains the Lessee's obligation to protect, indemnify and hold harmless the City hereunder for the full and total amount of any damage, injuries, loss, expense, costs or liabilities caused by or in any manner connected with or attributed to the negligent acts or omissions of the Lessee, its officers, agents, employees, licensees or the operations conducted

by the Lessee, or the Lessee's use, misuse or neglect of the premises described herein.

### XIII. PERMITS, LICENSES AND CERTIFICATES.

Lessee shall obtain any and all permits, licenses and certificates which may be required in connection with the improvement and use of the demised premises and aircraft operations. Lessee shall comply with all applicable federal, state and local laws and regulations and the Lessee shall keep in effect any and all licenses, permits, notices and certificates as are required.

### XIV. ASSIGNMENT.

A. Lessee shall not assign this Lease, or sublease any part of the premises without prior written approval of the City which approval shall not be unreasonably withheld. However, a 1% transfer fee or \$100.00, whichever is the greater amount, shall be paid to the City based upon the current assessor's valuation at the time of the assignment or transfer of the lease or sale of the hangar. The City hereby agrees that this Lease may be assigned as security for any hangar construction related loan required by Lessee, provided that such assignment permits Lessee to remain in possession except in the event of foreclosure. In the event of foreclosure or forfeiture by the holder of such security, the City consents to further assignment to any person, firm or corporation which is fully competent and has the necessary facilities, experience and financial resources to perform the obligations contained in this agreement on the part of the Lessee to be performed, provided such proposed assignee shall expressly assume said obligations in writing. In the event that Hangar is sold prior to the end of term, a new lease for the Buyer may be entered into between Heber City and Buyer at the above-mentioned Term and Rate consistent with market value as well as the 1% Transfer fee based on appraised value of said Hangar, at the sole discretion of the City.

B. Right of First Refusal for Assignment – If at any time Lessee desires to sell, assign, or otherwise transfer its interest under this Agreement, including the Improvements

existing on the Leased Premises, to a Buyer, and has obtained a bona fide offer for such sale, Lessee must first offer to sell, assign, or otherwise transfer such interest to the City, at the price and on the same terms as such bona fide offer, and the City shall have the right to purchase Lessee's interest under such terms. Such offer must be in writing and state the name of the proposed transferee and all of the terms and conditions of the proposed transfer. The City shall have the right for a period of ten (10) business days after receipt of the offer from Lessee to elect to purchase Lessee's interest (such ten [10] day period referred to as the "Election Period"). If the City does not desire to purchase Lessee's interest, Lessee may then sell, assign, or otherwise transfer its interest in this Agreement to the person making the said offer, at the price and terms set forth in the offer, subject to the requirements of Article XIV, Section A above. If Lessee fails to close such sale within sixty (60) days after the expiration of the Election Period, any proposed sale, assignment or other transfer thereafter shall again be subject to this Section. This right of the City shall be continuing and shall survive any sale, assignment or other transfer of Lessee's interest under this Agreement. The intent of this Section is to require all of Lessee's interests in this Agreement be sold, assigned or otherwise transferred intact, without fractionalization.

**XV. RIGHT OF ENTRY AND INSPECTION.**

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

**XVI. RULES AND REGULATIONS.**

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

XVII. GOVERNMENTAL RESERVATIONS AND RESTRICTIONS.

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

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

C. There is hereby reserved to the City, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises hereby leased, together with the right to cause such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from or operating on the airport.

D. The City reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstructions together with the right to prevent the Lessee from erecting, or permitting to be erected, or maintaining any building or other structure on or adjacent to the airport which, in the opinion of the City, would limit the usefulness of the airport or constitute a hazard to aircraft. It is understood and agreed that nothing in this Lease shall be construed to grant or authorize the granting of any exclusive rights to Lessee within the meaning of the civil Aeronautics Act.

XVIII. THE CITY'S RIGHT OF CANCELLATION.

In addition to all other remedies reserved by the City, this agreement, shall be subject to cancellation by the City should one or more of the following events occur:

A. If the Lessee fails to pay when due the whole or any part of the amounts agreed upon for rents and charges and such default continues for sixty (60) days after the City has demanded payment in writing.

B. If the Lessee shall fail to perform or keep and observe any of the

covenants and conditions contained in this contract to be performed, kept and observed by Lessee, and Lessee fails to correct any breach hereof after sixty (60) days written notice from the City or ten (10) days if the default constitutes a risk to the health or safety of others, then and in such event the City shall have the right at once to declare this contract terminated.

C. The City reserves the right to terminate this Lease upon giving four month's written notice if the City has a need for the property for public purposes. In the event of a termination under this paragraph, the City must compensate the Lessee for the purchase cost of the improvement, the hangar, less depreciation based on straight line depreciation thirty years life expectancy if the Lessee elects to abandon the hangar or if the Lessee elects to remove the hangar the City must compensate the Lessee \$5,000.00 or \$1,000.00 for each remaining year of the Lease, whichever is the lesser amount.

#### XIX. LESSEE'S RIGHT OF CANCELLATION.

In addition to all other remedies available to the Lessee, this agreement shall be subject to cancellation by the Lessee should any one or more of the following events occur:

A. The permanent and complete abandonment of the airport as an aviation facility.

B. The issuance by any court of competent jurisdiction of an injunction in any way preventing or restricting the use of the airport and the remaining in force of such injunction for at least thirty (30) days.

C. The breach by the City of any terms, conditions and covenants of this agreement to be kept, performed and observed by the City and the failure to remedy such a breach for a period of thirty (30) days after written notice from the Lessee of the existence of such a breach.

D. The assumption by the United States Government, or any authorized agents of the same, of the operation, control or use of the airport and its facilities, in such a manner as to substantially restrict the Lessee from normal use, if such restriction is continued for a period of ninety (90) days or more.

XX. FORCE MAJEURE.

If either party hereto shall be delayed or prevented from the performance of any act required hereunder by reason or act of God, flood, hurricane, tornado, earthquake, strikes, lockouts, which are beyond the control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay and the period of the performance of any such act shall be extended for a period equivalent to the period of such delays; provided, however, nothing in this clause shall excuse the Lessee from the prompt payment of rental or other charges required hereunder to be paid by Lessee except as may expressly be provided elsewhere in this Lease.

XXI. DESTRUCTION OF PREMISES.

Should the improvements to the demised premises be damaged or destroyed in whole or in part, by fire, earthquake or any other casualty at any time during the term of this Lease so that the same cannot be repaired within ninety (90) working days to substantially the same condition it was in immediately prior to the happening of such casualty, then either the City or the Lessee may, within fifteen (15) working days after the ninety (90) working days after the happening of such casualty, terminate this Lease as of the date of said casualty. Lessee shall proceed, within ninety (90) working days, with the restoration and reconstruction of the improvements on the demised premises to substantially the same condition in which they were in prior to the happening of the casualty. In no event shall the City be liable to the Lessee for any damages resulting to the Lessee from the happening of such fire or other casualty or from the repair or construction of the demised premises or from the termination of this Lease as herein provided, nor shall the Lessee be released thereby from any of its obligations hereunder except as expressly stated in this clause.

XXII. COSTS OF SUSTAINING AN ACTION FOR BREACH OR DEFAULT.

In the event either the City or the Lessee commences legal action against the other

claiming a breach or default of this Lease, the prevailing party in such litigation shall be entitled to recover from the other reasonable attorney fees and all costs connected with said litigation.

XXIII. PARTIAL INVALIDITY.

If any term, covenant, condition or provision of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

XXIV. ABANDONMENT.

If the Lessee shall abandon or be dispossessed by process of law or otherwise, any personal property belonging to the Lessee and left on the premises after such abandonment or dispossession shall at the option of the City be deemed to have been transferred to the City; and the City shall have the right to remove and to dispose of the same without liability to account therefore to the Lessee or to any person claiming under the Lessee.

XXV. UNLAWFUL USE.

Lessee agrees that no improvement shall be erected, placed upon, operated or maintained on the demised premises, nor shall business be conducted or carried on therein in violation of the terms of this Lease or any applicable law, statute, ordinance, regulation, rule or order of any governmental agency having jurisdiction hereover.

XXVI. LEASE SUBORDINATE TO AGREEMENTS WITH U.S.A.

This Lease shall be subordinate to the provisions of any existing or future agreement between the City and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditures of Federal funds for the development of the Airport.

XXVII. DEVELOPMENT OF AIRPORT.

The City reserves the right to further develop or improve the Airport as it sees fit, regardless of the desires or views of the Lessee and without interference or hindrance by the Lessee.

XXVIII. AIRPORT FACILITIES.

Lessee is hereby granted the nonexclusive right, in common with all present and future users, to the use of such of the City's Heber City Airport public facilities as are designated by the Airport Manager from time to time. As an incident to all the other uses provided for in this Lease, the Lessee, its employees, authorized representatives, invitees, permittees, licensees, customers and patrons shall have the right to use all public waiting rooms and public lavatories provided such use shall be in common with others and may be suspended during any period when maintenance, repairs or improvements are being made thereto.

XXIX. BANKRUPTCY.

Should the Lessee make an assignment for the benefit of creditors or should a voluntary or involuntary petition of bankruptcy or for reorganization or any arrangement be filed by or against the Lessee, or if the Lessee should become bankrupt or insolvent or if a receiver be appointed at the request of the Lessee's creditors (except as a receiver appointed at the request of the City) such action shall constitute a breach of this Lease for which the City at its option, may terminate all rights of the Lessee or Lessee's successors in interest under this Lease.

XXX. TAXES AND ASSESSMENTS.

Lessee shall pay before delinquency, all taxes, license fees, assessments and other charges which are levied and assessed against and upon the premises, fixtures, equipment or other property caused or suffered by the Lessee to be installed, located or placed upon the leased premises. The Lessee shall furnish the City with satisfactory evidence of these payments upon demand from the City. Lessee acknowledges that this Lease may create a possessory interest

subject to property taxation and that the Lessee may be subject to the payment of property taxes levied on such interest. Lessee agrees to assume and pay any such assessment.

XXXI. MARGINAL CAPTIONS.

The various headings and numbers herein and the grouping of the provisions of this Lease into separate section, paragraphs and clauses are for the purpose of convenience only and shall not be considered a part thereof.

XXXII. AMENDMENTS TO BE IN WRITING.

This Lease sets forth all of the agreements and understandings of the parties and is not subject to modification except in writing, duly executed by the legally authorized representatives of each of the parties.

XXXIII. SUCCESSORS IN INTEREST.

The covenants herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of all the parties hereto; and all of the parties shall be jointly and severally liable hereunder.

XXXIV. NONEXCLUSIVE RIGHTS.

It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 1349, of the United States code.

XXXV. WAIVER OF RIGHTS.

The failure of the City to insist upon strict enforcement of any of the terms, conditions and covenants herein shall not be deemed a waiver of any rights or remedies that the City may have and shall not be deemed a waiver of any subsequent breach or default by Lessee of the terms, conditions and covenants herein contained.

XXXVI. NOTICES.

All notices given or to be given, by either party to the other shall be given in writing and shall be addressed or delivered to the parties at the addresses hereinafter set forth or at such other addresses as the parties may by written notice hereafter designate. Notices to the City and the Lessee shall be addressed as follows:

TO: HEBER CITY

City Manager

Heber City

75 North Main

Heber City, UT 84032

TO: LESSEE

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TO: LESSEE

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

XXXVII. HOLDOVER.

In the event the Lessee shall hold over after the term granted herein, then such holding over shall be construed to be a tenancy from month-to-month only. Prepayment of rent beyond one month shall not be construed to alter or change the month-to-month status of any holdover tenancy. Lessee agrees to comply and abide with all other terms and conditions of this Lease in the event Lessee holds over after the term provided in this Lease expires.

XXXVIII. TIME.

Time is of the essence of this Lease.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed, with all the formalities required by law on the respective dates set forth opposite their signatures to be effective the day and year first above written.

HEBER CITY, a Municipal Corporation

LESSEE:

APPROVED:

\_\_\_\_\_  
Mayor

By: \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
City Recorder

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

\_\_\_\_\_  
Airport Manager

\_\_\_\_\_  
Date