



City Council Meeting

10-13-2026

7:00 p.m.

RESOLUTION 26-40

A RESOLUTION APPROVING AND ADOPTING A BILL OF SALE BETWEEN LUMINARY INVESTMENTS, LLC AND MORGAN CITY CORPORATION FOR THE PURCHASE OF THE PERSONAL PROPERTY BUILDING KNOWN AS THE UTAH POULTRY BUILDING / MORGAN CO-OP BUILDING / FOOTLOOSE BUILDING (249 N 550 E, MORGAN, UTAH 84050).

WHEREAS, Morgan City Corporation (the "City") desires to purchase certain personal property improvements located within Morgan County, Utah, specifically known as the "UTAH POULTRY BUILDING" / Morgan Co-Op Building / Footloose Building, located at 249 N 550 E, Morgan, Utah 84050, Tax ID No. BL-006 (the "Building"); and

WHEREAS, Luminary Investments, LLC, a Utah limited liability company (the "Seller"), holds ownership of the Building and a leasehold interest in the real property upon which the Building is located pursuant to an Industrial Lease with Union Pacific Railroad Company (Folder No. 00552-81, Audit No. 188029, dated February 22, 2019, as assigned to Seller effective January 7, 2022); and

WHEREAS, the Seller agrees to sell and transfer title to the Building to the City for the purchase price of One Hundred Fifty Thousand Dollars (\$150,000.00) and other good and valuable consideration pursuant to a Bill of Sale; and

WHEREAS, the City Council of Morgan City finds that acquiring the Building serves the public interest and community needs of Morgan City, Utah.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MORGAN CITY, UTAH:

SECTION 1. Approval and Adoption. The Bill of Sale between Luminary Investments, LLC, as Seller, and Morgan City Corporation, as Buyer, for the purchase of the Utah Poultry Building / Morgan Co-Op Building / Footloose Building located at 249 N 550 E, Morgan, Utah 84050 (Tax ID No. BL-006) for the purchase price of \$150,000.00, a copy of which is attached hereto as Exhibit "A", is hereby approved and adopted in substantially the form presented.

SECTION 2. Authorization of Execution. The Mayor is hereby authorized and directed, for and on behalf of Morgan City Corporation, to execute and deliver the Bill of Sale and any associated assignment agreements, lease assumption documents with Union Pacific Railroad Company, and all other related documents necessary to complete the acquisition of the Building.

SECTION 3. Effective Date. This Resolution shall become effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the City Council of Morgan City, Utah, this _____ day of _____, 2026.

MORGAN CITY CORPORATION

By: _____

STEVE GALE, Mayor

ATTEST:

By: _____

JANET PACE, City Recorder

CITY COUNCIL VOTE AS RECORDED:

	Aye	Nay	Excused
Councilmember London	_____	_____	_____
Councilmember Wardell	_____	_____	_____
Councilmember McGuire	_____	_____	_____
Councilmember Richins	_____	_____	_____
Councilmember Alexander	_____	_____	_____

(In the event of a tie vote of the Council):

Mayor Gale	_____	_____
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BILL OF SALE

That **Luminary Investments, LLC**, a Utah limited liability company, by **Justin E. Rees**, its Managing Member (the “Seller”), whose address is 426 Imperial Drive, Morgan, Utah 84050, for and in consideration of the sum of **ONE HUNDRED AND FIFTY THOUSAND DOLLARS \$150,000 AND OTHER GOOD AND VALUABLE CONSIDERATION** to said Seller in hand paid by **Morgan City Corporation** (the “Buyer”), the receipt whereof is hereby acknowledged, has bargained, assigned and transferred, and by these presents does bargain, sell, assign and transfer unto said Buyer that certain personal property now at Morgan County, State of Utah, particularly described as follows:

Personal Property Building known as the “**UTAH POULTRY BUILDING**” / Morgan Co-Op Building / Footloose Building, i.e. **249 N 550 E, Morgan, Utah 84050**, Tax ID No. **BL-006**.

This building is sold “**AS-IS**.”

There are **NO WARRANTIES**. This building is located on leased land which is owned by **Union Pacific Railroad Company**.

Concurrently with this Bill of Sale, and in order to turn over full ownership of the improvements and Seller’s leasehold interest to Buyer, Seller shall assign to Buyer all of Seller’s right, title, and interest in and to the Industrial Lease with Union Pacific Railroad Company (Folder No. **00552-81**, Audit No. **188029**, dated February 22, 2019, as assigned to Seller effective January 7, 2022), subject to Union Pacific’s prior written consent and Buyer’s assumption of all lessee obligations thereunder. Seller represents that Seller is the owner of all improvements located on, in, or under the premises leased under said Lease Agreement.

And Seller upon the consideration recited above warrants ownership of and title to said personal property, the right to sell the same, and that there are no liens, encumbrances, or charges thereon or against the same, and to defend the title and possession transferred to the Buyer against all lawful claims.

WITNESS the hand of said Seller, this _____ day of _____, 2026.

SELLER:

Luminary Investments, LLC
a Utah limited liability company

By: _____

Justin E. Rees, Managing Member

BUYER (acceptance):

Morgan City Corporation

By: _____

Name: _____

Title: _____

* * *

STATE OF UTAH

COUNTY OF MORGAN

The foregoing instrument was acknowledged before me this ____ day of _____, 2026, by Justin E. Rees, Managing Member of Luminary Investments, LLC.

Notary Public

Residing in: _____

My Commission Expires: _____

Commission No.: _____

Audit: 188029
Folder: 552-81

ASSIGNMENT

THE CO-OP BUILDING, L.L.C., a Utah limited liability company, whose address is 2277 N. 7000 E., Croydon, UT 84018 "Assignor"), and UNION PACIFIC RAILROAD COMPANY, a Delaware corporation, ("Railroad"), have heretofore entered into an agreement dated February 22, 2019, bearing Railroad's Audit Number 188029 for lease of Railroad's property located at Morgan, Utah, as amended, modified or supplemented ("Lease Agreement").

Effective as of January 7, 2022, the Assignor does hereby sell, assign, transfer and set over, to JUSTIN E. REES (dba Luminary Investments, L.L.C., a Utah limited liability company), whose address is 426 Imperial Drive, Morgan, Utah 84050 ("Assignee") all of Assignor's right, title and interest in and to the Lease Agreement.

The Assignee hereby accepts the above assignment and agrees to be bound by and to perform and observe fully and faithfully all of the covenants, stipulations and conditions contained in the Lease Agreement and any supplement or amendment thereto (if any) to be performed and observed by the Assignor and assumes all liabilities and obligations mentioned in the Lease Agreement to be assumed by the Assignor.

Assignee represents and warrants to Railroad that Assignee has purchased and is the owner of all improvements located on, in or under the premises leased under the Lease Agreement.

The Railroad, in consideration of the covenants and agreements of the Assignor and the Assignee herein contained, gives its consent to the aforesaid assignment; PROVIDED, however, that such consent shall not be deemed or construed to authorize any further assignment of the Lease Agreement, whether voluntary, by operation of law, or otherwise, without the prior consent in writing of the Railroad; and PROVIDED, FURTHER, that, as between the Assignor and the Railroad, neither said assignment nor anything herein contained shall be construed as releasing the Assignor, in the event of default by the Assignee, from the obligation to perform all of the covenants contained in the Lease Agreement to be performed by the Assignor, or from any of the liabilities assumed by the Assignor under said agreement(s).

Article 1. ADMINISTRATIVE HANDLING CHARGE.

Upon execution of this Assignment, Assignee shall pay to Railroad an administrative handling charge of Five Hundred Dollars (\$500.00).

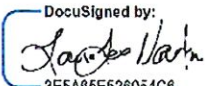
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first herein written.

UNION PACIFIC RAILROAD COMPANY

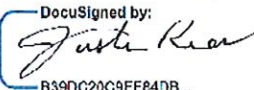


Jason Sokolewicz
Director – Real Estate

**THE CO-OP BUILDING, L.L.C.,
a Utah limited liability company**

By:  _____
DocuSigned by:
3E5A05E526054C8...
Laura L. Newton
Owner

**JUSTIN E. REES
(dba Luminary Investments, L.L.C.,
a Utah limited liability company)**

By:  _____
DocuSigned by:
B39DC20C9EF84DB...
Justin E. Rees



February 22, 2019
Folder: 00552-81

LAURA LEE NEWTON
THE CO-OP BUILDING L.L.C.
2277 N. 7000 E.
CROYDON, UT 84018

RE: REVISED Lease Covering Use of Railroad Property at Morgan, Utah

Dear Ms. Newton:

Thank you for your application for lease of Union Pacific property in Morgan, UT. Pursuant to your request, enclosed please find the above-referenced Lease for your execution. Please return TWO ORIGINALS of the Lease signed by the appropriate party to my attention at the address below. If approved by the Railroad Company, a fully-executed original will be returned to you for your records.

The Lease is in our standard form. **Please note that we will agree not charge rent for the first year of the lease term.** This is to help defray costs of fencing, building improvements, and possible berm required by our local service unit. I do not know if the service unit will require a berm across the spur track that runs adjacent to the building, but if they do it would be billed directly at a cost of around \$2,500. Thereafter the rent would be our minimum annual charge.

Both copies of the above-mentioned lease document must be received by this office within 30 days of the date of this letter for consideration by Railroad Company management. You are not authorized to enter the premises until you are in possession of a fully executed copy of this Lease.

NOTHING IN THIS CORRESPONDENCE SHOULD BE CONSTRUED AS A COMMITMENT TO LEASE REAL PROPERTY AS SUCH A COMMITMENT REQUIRES FORMAL RAILROAD MANAGEMENT APPROVAL. IF SUCH APPROVAL IS RECEIVED, A FULLY EXECUTED COPY OF THE LEASE WILL BE RETURNED TO YOU.

Thank you for working with us. Please contact me with any questions.

Sincerely,

John S. Hertzler
Senior Manager - Real Estate
(402) 544-8558
jshertzler@up.com

Industrial Lease (Year To Year) 09-01-06
(Unimproved Property)
Form Approved, Law

Audit No. _____
Folder No. 00552-81

LEASE OF PROPERTY
(INDUSTRIAL LEASE - UNIMPROVED - YEAR TO YEAR)

2/22/2019

THIS LEASE ("Lease") is entered into on _____, 2019, between **UNION PACIFIC RAILROAD COMPANY** ("Lessor") and **THE CO-OP BUILDING L.L.C.**, a Utah limited liability company, whose address is 2277 N. 7000 E., Croydon, UT 84018 ("Lessee").

IT IS AGREED BETWEEN THE PARTIES AS FOLLOWS:

Article 1. PREMISES; USE.

Lessor leases to Lessee and Lessee leases from Lessor the premises ("Premises") at Morgan, Utah, shown on the print dated December 11, 2018, marked **Exhibit A**, hereto attached and made a part hereof, subject to the provisions of this Lease and of **Exhibit B** attached hereto and made a part hereof. The Premises may be used for Lessee owned building for retail clothing and furniture store and event center, along with parking, non-exclusive roadway, and beautification where depicted on Exhibit A, and purposes incidental thereto, only, and for no other purpose.

Article 2. TERM.

The term of this Lease shall commence February 15, 2019, and, unless sooner terminated as provided in this Lease, shall extend for one year and thereafter shall automatically be extended from year to year.

Article 3. FIXED RENT.

A. Effective August 15, 2020, Lessee shall pay to Lessor, in advance, fixed rent of Three Thousand Dollars (\$3,000.00) annually. The rent shall be automatically increased by Three percent (3%) annually, cumulative and compounded.

B. Not more than once every three (3) years, Lessor may redetermine the fixed rent. If Lessor redetermines the rent, Lessor shall notify Lessee of such change.

Article 4. INSURANCE.

A. Throughout the entire term of this Lease, Lessee shall maintain the insurance coverage required under **Exhibit C** hereto attached and made a part hereof.

B. Not more frequently than once every two years, Lessor may reasonably modify the required insurance coverage to reflect then-current risk management practices in the railroad industry and underwriting practices in the insurance industry.

C. Upon request of Lessor, Lessee shall provide to Lessor a certificate issued by its insurance carrier evidencing the insurance coverage required under **Exhibit C**.

D. All insurance correspondence shall be directed to: Real Estate Department, 1400 Douglas Street STOP 1690, Omaha, Nebraska 68179-1690, Folder No. 00552-81.

Article 5. WARRANTY OF IMPROVEMENTS.

A. Lessee hereby warrants that Lessee is the lawful owner of all the right, title and interest in and to any and all improvements located upon the Premises. Such improvements include, but are not limited to the brick building.

B. Lessee assumes all obligations under this Lease with respect to the improvements, including the removal of the improvements upon the expiration or termination of this Lease at Lessee's sole cost and expense.

Article 6. SPECIAL PROVISION – CANCELLATION.

Effective upon commencement of the term of this Lease, the Lease dated August 26, 1996, identified as Audit No. 188029 (the 'Prior Lease'), together with any and all supplements and amendments, is canceled and superseded by this Lease, except for any rights, obligations or liabilities arising under the Prior Lease before cancellation, including any consent to conditional assignment, chattel agreement, or consent to sublease. The security deposit provision or rental payment, if any, contained in the Prior Lease, will survive the cancellation of the Prior Lease and be made a part of this Lease.

Article 7. SPECIAL PROVISION – FENCE/BARRICADE.

Lessee, at Lessee's sole cost and expense, shall construct and maintain, at all times during the term of this Lease, a fence/barricade of a design satisfactory to Lessor, in the location shown on the attached Exhibit A, or such additional fencing as may be required to prevent access to Lessor's adjacent property.

Article 8. SPECIAL PROVISION – ROADWAY (NON-EXCLUSIVE).

Subject to the terms and conditions of this Lease, Lessee may construct, use and maintain the roadway shown on the attached exhibit print, provided that:

A. The roadway is to be strictly private and not intended for, and may not be used for, public purposes.

B. The use of the roadway is not exclusive. The roadway is to be used jointly with Lessor and others to whom Lessor has given or may give similar rights.

C. Lessee, at Lessee's sole cost and expense, shall maintain the roadway in a condition satisfactory to Lessor.

D. Lessee's right to construct, maintain and use the roadway is a license and not a lease, and the roadway is not a part of the Premises, except that all of Lessee's obligations and Lessor's rights under this Lease regarding the Premises shall also apply to the roadway.

Article 9. SPECIAL PROVISION – TRACK BARRIER.

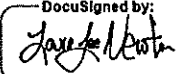
Lessor may, at its option, install a berm or similar barrier across the track which runs immediately adjacent to the leased Premises and directly bill Lessee for the reasonable costs thereof.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first herein written.

Lessor:
UNION PACIFIC RAILROAD COMPANY

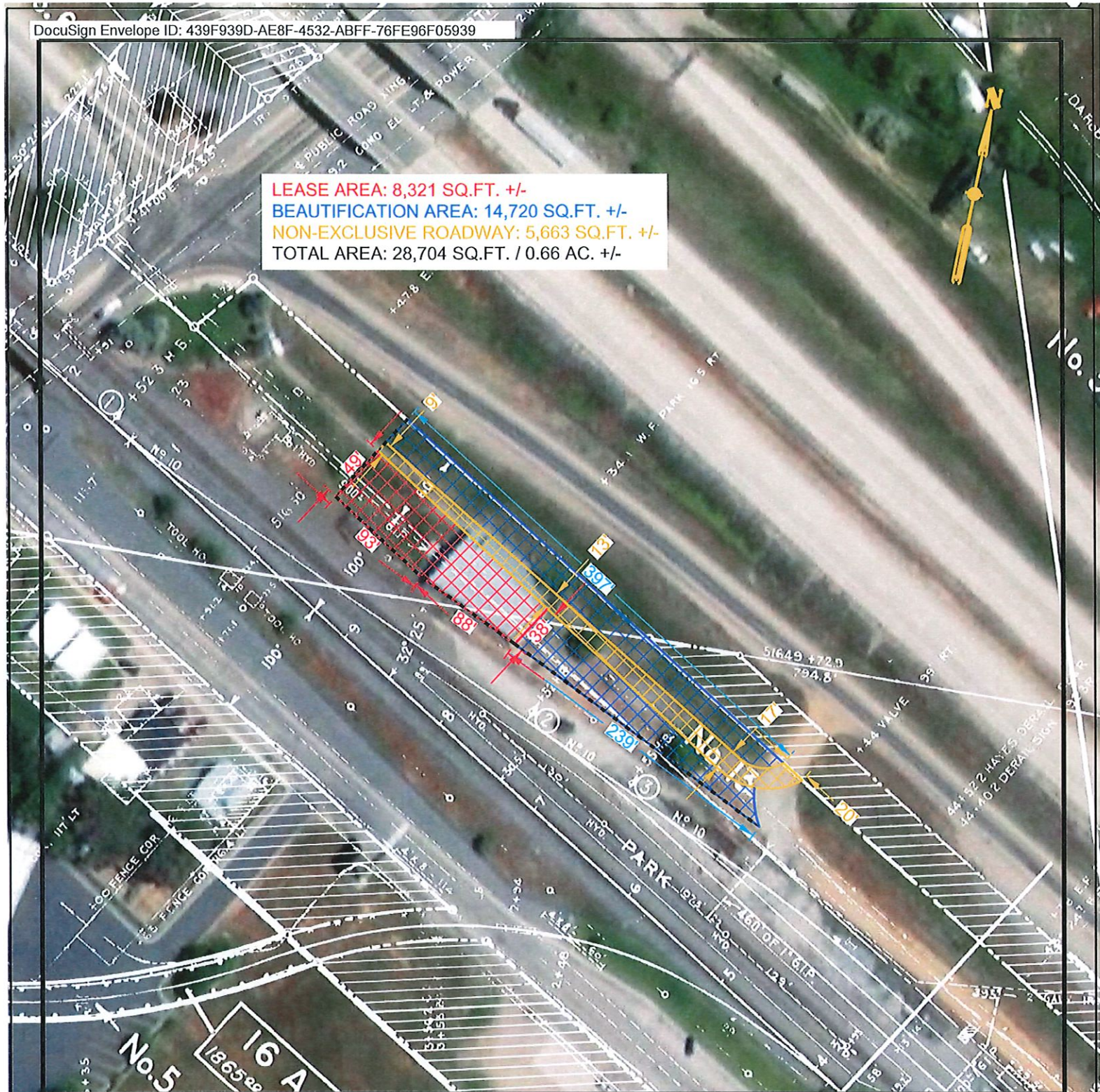
Lessee:
THE CO-OP BUILDING L.L.C.

By: _____
Senior Manager - Real Estate

By:  _____
Name: Laura Lee Newton
Title: Owner

NOTE:

LEASE AREA: 8,321 SQ.FT. +/-
 BEAUTIFICATION AREA: 14,720 SQ.FT. +/-
 NON-EXCLUSIVE ROADWAY: 5,663 SQ.FT. +/-
 TOTAL AREA: 28,704 SQ.FT. / 0.66 AC. +/-



LEGEND:

LEASE AREA	
BEAUTIFICATION AREA	
NON-EXCLUSIVE ROADWAY	
FENCE / BARRICADE	
UPRRCO. R/W OUTLINED	

NOTE: BEFORE YOU BEGIN ANY WORK, SEE
 AGREEMENT FOR FIBER OPTIC PROVISIONS.

EXHIBIT "A"

UNION PACIFIC RAILROAD COMPANY

MORGAN, MORGAN COUNTY, UT

M.P. 968.22 - EVANSTON SUB.

UP/UT/V-1/ST-12

SCALE: 1" = 100'

OFFICE OF REAL ESTATE

OMAHA, NEBRASKA DATE: 12-11-2018

DSK FILE: 552-81

CADD
 FILENAME 0055281

SCAN
 FILENAME S:/UP/UT/1/UT1S12.TIF

Industrial Lease (Year To Year) 09-01-06
(Unimproved Property)
Form Approved, Law

EXHIBIT B
TO
INDUSTRIAL LEASE (UNIMPROVED YEAR TO YEAR)

Section 1. IMPROVEMENTS.

No improvements placed upon the Premises by Lessee shall become a part of the realty.

Section 2. RESERVATIONS, TITLE AND PRIOR RIGHTS.

A. Lessor reserves to itself, its agents and contractors, the right to enter the Premises at such times as will not unreasonably interfere with Lessee's use of the Premises.

B. Lessor reserves (i) the exclusive right to permit third party placement of advertising signs on the Premises, and (ii) the right to construct, maintain and operate new and existing facilities (including, without limitation, trackage, fences, communication facilities, roadways and utilities) upon, over, across or under the Premises, and to grant to others such rights, provided that Lessee's use of the Premises is not interfered with unreasonably.

C. Lessee acknowledges that Lessor makes no representations or warranties, express or implied, concerning the title to the Premises, and that the rights granted to Lessee under this Lease do not extend beyond such right, title or interest as Lessor may have in and to the Premises. Without limitation of the foregoing, this Lease is made subject to all outstanding rights, whether or not of record. Lessor reserves the right to renew any such outstanding rights granted by Lessor or Lessor's predecessors.

D. Without limitation of Subparagraphs B. and C. above, Lessee shall not interfere in any manner with the use or operation of any signboards now or hereafter placed on the Premises or with any property uses in connection with such signboards (such as, by way of example and not in limitation, roadways providing access to such signboards). In no event may Lessee construct on the Premises any improvements that interfere in any manner with the visibility or operation of any signboards now or hereafter on the Premises or on property in proximity to the Premises.

Section 3. PAYMENT OF RENT.

Rent (which includes the fixed advance rent and all other amounts to be paid by Lessee under this Lease) shall be paid in lawful money of the United States of America, at such place as shall be designated by the Lessor, and without offset or deduction.

Section 4. TAXES AND ASSESSMENTS.

A. Lessee shall pay, prior to delinquency, all taxes levied during the life of this Lease on all personal property and improvements on the Premises not belonging to Lessor. If such taxes are paid by Lessor, either separately or as a part of the levy on Lessor's real property, Lessee shall reimburse Lessor in full within thirty (30) days after rendition of Lessor's bill.

B. If the Premises are specially assessed for public improvements, the annual rent will be automatically increased by 12% of the full assessment amount.

Section 5. WATER RIGHTS.

This Lease does not include any right to the use of water under any water right of Lessor, or to establish any water rights except in the name of Lessor.

Section 6. CARE AND USE OF PREMISES.

A. Lessee shall use reasonable care and caution against damage or destruction to the Premises. Lessee shall not use or permit the use of the Premises for any unlawful purpose, maintain any nuisance, permit any waste, or use the Premises in any way that creates a hazard to persons or property. Lessee shall keep the sidewalks and public ways on the Premises, and the walkways appurtenant to any railroad spur track(s) on or serving the Premises, free and clear from any substance which might create a hazard.

B. Lessee shall not permit any sign on the Premises, except signs relating to Lessee's business.

C. If any improvement on the Premises other than the Lessor Improvements is damaged or destroyed by fire or other casualty, Lessee shall, within thirty (30) days after such casualty, remove all debris resulting therefrom. If Lessee fails to do so, Lessor may remove such debris, and Lessee agrees to reimburse Lessor for all expenses incurred within thirty (30) days after rendition of Lessor's bill.

D. Lessee shall comply with all governmental laws, ordinances, rules, regulations and orders relating to Lessee's use of the Premises and this Lease, including, without limitation, any requirements for subdividing or platting the Premises.

Section 7. HAZARDOUS MATERIALS, SUBSTANCES AND WASTES.

A. Without the prior written consent of Lessor, Lessee shall not use or permit the use of the Premises for the generation, use, treatment, manufacture, production, storage or recycling of any Hazardous Substances, except that Lessee may use, if lawful, small quantities of common chemicals such as adhesives, lubricants and cleaning fluids in order to conduct business at the Premises. The consent of Lessor may be withheld by Lessor for any reason whatsoever, and may be subject to conditions in addition to those set forth below. It shall be the sole responsibility of Lessee to determine whether or not a contemplated use of the Premises is a Hazardous Substance use.

B. In no event shall Lessee (i) release, discharge or dispose of any Hazardous Substances, (ii) bring any hazardous wastes as defined in RCRA onto the Premises, (iii) install or use on the Premises any underground storage tanks, or (iv) store any Hazardous Substances within one hundred feet (100') of the center line of any main track.

C. If Lessee uses or permits the use of the Premises for a Hazardous Substance use, with or without Lessor's consent, Lessee shall furnish to Lessor copies of all permits, identification numbers and notices issued by governmental agencies in connection with such Hazardous Substance use, together with such other information on the Hazardous Substance use as may be requested by Lessor. If requested by Lessor, Lessee shall cause to be performed an environmental assessment of the Premises upon termination of the Lease and shall furnish Lessor a copy of such report, at Lessee's sole cost and expense.

D. Without limitation of the provisions of Section 12 of this Exhibit B, Lessee shall be responsible for all damages, losses, costs, expenses, claims, fines and penalties related in any manner to

any Hazardous Substance use of the Premises (or any property in proximity to the Premises) during the term of this Lease or, if longer, during Lessee's occupancy of the Premises, regardless of Lessor's consent to such use or any negligence, misconduct or strict liability of any Indemnified Party (as defined in Section 12), and including, without limitation, (i) any diminution in the value of the Premises and/or any adjacent property of any of the Indemnified Parties, and (ii) the cost and expense of clean-up, restoration, containment, remediation, decontamination, removal, investigation, monitoring, closure or post-closure. Notwithstanding the foregoing, Lessee shall not be responsible for Hazardous Substances (i) existing on, in or under the Premises prior to the earlier to occur of the commencement of the term of the Lease or Lessee's taking occupancy of the Premises, or (ii) migrating from adjacent property not controlled by Lessee, or (iii) placed on, in or under the Premises by any of the Indemnified Parties; except where the Hazardous Substance is discovered by, or the contamination is exacerbated by, any excavation or investigation undertaken by or at the behest of Lessee. Lessee shall have the burden of proving by a preponderance of the evidence that any of the foregoing exceptions to Lessee's responsibility for Hazardous Substances applies.

E. In addition to the other rights and remedies of Lessor under this Lease or as may be provided by law, if Lessor reasonably determines that the Premises may have been used during the term of this Lease or any prior lease with Lessee for all or any portion of the Premises, or are being used for any Hazardous Substance use, with or without Lessor's consent thereto, and that a release or other contamination may have occurred, Lessor may, at its election and at any time during the life of this Lease or thereafter (i) cause the Premises and/or any adjacent premises of Lessor to be tested, investigated, or monitored for the presence of any Hazardous Substance, (ii) cause any Hazardous Substance to be removed from the Premises and any adjacent lands of Lessor, (iii) cause to be performed any restoration of the Premises and any adjacent lands of Lessor, and (iv) cause to be performed any remediation of, or response to, the environmental condition of the Premises and the adjacent lands of Lessor, as Lessor reasonably may deem necessary or desirable, and the cost and expense thereof shall be reimbursed by Lessee to Lessor within thirty (30) days after rendition of Lessor's bill. In addition, Lessor may, at its election, require Lessee, at Lessee's sole cost and expense, to perform such work, in which event, Lessee shall promptly commence to perform and thereafter diligently prosecute to completion such work, using one or more contractors and a supervising consulting engineer approved in advance by Lessor.

F. For purposes of this Section 7, the term "Hazardous Substance" shall mean (i) those substances included within the definitions of "hazardous substance", "pollutant", "contaminant", or "hazardous waste", in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601, et seq., as amended or in RCRA, the regulations promulgated pursuant to either such Act, or state laws and regulations similar to or promulgated pursuant to either such Act, (ii) any material, waste or substance which is (A) petroleum, (B) asbestos, (C) flammable or explosive, or (D) radioactive; and (iii) such other substances, materials and wastes which are or become regulated or classified as hazardous or toxic under any existing or future federal, state or local law.

Section 8. UTILITIES.

A. Lessee will arrange and pay for all utilities and services supplied to the Premises or to Lessee.

B. All utilities and services will be separately metered to Lessee. If not separately metered, Lessee shall pay its proportionate share as reasonably determined by Lessor.

Section 9. LIENS.

Lessee shall not allow any liens to attach to the Premises for any services, labor or materials furnished to the Premises or otherwise arising from Lessee's use of the Premises. Lessor shall have the right to discharge any such liens at Lessee's expense.

Section 10. ALTERATIONS AND IMPROVEMENTS; CLEARANCES.

A. No alterations, improvements or installations may be made on the Premises without the prior consent of Lessor. Such consent, if given, shall be subject to the needs and requirements of the Lessor in the operation of its Railroad and to such other conditions as Lessor determines to impose. In all events such consent shall be conditioned upon strict conformance with all applicable governmental requirements and Lessor's then-current clearance standards.

B. All alterations, improvements or installations shall be at Lessee's sole cost and expense.

C. Lessee shall comply with Lessor's then-current clearance standards, except (i) where to do so would cause Lessee to violate an applicable governmental requirement, or (ii) for any improvement or device in place prior to Lessee taking possession of the Premises if such improvement or device complied with Lessor's clearance standards at the time of its installation.

D. Any actual or implied knowledge of Lessor of a violation of the clearance requirements of this Lease or of any governmental requirements shall not relieve Lessee of the obligation to comply with such requirements, nor shall any consent of Lessor be deemed to be a representation of such compliance.

Section 11. AS-IS.

Lessee accepts the Premises in its present condition with all faults, whether patent or latent, and without warranties or covenants, express or implied. Lessee acknowledges that Lessor shall have no duty to maintain, repair or improve the Premises.

Section 12. RELEASE AND INDEMNITY.

A. As a material part of the consideration for this Lease, Lessee, to the extent it may lawfully do so, waives and releases any and all claims against Lessor for, and agrees to indemnify, defend and hold harmless Lessor, its affiliates, and its and their officers, agents and employees ("Indemnified Parties") from and against, any loss, damage (including, without limitation, punitive or consequential damages), injury, liability, claim, demand, cost or expense (including, without limitation, attorneys' fees and court costs), fine or penalty (collectively, "Loss") incurred by any person (including, without limitation, Lessor, Lessee, or any employee of Lessor or Lessee) (i) for personal injury or property damage caused to any person while on or about the Premises, or (ii) arising from or related to any use of the Premises by Lessee or any invitee or licensee of Lessee, any act or omission of Lessee, its officers, agents, employees, licensees or invitees, or any breach of this Lease by Lessee.

B. The foregoing release and indemnity shall apply regardless of any negligence, misconduct or strict liability of any Indemnified Party, except that the indemnity, only, shall not apply to any Loss determined by final order of a court of competent jurisdiction to have been caused by the sole active direct negligence of any Indemnified Party.

C. Where applicable to the Loss, the liability provisions of any contract between Lessor and Lessee covering the carriage of shipments or trackage serving the Premises shall govern the Loss and shall supersede the provisions of this Section 12.

D. No provision of this Lease with respect to insurance shall limit the extent of the release and indemnity provisions of this Section 12.

Section 13. TERMINATION.

A. Lessor may terminate this Lease for Lessee's default by giving Lessee notice of termination, if Lessee (i) defaults under any obligation of Lessee under this Lease and, after written notice is given by Lessor to Lessee specifying the default, Lessee fails either to immediately commence to cure the default, or to complete the cure expeditiously but in all events within thirty (30) days after the default notice is given, or (ii) Lessee abandons the Premises for a period of one hundred twenty (120) consecutive days.

B. Notwithstanding the terms of this Lease set forth in Article II, Lessor or Lessee may terminate this Lease without cause upon thirty (30) day's written notice to the other party; provided, however, that at Lessor's election, no such termination by Lessee shall be effective unless and until Lessee has vacated and restored the Premises as required in Section 15A, at which time Lessor shall refund to Lessee, on a pro rata basis, any unearned rental paid in advance. **Notwithstanding anything to the contrary in this Lease, if Lessee has not complied with the requirements of Section 15 A, this Lease, together with all terms contained herein (including payment of rent) will remain in effect until the requirements of Section 15A are met, unless Lessor, in its sole discretion, elects to terminate this Lease.**

Section 14. LESSOR'S REMEDIES.

Lessor's remedies for Lessee's default are to (a) enter and take possession of the Premises, without terminating this Lease, and relet the Premises on behalf of Lessee, collect and receive the rent from reletting, and charge Lessee for the cost of reletting, and/or (b) terminate this Lease as provided in Section 13 above and sue Lessee for damages, and/or (c) exercise such other remedies as Lessor may have at law or in equity. Lessor may enter and take possession of the Premises by self-help, by changing locks, if necessary, and may lock out Lessee, all without being liable for damages.

Section 15. VACATION OF PREMISES; REMOVAL OF LESSEE'S PROPERTY.

A. Upon termination howsoever of this Lease, Lessee (i) shall have peaceably and quietly vacated and surrendered possession of the Premises to Lessor, without Lessor giving any notice to quit or demand for possession, and (ii) shall have removed from the Premises all structures, property and other materials not belonging to Lessor, including all personal property and restored the surface to as good a condition as the same was in before such structures were erected, including, without limitation, the removal of foundations, the filling in of excavations and pits, and the removal of debris and rubbish.

B. If Lessee has not completed such removal and restoration prior to termination of this Lease, Lessor may, at its election, and at any time or times, (i) perform the work and Lessee shall reimburse Lessor for the cost thereof within thirty (30) days after bill is rendered, (ii) take title to all or any portion of such structures or property by giving notice of such election to Lessee, and/or (iii) treat Lessee as a holdover tenant at will until such removal and restoration is completed.

Section 16. FIBER OPTICS.

Lessee shall telephone Lessor during normal business hours (7:00 a.m. to 9:00 p.m., Central Time, Monday through Fridays, except for holidays) at 1-800-336-9193 (also a 24-hour, 7-day number for emergency calls) to determine if fiber optic cable is buried on the Premises. Lessor may change the telephone number and hours of operation by giving Lessee notice of the change. If cable is buried on the Premises, Lessee will telephone the telecommunications company(ies), arrange for a cable locator, and make arrangements for relocation or other protection of the cable. Notwithstanding compliance by Lessee with this Section 16, the release and indemnity provisions of Section 12 above shall apply fully to any damage or destruction of any telecommunications system.

Section 17. NOTICES.

Any notice, consent or approval to be given under this Lease shall be in writing, and personally served, sent by facsimile to (402) 501-0340, by email or by reputable courier service, or sent by certified mail, postage prepaid, return receipt requested, to Lessor at: Union Pacific Railroad Company, Attn: AVP - Real Estate, Real Estate Department, 1400 Douglas Street, Stop 1690, Omaha, Nebraska 68179; and to Lessee at the above address, or such other address as a party may designate in notice given to the other party. Mailed notices shall be deemed served five (5) days after deposit in the U.S. Mail. Notices which are faxed, emailed, are personally served or sent by courier service shall be deemed served upon receipt.

Section 18. ASSIGNMENT.

A. Lessee shall not sublease the Premises, in whole or in part, or assign, encumber or transfer (by operation of law or otherwise) this Lease, without the prior consent of Lessor, which consent may be denied at Lessor's sole and absolute discretion. Any purported transfer or assignment without Lessor's consent shall be void and shall be a default by Lessee.

B. Subject to this Section 18, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

Section 19. CONDEMNATION.

If, as reasonably determined by Lessor, the Premises cannot be used by Lessee because of a condemnation or sale in lieu of condemnation, then this Lease shall automatically terminate. Lessor shall be entitled to the entire award or proceeds for any total or partial condemnation or sale in lieu thereof, including, without limitation, any award or proceeds for the value of the leasehold estate created by this Lease. Notwithstanding the foregoing, Lessee shall have the right to pursue recovery from the condemning authority of such compensation as may be separately awarded to Lessee for Lessee's relocation expenses, the taking of Lessee's personal property and fixtures, and the interruption of or damage to Lessee's business.

Section 20. ATTORNEY'S FEES.

If either party retains an attorney to enforce this Lease (including, without limitation, the indemnity provisions of this Lease), the prevailing party is entitled to recover reasonable attorney's fees.

Section 21. RIGHTS AND OBLIGATIONS OF LESSOR.

If any of the rights and obligations of Lessor under this Lease are substantially and negatively affected by any changes in the laws applicable to this Lease, whether statutory, regulatory or under

federal or state judicial precedent, then Lessor may require Lessee to enter into an amendment to this Lease to eliminate the negative effect on Lessor's rights and obligations to the extent reasonably possible.

Section 22. MODIFICATION, WAIVER OF DEFAULT, ENTIRE AGREEMENT.

No waiver, modification or amendment to this Lease, including specifically but not limited to, any indemnity and/or insurance requirement herein, shall be of any force or effect unless made in writing, signed by Lessor and Lessee and specifying with particularity the nature and extent of such waiver, modification or amendment. This Lease is the entire agreement between the parties, and supersedes all other oral or written agreements between the parties pertaining to this transaction, and any other lease under which all or any portion of the Premises was leased to Lessee. Notwithstanding the prior sentence, Lessee shall retain any and all obligations and liabilities which may have accrued under any other such agreements prior to the commencement of the term of this Lease.

Section 23. WATER WELL(S).

The installation of new water well(s) or use of existing water well(s) or other equipment or facilities designed to secure potable or non-potable water from sources on the leased premises, or from any adjoining property owned or operated by Lessor, is prohibited.

Approved: Insurance Group
Created: 2/10/06
Last Modified: 7/2/07

EXHIBIT C
Union Pacific Railroad
Contract Insurance Requirements

Lease of Land

Lessee shall, at its sole cost and expense, procure and maintain during the life of this Lease (except as otherwise provided in this Lease) the following insurance coverage:

A. **Commercial General Liability** insurance. Commercial general liability (CGL) with a limit of not less than \$2,000,000 each occurrence and an aggregate limit of not less than \$4,000,000. CGL insurance must be written on ISO occurrence form CG 00 01 12 04 (or a substitute form providing equivalent coverage). The policy must also contain the following endorsement, which must be stated on the certificate of insurance: Contractual Liability Railroads ISO form CG 24 17 10 01 (or a substitute form providing equivalent coverage) showing "Premises" as the Designated Job Site.

B. **Business Automobile Coverage** insurance. Business auto coverage written on ISO form CA 00 01 10 01 (or a substitute form providing equivalent liability coverage) with a combined single limit of not less \$2,000,000 for each accident, and coverage must include liability arising out of any auto (including owned, hired, and non-owned autos).

The policy must contain the following endorsements, which must be stated on the certificate of insurance:

- Coverage For Certain Operations In Connection With Railroads ISO form CA 20 70 10 01 (or a substitute form providing equivalent coverage) showing "Premises" as the Designated Job Site.
- Motor Carrier Act Endorsement - Hazardous materials clean up (MCS-90) if required by law.

C. **Workers Compensation and Employers Liability** insurance. Coverage must include but not be limited to:

Contractor's statutory liability under the workers' compensation laws of the state(s) affected by this Agreement.

Employers' Liability (Part B) with limits of at least \$500,000 each accident, \$500,000 disease policy limit \$500,000 each employee.

If Lessee is self-insured, evidence of state approval and excess workers compensation coverage must be provided. Coverage must include liability arising out of the U. S. Longshoremen's and Harbor Workers' Act, the Jones Act, and the Outer Continental Shelf Land Act, if applicable.

In any and all Claims against Lessor by any employee of Lessee, Lessee's indemnification obligation under this section shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable under any workers compensation acts, disability benefits acts or other **employee benefits acts**.

D. **Pollution Liability** insurance. If permitted use as defined in this Lease includes any generation, handling, enrichment, storage, manufacture, or production of hazardous materials pollution liability insurance is required. Pollution liability coverage must be written on ISO form Pollution Liability Coverage Form Designated Sites CG 00 39 12 04 (or a substitute form providing equivalent liability coverage), with limits of at least \$5,000,000 per occurrence and an aggregate limit of \$10,000,000.

If hazardous materials are disposed of from the Premises, Lessee must furnish to Lessor evidence of pollution legal liability insurance maintained by the disposal site operator for losses arising from the insured facility accepting the materials, with coverage in minimum amounts of \$1,000,000 per loss, and an annual aggregate of \$2,000,000.

E. Umbrella or Excess insurance. If Lessee utilizes umbrella or excess policies, these policies must "follow form" and afford no less coverage than the primary policy.

Other Requirements

F. All policy(ies) required above must include Lessor as "Additional Insured" using ISO Additional Insured Endorsement CG 20 11 (or a substitute form providing equivalent coverage). The coverage provided to Lessor as additional insured shall, to the extent provided under ISO Additional Insured Endorsement CG 20 11, provide coverage for Lessor's negligence whether sole or partial, active or passive, and shall not be limited by Lessee's liability under the indemnity provisions of this Lease.

G. Lessee waives all rights against Lessor and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the workers compensation and employers' liability or commercial umbrella or excess liability insurance obtained by Lessee required by this agreement.

H. Punitive damages exclusion, if any, must be deleted (and the deletion indicated on the certificate of insurance), unless (a) insurance coverage may not lawfully be obtained for any punitive damages that may arise under this Lease, or (b) all punitive damages are prohibited by all states in which the Premises are located.

I. All insurance policies must be written by a reputable insurance company acceptable to Lessor or with a current Best's Insurance Guide Rating of A- and Class VII or better, and authorized to do business in the state where the Premises are located.

J. The fact that insurance is obtained by Lessee, or by Lessor on behalf of Lessee, will not be deemed to release or diminish the liability of Lessee, including, without limitation, liability under the indemnity provisions of this Lease. Damages recoverable by Lessor from Lessee or any third party will not be limited by the amount of the required insurance coverage.

RESOLUTION 26-41

A RESOLUTION ADOPTING AND APPROVING AN APPLICATION TO THE GOVERNOR'S OFFICE OF ECONOMIC OPPORTUNITY – RURAL COMMUNITIES OPPORTUNITY GRANT (RCOG) FOR ASSISTANCE IN THE CONSTRUCTION OF THE RIVERSTONE PARK AND FISHERY POND PROJECT.

WHEREAS, the Utah Legislature has authorized grants to help build tourism in communities around the state through the construction and expansion of economic development projects and activities; and

WHEREAS, the Rural Communities Opportunity Grant (RCOG) is for infrastructure projects and support of local economic development; and

WHEREAS, in an effort to promote economic development and build tourism the City desires to build the Riverstone Park and Fishery Pond; and

WHEREAS, the Department of Natural Resources will provide fishery maintenance and fish stock; and

WHEREAS, the funds from the Rural Communities Opportunity Grant (RCOG) will be used to build a park and fishery pond; and

WHEREAS, the City Council of Morgan City has determined it to be in the best interest of the City to adopt and approve an application for the Rural Communities Opportunity Grant (RCOG) to construct a park and fishery pond.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MORGAN, UTAH:

1. That the City adopt and approve the application to the Governor's Office of Economic Opportunity – Rural Communities Opportunity Grant (RCOG) to build Riverstone Park and fishery pond.
2. That the City is committed to completing the construction of the project and provide matching funds.
3. That Ty Bailey, City Manager, is authorized to sign and submit the application for the Grant.

PASSED AND ADOPTED by the City Council of Morgan, Utah, this day of 2026.

STEVE GALE, Mayor

ATTEST:

JANET PACE, City Recorder

CITY COUNCIL VOTE AS RECORDED:

	Aye	Nay	Excused	
Councilmember London		___	___	___
Councilmember Wardell	___	___	___	
Councilmember McGuire	___	___	___	
Councilmember Richins		___	___	___
Councilmember Alexander	___	___	___	

(In the event of a tie vote of the Council):

Mayor Gale	___	___
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COUNCIL VOTE AS RECORDED:

	Aye	Nay	Excused
Council Member London	_____	_____	_____
Council Member Wardell	_____	_____	_____
Council Member McGuire	_____	_____	_____
Council Member Richins	_____	_____	_____
Council Member Alexander	_____	_____	_____

(In the event of a tie vote of the Council):

Mayor Gale	_____	_____	_____
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RESOLUTION 26-42

A RESOLUTION OF THE MORGAN CITY COUNCIL AUTHORIZING THE CITY MANAGER AS AN AUTHORIZED SIGNER ON MORGAN CITY BANK ACCOUNTS

WHEREAS, Morgan City maintains banking accounts for the deposit, safekeeping, and disbursement of public funds in the ordinary course of City business; and

WHEREAS, Morgan City Code provides for the City Council to designate authorized signers by resolution; and

WHEREAS, the Morgan City Council desires to formally designate Tyrell Bailey, City Manager, as an authorized signer on Morgan City's bank accounts; and

WHEREAS, the City Council finds that authorizing the City Manager as a signer will facilitate the efficient administration of the financial affairs of Morgan City while maintaining the financial controls required by the City and its financial institution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MORGAN CITY, UTAH, AS FOLLOWS:

Section 1. Authorization.

The Morgan City Council hereby designates and authorizes Tyrell Bailey, City Manager, as an authorized signer all Morgan City bank accounts and authorizes him to execute documents and conduct banking transactions on behalf of Morgan City to the extent permitted by City policy, applicable law, and the requirements of the financial institution.

Section 2. Existing Authorized Officers and Signers.

This Resolution is intended to add Tyrell Bailey as an authorized signer and does not revoke or otherwise alter the authority of any other officer or authorized signer previously designated by Morgan City unless expressly provided otherwise by the City Council.

Section 3. Financial Institution Authorization.

Morgan City's financial institution is authorized to rely upon this Resolution as evidence of the authority granted herein and may add Tyrell Bailey as an authorized signer on the applicable Morgan City accounts.

Section 4. Effective Date.

This Resolution shall become effective immediately upon its adoption by the Morgan City Council.

PASSED AND ADOPTED by the Morgan City Council this ____ day of _____, 2026.

STEVE GALE, Mayor

ATTEST:

JANET PACE, City Recorder

CITY COUNCIL VOTE AS RECORDED:

	Aye	Nay	Excused
Councilmember London	___	___	___
Councilmember Wardell	___	___	___
Councilmember McGuire	___	___	___
Councilmember Richins	___	___	___
Councilmember Alexander	___	___	___

(In the event of a tie vote of the Council):

Mayor Gale ___ ___