CITY COUNCIL AGENDA

PUBLIC NOTICE is hereby given that the City Council of Spanish Fork, Utah, will hold a regular public meeting in the Council Chambers in the City Office Building, **40 South Main Street**, Spanish Fork, Utah, commencing at **6:00 p.m. on December 6, 2011**.

AGENDA ITEMS:

1. **CALL TO ORDER, PLEDGE, OPENING CEREMONY, RECOGNITIONS:**
   a. Pledge, led by invitation
   b. Recognition of Logan Powell's hero's
   c. * Kye Miner – Clean Out the Cabinet Campaign

2. **PUBLIC COMMENTS:**
   Please note: In order to be considerate of everyone attending the meeting and to more closely follow the published agenda times, public comment will be limited to three minutes per person. A spokesperson who has been asked by a group to summarize their concerns will be allowed five minutes to speak. Comments which cannot me made within these limits should be submitted in writing. The Mayor or Council may restrict the comments beyond these guidelines.

3. **COUNCIL COMMENTS:**

4. **CONSENT ITEMS:**
   These items are considered by the City Council to be routine and will be enacted by a single motion. If discussion is desired on any particular consent item, that item may be removed from the consent agenda and considered separately.
   a. * Minutes of Spanish Fork City Council Meeting – November 15, 2011
   b. * Chappel Drive Storm Drain Easement
   c. * DWR Permit for Spanish Fork Canyon Water Line
   d. * Airport Budget Audit FY 2011
   e. * Airport Manager Contract Modification

5. **NEW BUSINESS:**
   a. * Property Exchange with Banta Corporation
   b. * Resolution #11-10 Adopting Tax Compliance Procedures for Tax Exempt Governmental Bonds
   c. * Ordinance #16-11 Amending the Fire and Ambulance Retirement Ordinance
   d. * Golf Course Fees Proposal

6. **CLOSED SESSION:**
   a. Land Purchase

ADJOURN:

* Supporting documentation is available on the City's website www.spanishfork.org

Notice is hereby given that:
- In the event of an absence of a quorum, agenda items will be continued to the next regularly scheduled meeting.
- By motion of the Spanish Fork City Council, pursuant to Title 52, Chapter 4 of the Utah Code, the City Council may vote to hold a closed meeting for any of the purposes identified in that Chapter.
- This agenda is also available on the City's webpage at www.spanishfork.org

SPANISH FORK CITY does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in the employment or the provision of services. The public is invited to participate in all Spanish Fork City Council Meetings located at 40 South Main St. If you need special accommodation to participate in the meeting, please contact the City Manager's Office at 804-4530.

SURROUND Spanish Fork UTAH COURSERS

AGENDA REQUEST FORM

Date of Meeting Requested to Attend: Dec. 6th 2011

All forms must be completed and returned by NOON the Tuesday before the Council Meeting requested. Thank you.

Name: Kye Miner
Address: Utah Valley Regional Medical Center 1034 N. 500 W. Provo, UT 84604
Phone Number: (801) 357-7885

Please list the subject and detailed information regarding your request:

Thank those who participated in Clean Out the Cabinet Campaign for Spanish Fork this past year, and to provide stats.

Kye wants to present an award to the City.

She only needs 10 minutes (at the most).

Sheri Braithwaite
Signature

December 1st
Date

Tentative Minutes
Spanish Fork City Council Meeting
November 15, 2011

Elected Officials Present: Mayor G. Wayne Andersen, Councilmembers Steve Leifson, Rod Dart, Richard Davis, Jens Nielson, Keir Scoubes.

Staff Present: Dave Oyler, City Manager; Seth Perrins, Assistant City Manager; Junior Baker, City Attorney; Chris Thompson, Public Works Director; Kent Clark, City Recorder/Finance Director; Dave Anderson, Community Development Director; Lieutenant Carl Johnston; Angie Warner, Deputy Recorder.

Citizens Present: Brad Olson, Mary Roach Jensen, Clifton Jensen, Cris Child, George Banks, Mark Patey, William Barney Nye, Gilmer Nielsen, Dorothy Nielsen, Joyce Swanner, Terri Beckstrom, Makayla Olson, Michelle Olson, John Mendenhall, David Thomas, Gary Beckstrom, Holly Parmenter, Keaton Hatch, Shirl Stewart, Kathleen Stephens, ? Stephens, Brandon Gordon, Brad Tanner, Cary Hanks, Robert Gull, Janice Gull, Lenna Mendenhall, Elicia S. Mecham, Ray Mecham, Trudy Hudson, Kelly Devey, Jeff O Thomas, Keith James, Terry Brindley, unknown, Darin Stephens, Randy Wilkinson, Maureen Stephens, Karen Blurek, Blair Thomas, ? Thomas.

CALL TO ORDER, PLEDGE, RECOGNITION:

Mayor Andersen called the meeting to order at 6:00 p.m.

Councilman Leifson led in the pledge of allegiance.

Sara Gull from the Utah County Tobacco Prevention Program presented a plaque to McKayla Olson for 1st prize in their competition.

PUBLIC COMMENTS:

Cary Hanks Director of the Spanish Fork Salem Area Chamber of Commerce reminded everyone that the Winter Lights Parade is November 25th at 7:00pm.

COUNCIL COMMENTS:

Councilman Scoubes commented that the Nebo Philharmonic concert was fantastic.

Councilman Dart said the Senior Citizens Center donated dolls and toys to a few local police departments.

Councilman Leifson said the Council attended a tour of the Dry Creek substation last week and it is great to see it up and going.

Mayor Andersen turned the time over to Cris Child to review the 800 West road closure.

Cris Child the Manager for the Spanish Fork/Springville Airport presented the history and information for the 800 West road closure. The extension of the runway is a safety factor required by the FAA. The landing runway area is too close to Main Street so we need to take away road at the beginning and extend the end of the runway. With this requirement we will need to close 800 West road.

Josh Wussick with Armstrong Consultants presented maps of the airport showing the proposed changes. A traffic study was done in the Spring of 2011 on 800 West and there was about 400 cars recorded per day.

Councilman Leifson made a **motion** to move into Public Hearing.
Councilman Dart **seconded** and the motion **passed** all in favor at 6:24 pm.

PUBIC HEARING

Shirl Stewart from Palmyra asked the following questions:

- -Can we really make this change with a traffic study?
- -4000 South is a busy road to be driving tractors on.
- -Emergency response, this road is the artery into our community.
- -He met with two county commissioners this morning that do not know about this issue.
- -When will the road be closed?
- -Were funds ever set aside to build a new road?
- -Why is it our problem?
- -How does the City close a County road?

John Mendenhall said most residents of Spanish Fork are not opposed to the airport expansion or the closure of the road. But the residents feel strongly about the lack of communication. The meeting that was held in the spring was not a public hearing; it was just an information meeting. Then after the meeting you could comment in writing or recording. Residents have not heard anything since. There are a lot of rumors going around that we would like settled. Mr. Mendenhall said there are approximately 100 families in Palmyra that will be affected by this road closure. The residents are wondering if the decision has already been made. There are a few businesses in Palmyra that have large trucks that come to their facilities, if 800 West is closed, the other roads are too small and cannot handle the big trucks.

Mark Patey a pilot for Prodigy Aircraft that flies in and out of the Spanish Fork Airport regularly. Extending the runway is a benefit because it draws business. He agrees with extension so he can continue his business at the Spanish Fork Airport.

Chris Stoddard a pilot for Mountain Country Foods said if we cut out the 700 feet at the beginning of runway it will cause us to not be able to carry as much fuel. This means more stops, reducing the efficiency of the plane. Also, it will deter a lot of aircraft traffic to Provo Airport.

Doug Ford from a business stand point this airport is for pleasure and well as an economic factor. The airport has benefits to businesses in the future.

Dave Thomas commented that he is not against the growth of the airport. But he has been led to believe that there would be a new road built, if 800 West was closed.

Councilman Davis made a **motion** to move out of Public Hearing
Councilman Leifson **seconded** and the motion **passed** all in favor at 7:02 pm.

Cris Child said the road would be closed the earliest this coming summer. Regarding funding, 95% of anything that is built at the airport comes from federal funding which mostly comes from

flying taxes on airline tickets. The funds are broke up between airports based on need. This runway extension project will be in the $3 to $4 million dollar range. Every deposition taken at the last meeting was put in the final report that went to the FAA. Regarding the large trucks having difficulty on the smaller roads, in the report it recommends altering and fixing the roads for access.

Mr. Wossick said regarding the timeframe for notices and rules that these are federal requirements and we have followed their requirements step by step.

Junior Baker said the City has from Utah County a letter that says that a portion of the 800 West road was turned over to Spanish Fork City.

Councilman Davis asked if the City followed the rules for the notice of the road closure.

Mr. Baker said the City gave more notice than what was required.

Mayor Andersen said discussions have taken place regarding a new road or not and the report has revealed that it does not justify building a new road.

Councilman Leifson clarified that this has not been done in closed door meetings, we are trying to take the information and make the best decision we can based on the facts.

Mayor Andersen asked if the public would take a look at each individual situation and see what value it has. He thanked the citizens for coming and presenting their concerns.

Councilman Davis suggested we table this item for approximately one month until the December 20th council meeting.

Councilman Leifson made a **motion** to **table** this item until the December 20th council meeting. Councilman Davis **seconded** and the motion passed all in favor.

Mayor Andersen presented petitions from residents for the records.

CONSENT ITEMS:

a. Minutes of Spanish Fork City Council Meeting – November 1, 2011
b. Lynn Swenson Farm Lease Agreement
c. Williams Farm Lease Agreement
d. Crab Creek Trunkline Mapleton Lateral Crossing, Easement Encroachment Agreement Ratification
e. Crab Creek Trunkline, Easement Encroachment and License Agreement Ratification
f. Easement Agreement with Staker Parson Companies
g. Wetland Mitigation Agreement with Jerry Grover
h. Hangar Ground Lease Increase

Councilman Nielson made a **motion** to **approve** the consent items. Councilman Leifson **seconded** and the motion **passed** all in favor.

NEW BUSINESS:

Canvass of Election

Kent Clark presented the final totals for the elections. There was a 13% turnout. The new

councilmembers will be sworn in at the first meeting in January. The canvass of the election presented tonight is for the council to review the information and approve.

Spanish Fork City - 2011

General Elections - November 8,

	#1, #4	#2, #6	#3, #8	#5,#7,#12	#9,#10,#16	#11,#13,#15	#14	Early	Provisional		
	Precinct	Precinct	Precinct	Precinct	Precinct	Precinct	Precinct	Voting	Voting		**Totals**
Councilmember (top three are elected): 3 - **four year seats**.											
Rodney C. Dart	206	231	191	221	316	264	84	134	27		1,674
Richard Money Davis	215	225	188	201	312	259	83	119	27		1,629
Brandon Gordon	222	196	182	189	300	226	76	94	30		1,515
Aaron Stern	79	95	86	57	158	175	58	53	14		775
Marvin Wharton	48	68	48	27	143	115	45	32	9		535
Total # Voters Voting	273	283	237	236	442	362	120	151	37		2,141
# of Registered Voters	2,501	2,064	2,561	1,658	2,817	3,423	1,161	-			16,185
% turn out	11%	14%	9%	14%	16%	11%	10%				13%

Provisional to be Validated	4	7	5	4	5	10	5	0			40

Councilman Davis made a **motion** to **approve** the Election Results of 2011.
Councilman Nielson **seconded** and the motion **passed** all in favor.

Councilman Dart made a **motion** to adjourn to Closed Session to discuss Legal and Property Sale/Purchase/Lease.
Councilman Scoubes **seconded** and the motion **passed** all in favor at 7:40 pm.

ADJOURN

ADOPTED: _____

Angie Warner, Deputy Recorder

Draft

Memo

To: Mayor and City Council

From: Chris Thompson, Public Works Director/City Engineer

Date: November 21, 2011

Re: Chappel Drive Storm Drain Easement

Staff Report

A temporary retention basin must be in place at the end of Chappel Drive to accommodate the development there that is both existing and proposed. This easement will provide this retention until storm drain facilities can be installed to that area. This needs to be in place before any further development occurs so that city storm water does not trespass onto private property.

We recommend that the city council approve this easement with Schwartz Investments, LLC giving the city temporary easement for retention. The city must sign the easement because of the clause indicating that it is temporary upon condition of storm drain being brought to the area.

Attached: easement

STORM DRAIN EASEMENT

WE, THE UNDERSIGNED owners of real property situated and located in Spanish Fork City, State of Utah, do hereby convey, grant, and release to **SPANISH FORK CITY**, their successors and assigns, a temporary easement and right-of-way for the placement of a storm drain and related facilities, unto the said **SPANISH FORK CITY**, their successors and assigns, over, under, and through the following described real property situated in Utah County, State of Utah, and more particularly described as follows:

Commencing at a point located South 00°17'43" East along the Section line 281.35 feet and West 747.97 feet from the East quarter corner of Section 7, Township 8 South, Range 3 East, Salt Lake Base and Meridian; thence South 22°13'15" West 121.82 feet; thence North 86°44'13" West 625.27 feet; thence along the arc of a 300.00 foot radius curve to the left 11.47 feet (chord bears South 40°23'04" West 11.47 feet); thence North 86°57'59" West 24.40 feet; thence along the arc of a 320.00 foot radius curve to the right 36.50 feet (chord bears North 39°58'20" East 36.48 feet); thence South 86°44'13" East 520.06 feet; thence North 22°13'15" East 100.53 feet; thence South 86°47'54" East 121.64 feet to the point of beginning.

THE CONSIDERATION to be paid for this easement is the sum of Ten Dollars, ($10.00), said sum to be paid to the grantors upon execution of this easement. Grantors hereby agree that **SPANISH FORK CITY**, their successors and assigns, shall have the right of ingress to and egress from the property above described for the purpose of construction, maintaining, and repairing said storm drain and related facilities, to be located on the above described property.

The easement herein granted by the undersigned is a temporary easement to remain in place until 1950 North drainage is completed easterly to provide permanent drainage. Spanish Fork City is obligated to file an abandonment of this easement upon the completion of 1950 North drainage. The property of grantors shall be restored in as good condition as when the same was entered upon by the grantee or its agents. Grantors, for the consideration aforesaid, hereby agree not to construct or maintain any building or structure of a permanent nature upon the property above described.

Dated this 9 day of Nov, 2011

SCHWARTZ INVESTMENTS, LLC

by: [signature]

Spanish Fork City

by:_____

Attest:

_____

State of Utah

County of Utah

On this 9th day of November, 2011, before me, Mary, C. Shaffer, a notary public, personally appeared Loa Jean Schwartz, proved on the basis of satisfactory evidence to be the person(s) whose name(s) (is/are) subscribed to this instrument, and acknowledged (he/she/they) executed the same.

Witness my hand and official seal

Mary C Shaffer

Mary C. Shaffer

MARY C. SHAFFER
NOTARY PUBLIC • STATE OF
COMMISSION# 612
COMM. EXP. 07-22-2

Memo

To: Mayor and City Council

From: Chris Thompson, Public Works Director/City Engineer

Date: November 30, 2011

Re: Division of Wildlife Resources Easement Lease Agreement for the Crab Creek Trunkline Project

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STAFF REPORT

The Crab Creek Trunkline project involves crossing through some land owned by the Division of Wildlife Resources. This is the easement agreement required by the Division is to allow us to construct this section of water line.

We recommend that the city council approve this Easement Lease Agreement with the Division of Wildlife Resources for the amount of $7,739.76 and an annual fee of $100.

Attached: agreement

EASEMENT LEASE AGREEMENT
SPANISH FORK CITY
FOR CRAB CREEK PIPELINE PROJECT
LOAFER MOUNTAIN UNIT, NORTH NEBO WILDLIFE MANAGEMENT AREA

UDWR Easement Lease No. UTAH-1103EA-0188

THIS NON-EXCLUSIVE EASEMENT LEASE AGREEMENT ("**Agreement**") is made by and between the **Utah Division of Wildlife Resources** whose address is 1594 West North Temple, Suite 2110, Salt Lake City, Utah 84114-6301 (hereafter "**Surface Owner**") and **Spanish Fork City**, whose address is 40 South Main Street, Spanish Fork, Utah 84660 (hereafter "**Lessee**"). Surface Owner and Lessee are collectively referred to as "the **Parties**". "Easement Lease" means the lease of an easement or right-of-way, for which the purpose, specific use, rights granted, location, term, fees, and other conditions are set forth herein.

EXHIBITS

A.1	Legal Description of Crab Creek Pipeline Corridor Centerline
A.2	Depiction of Crab Creek Pipeline Corridor
B	Surface Use Plan for Lessee's Construction of the Crab Creek Pipeline Project
C	Reclamation Seed Mix

SECTION 1 GRANT AND LOCATION OF EASEMENT

1.1 **Burdened Property**. Surface Owner owns certain real property known to Surface Owner as the Loafer Mountain Unit, North Nebo Wildlife Management Area ("**WMA**"). Surface Owner represents that its purposes and uses of owning said WMA is to provide important habitat for wildlife, and to provide wildlife-based recreation for the general public. Surface Owner grants and conveys to Lessee a nonexclusive easement lease ("**Easement**") for one buried 24 inch diameter water pipeline. The legal description of the pipeline corridor centerline of the portions of the WMA to which Lessee is hereby granted an Easement are set forth in Exhibit A.1, said property hereafter referred to as "**Burdened Property**" and approximately depicted in Exhibit A.2. Lessee shall have a 15-foot wide easement, 7.5 feet on either side of the pipeline centerlines described in Exhibit A.1.

1.2 **Right of Third Parties.** This Easement is subject to all valid interests of third parties. Surface Owner claims title in fee simple, but does not warrant to Lessee the validity of title to the Burdened Property. Lessee shall have no claim for damages or refund against Surface Owner for any claimed failure or deficiency of Surface Owner's title to said lands, or for interference by any third party.

1.3 **Surveys, Maps, and Plans.** In executing this Agreement, Surface Owner is relying upon the surveys, plats, diagrams, and/or legal descriptions provided by Lessee. Lessee is not relying upon, and Surface Owner is not making any representations about any surveys, plats, diagrams, and/or legal descriptions provided by Surface Owner.

1.4 **Headings**. The Headings in this Agreement are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Easement nor the meaning of any of its provisions.

SECTION 2 PURPOSE AND SCOPE OF EASEMENT

2.1 **Purpose.** This Easement is granted for the purpose of ingress and egress for the construction, installation, operation, maintenance, repair, and replacement as necessary of drill pads, pipelines, and access roads, subject to and in accordance with the restrictions and conditions set forth herein, in support of Lessee's water pipeline provision activities

on the Burdened Property, and for no other purpose. Lessee agrees that it shall not remove from Surface Owner's property ordinary sand and gravel or wood products of any kind without the appropriate permit or other written authorization from Surface Owner. Any unauthorized use of the Burdened Property shall be considered a material breach of this Agreement.

2.2 **Number and Kind of Infrastructure.** Under this Agreement, Lessee shall have the right to construct, maintain and repair a single buried water pipeline, not to exceed Twenty-Five (25) inches in diameter, in the pipeline easement corridor described in Exhibit A.1. No other difference in the number, kind, or size of permanent structures to be constructed on the Burdened Property shall be allowed from that set forth in this Agreement. Paving of any road is expressly prohibited.

2.3 **Exclusivity.** It is expressly understood and agreed that the right herein granted is non-exclusive. Surface Owner hereby reserves the right to issue other non-exclusive easements, leases, or permits on or across the Burdened Property where such uses are appropriate and compatible, or dispose of the property by sale or exchange.

2.4 **Permittees.** Lessee may permit its respective employees, agents, contractors, licensees, herein individually referred to as "Permittee" and collectively referred to as "Permittees", to exercise the rights granted herein. Acts or omissions of the Permittees operating under this Easement shall be deemed an act of Lessee.

2.5 **Seasonal Restrictions**.

(a) Lessee shall not engage in construction activities on the Burdened Property including and between the dates of November 30 to April 15 ("Seasonal Closure"), except for construction of three stream crossings to be completed when the stream channel is dewatered. Lessee shall have the right to enter the Burdened Property during Seasonal Closure for service, maintenance and repair of its pipeline infrastructure to the extent that such service, maintenance and repair could not have reasonably been anticipated or could not reasonably be scheduled for dates outside Seasonal Closure.

(b) Lessee shall have the right to enter the Burdened Property at any time for emergency activities to prevent environmental damage. Lessee shall notify Surface Owner of such emergency activities in accordance with Section 5 of this Agreement.

(c) The Parties agree that, except for emergency activities described in Subsection 2.5(b), should activities for major construction or major maintenance or repair projects during Seasonal Closure be desired by Lessee, the Parties shall consult in good faith to determine how such activities might be accomplished without undue harm to wildlife.

(d) The Parties agree that should extraordinary circumstances arise, including extraordinarily inclement weather, during Seasonal Closure wherein activities permitted under this Agreement would result in significant harm or stress to or for wildlife, the Parties shall consult in good faith to determine how that significant harm or stress might be avoided.

(e) The Parties agree that should information pertaining to wildlife or vegetation become known to either one or both the Parties, and which would be useful in preventing harm to wildlife or vegetation, the Parties shall consult in good faith to determine how activities allowed under this Agreement might be modified, to the extent the Parties might agree at that time.

(f) As described in Section 5 of this Agreement, Lessee shall notify Surface Owner of Lessee's activities in some circumstances.

SECTION 3 TERM AND RENEWAL

3.1 **Term Defined**. The term of this Easement is thirty (30) years ("Term"), commencing on the date of the last signature affixed to this Agreement, unless earlier terminated, subject to the terms and conditions set forth in this Agreement, and any valid and exiting rights.

3.2 **Renewal of the Easement**. Lessee shall have the option to renew this Easement and Lessee may exercise this option by providing written notice of its election to renew at any time within six (6) months but not later than (30) days prior to the Termination Date of the Initial Term of this Easement. Lessee shall not be entitled to renew if it is in default under the terms of this Easement or other agreement with Surface Owner at the time the option to renew is exercised. The terms and conditions of any renewal Term shall be re-negotiated under the conditions, rules and laws in effect at the time of renewal. The Parties shall have sixty (60) days to come to agreement on the conditions and value of the easement after Surface Owner's receipt of Lessee's notice of intent to renew. After the aforementioned six-month period, Lessee's option to renew shall be null and void and the Easement shall terminate at the conclusion of this Agreement's Term.

SECTION 4 RENT/ PAYMENTS

All payments are final. There shall be no pro-rata reimbursement of any payments hereunder should the Easement outlined under this Agreement terminate before its Term has lapsed.

4.1 **Rental Payment**. Lessee shall pay a single use payment for the initial Term in the amount of **Seven Thousand Seven Hundred Thirty-Nine and Seventy-Six One-Hundredths Dollars ($7,739.76)** ($5,393.52 in Right-of-Way fees, plus $2,346.24 in Administrative Cost Recovery). Payment is due when Lessee returns this Agreement to Surface Owner appropriately signed and notarized. Surface Owner shall be entitled to additional compensation for any additional Use or User outside the scope of this Easement. Use or User shall not be construed to include affiliates or joint venturers of Lessee so long as the Use or User remains within the scope of this Easement. For purposes of this Agreement,

(a) "affiliate" means any entity under common control with Lessee, or under control of Lessee. Control for purposes of this Agreement means 80% or more of the voting interests of the entity being held by the controlling entity.

(b) "joint venturer" means a party to an operating agreement, including pooled parties pursuant to state regulations, with respect to a pipeline located on the Burdened Property.

4.2 **Administrative Costs**. In approving a request to apportion, assign, or transfer an interest in this Easement, Surface Owner shall be entitled to charge for administrative costs for approving the transfer.

4.3 **Non-Waiver**. Surface Owner's acceptance of a payment shall not be construed to be a waiver of any preceding or existing breach other than the failure to pay the particular payment that was accepted.

SECTION 5 NOTIFICATION OF ACTIVITIES

5.1 All notifications shall reference the Easement number and the location of Lessee's activity. Notification of activities covered under this Section shall be in writing, which may include email, and be deemed sufficient if made solely to Surface Owner's Central Region Habitat Manager. The respective time periods required between notification and commencement of activities covered under this Section may be waived in writing, which may include email, by Surface Owner's Central Region Supervisor or Habitat Manager.

5.2 Lessee shall notify Surface Owner:

(a) at least Twenty-Four (24) hours prior to any major repair contemplated in Subsection 2.5(a) of Lessee's facilities during Seasonal Closure, if such repair requires the use of heavy equipment such as backhoes or other mechanized earth-moving equipment, heavy boom trucks, or cranes.

(b) within five (5) business days after the start of emergency activities during Seasonal Closure, said activities contemplated in Subsection 2.5(b).

5.3 Regardless of Seasonal Closure restrictions, Lessee shall notify Surface Owner at least three (3) days prior to excavation of any previously reclaimed site, except in cases where such excavation takes place as a result of emergency activities contemplated in Subsection 2.5(b), in which case notification shall take place within five (5) days after the start of emergency activities.

5.4 Should future conditions be such that Surface Owner determines there is little wildlife-monitoring value facilitated by Lessee's prior notification, the Parties may amend this Agreement and terminate the prior notification requirements of this Section, to the extent the Parties may mutually agree in writing at the time.

SECTION 6 CONSTRUCTION, MAINTENANCE AND REPAIR OF EASEMENT AND IMPROVEMENTS AND TRADE FIXTURES

6.1 **Lessee's Activities.** Lessee shall conduct its construction, maintenance and repair operations in accordance with the Surface Use Plan attached as Exhibit B; however, should any provisions of the Surface Use Plan conflict with any provision set forth in the body of this Agreement, the provision in the body of this Agreement shall govern. Lessee shall promptly repair, at its sole cost, all damages to the Burdened Property, and to any improvements, or natural resources such as soil or vegetation resources, thereon which are caused by Lessee's activities. Lessee shall take all reasonable precautions to protect the Burdened Property and any improvements thereon. Any damage to natural resources which are excessive or unnecessary shall be paid to Surface Owner at a price or cost determined by bids or estimates of the cost of repair. All work performed by Lessee shall be completed in a careful and workman-like manner to Surface Owner's satisfaction, free of any claims or liens. Upon completion of any work performed by Lessee, Lessee shall remove all debris and restore the Burdened Property, as nearly as practicable, to the condition it was in prior to commencement of the work. Lessee shall notify Surface Owner in writing within five (5) days after completion of work, to allow Surface Owner to inspect the work.

6.2 **Waste.** Lessee shall commit no waste on the Burdened Property and will make reasonable efforts to keep the property clean. Lessee shall not cause any filling activity on the Burdened Property. This prohibition includes any deposit of rock, earth, ballast, refuse, garbage, waste matter (including chemical, biological or toxic wastes), hydrocarbons, any other pollutants, or other matter in or on the Burdened Property, except as provided under this Agreement or approved in writing by Surface Owner. Ordinary waste committed by third parties on the Burdened Property shall be removed by Lessee, at Lessee's cost. If Lessee fails to comply with this Subsection, Surface Owner may take any steps reasonably necessary to remedy such failure, subject to the notice and right to cure provisions of Section 11. Upon demand by Surface Owner, Lessee shall pay all costs of such remedial action, including, but not limited to the costs of removing and disposing of any material deposited improperly on the Burdened Property. This section shall not in any way limit Lessee's liability under Section 9 below.

6.3 **Weed Control.** Lessee shall monitor the Burdened Property for noxious weeds, and shall promptly eradicate, at Lessee's own cost, all noxious weeds on the Burdened Property. Lessee shall also control at its own cost any infestation that has spread beyond the boundaries of the Burdened Property if such infestation is reasonably deemed by

Surface Owner to have originated on, and spread from, the Burdened Property as evidenced by weed colonization on the Burdened Property and patterns of weed colonization local to the Burdened Property. Such weed control shall comply with the Utah Noxious Weed Act, any Administrative Rules promulgated therefrom, and County noxious weed control programs. Lessee shall consult with Surface Owner regarding Lessee's control of noxious weeds on the Burdened Property. All methods of chemical weed control shall require prior review and approval of Surface Owner prior to Lessee implementing said chemical control. No aerial spraying without prior approval by Surface Owner is permitted. All earth-moving equipment shall be thoroughly cleaned of soil and other materials that may harbor noxious weed seeds prior to being moved onto Surface Owner's property. If Lessee fails to take action to control noxious weeds within five (5) days following notice from Surface Owner, Surface Owner may undertake control measures, and Lessee shall reimburse Surface Owner upon demand for all costs incurred in implementing such measures. Lessee will continue to be responsible for noxious weed control on the Burdened Property after termination of the Easement until Surface Owner is satisfied with the results and has in written notification released Lessee from its weed control obligations, which notification shall not be unreasonably withheld.

6.4 **Installation Specifications**. Where improvements are buried, they shall be buried at a minimum depth of three (3) feet below the surface of the Burdened Property. For installations within roadways, the improvements shall be buried at a minimum depth of three (3) feet below the road surface or three (3) feet below the bottom of the ditch, whichever applies. Surface Owner reserves the right to inspect the open trench during construction to ensure compliance with the installation specifications.

6.5 **Pre-construction.** Forty-Eight (48) hours prior to commencement of the activities associated with installation of the facilities within the Easement granted herein, Lessee shall notify Surface Owner's Appropriate Regional Habitat Manager to advise of the activities that will occur and an estimated time frame for said activities as depicted on the relevant Exhibit describing said construction on the Burdened Property. Thirty (30) days prior to any subsequent construction or reconstruction by Lessee on the Burdened Property, Lessee shall submit a written plan of construction to Surface Owner's Appropriate Regional Habitat Manager outlining the construction or activity for Surface Owner's approval. During the course of construction, operations, or maintenance, Lessee shall minimize soil erosion and damage to soil. Lessee will not remove any timber or other valuable materials, including, but not limited to, those materials identified or sold as valuable materials, from the Burdened Property until Lessee has received the appropriate permits or other written approval from Surface Owner to remove such valuable materials and has made provisions to compensate Surface Owner for the value of the valuable materials.

6.6 **Road Maintenance.** Maintenance is defined as work normally necessary to preserve and keep the road in satisfactory and functional repair.

(a) Lessee herein is responsible for maintaining any roads on Surface Owner's property used in conjunction with this Agreement; however, the cost of performance of road maintenance and resurfacing shall be allocated on the basis of respective users of said roads. Where one or more authorized party(ies) uses a road, or portion thereof, those parties shall perform or cause to be performed, or contribute or cause to be contributed, that share of maintenance and resurfacing occasioned by such use as hereinafter provided. During periods when a road is being used solely by one party, such party shall maintain that portion of said road so used to the standards equal to or better than those existing at the time use is commenced; provided Surface Owner reserves the right to make reasonable regulations concerning priority of use and maintenance of said roads by it and others.

(b) During periods when more than one party is using the same road, or any portion thereof, the parties hereto shall meet and establish necessary maintenance provisions. Such provisions shall include, but shall not be limited to:

(1) The appointment of a maintainer, which may be one of the Parties hereto

or any third party, who will perform or cause to be performed at a reasonable and agreed upon rate the maintenance and resurfacing of the road or the portion thereof being used; and

(2) A method of payment by which each party using said road or a portion thereof, shall pay its pro rata share of the cost incurred by said maintainer in maintaining or surfacing said road or portion thereof.

6.7 **Road Repair**. Lessee shall repair or cause to be repaired at its sole cost and expense that damage to roads used under this Easement in excess of that caused by normal and prudent usage of said roads. Should damage be caused by an unauthorized user, the cost of repair shall be treated as ordinary maintenance and handled as set forth above. Lessee may add or replace gravel on road surfaces on the Burdened Property, but shall not pave any portion of the road without Surface Owner's written consent.

6.8 **Road Restoration.** If Lessee fouls the surfacing by dragging earth from sides or other sources across the road and onto the surface portion of the road, Lessee shall resurface that portion so affected at its sole cost and expense. Where the Easement crosses existing roads, Lessee shall restore roads as near as practicable to their original condition, if any damage occurs to those roads during Lessee's use of this Easement.

6.9 **Road Improvements.** Unless the Parties agree in writing to share the cost of improvements, improvements shall be at the sole expense of the improver.

6.10 **Road Relocation.** Surface Owner may request the relocation of a road in order to protect wildlife, soil, or vegetation resources or minimize damage thereto, so long as the new location does not unreasonably interfere with Lessee's rights herein. The costs of such relocation shall be divided as negotiated and agreed by the Parties.

6.11 **Resource Damage**. Lessee shall take all reasonable precautions to protect Surface Owner-owned crops and trees. Lessee shall report to Surface Owner any visible resource damage, illegal dumping, or any other change in condition on the Burdened Property that is observed from Lessee's observations of the Easement.

6.12 **Aquatic Invasive Species.**

(a) Decontamination. Lessee shall conduct activities on the Burdened Property so as to minimize the risk of introduction of aquatic invasive species ("AIS") to the Burdened Property. When activities on the Burdened Property will occur on or near fish hatchery areas, or within or near riparian, wetland, spring, lake, or river areas, Lessee shall comply with the "Decontamination Protocol to Control the Spread of Aquatic Invasive Species in Utah." This includes, but is not limited to, full decontamination of all items and materials in contact with water, aquatic animals, or the "green strip," defined as the area between upland and the water's edge that may potentially harbor aquatic invasive species. Decontamination shall be completed in accordance with Utah Administrative Rule R657-60. All costs associated with decontamination processes are the sole responsibility of Lessee.

(b) Staging. Lessee shall stage all preparatory activities for field operations a sufficient distance from all water bodies and green strip areas so as to minimize the risk of AIS introductions.

(c) Monitoring and Liability. Lessee shall monitor the Burdened Property for aquatic invasive species, and shall promptly report to Surface Owner all potential instances of AIS introductions. In the event that Lessee introduces AIS to the Burdened Property, Lessee shall be responsible for all costs associated with investigation, eradication, and subsequent reclamation and remediation of the affected waterway and green strip.

6.13. **Migratory Bird Species.** Under authority of the MBTA, it is unlawful to take, kill, or possess migratory birds, their parts, nests, or eggs. Take is defined (50 CFR 10.12) as to pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to pursue, hunt,

shoot, wound, kill, trap, capture, or collect. To ensure ground-disturbing activities to not result in the "take" of an active nest or migratory bird protected under the MBTA, the following measures will be implemented within the proposed pipeline corridor:

(a) Any ground-disturbing activities or vegetation treatments should be performed before migratory birds begin nesting (April 15) or after all young have fledged (August 31) to avoid incidental take;

(b) If construction activity is scheduled during the migratory bird breeding season (April 15 - August 31), lessee will conduct a site-specific survey for nesting birds beginning at least two weeks prior to groundbreaking activities or vegetation treatments. Established nests with eggs or young cannot be moved, and the birds cannot be harassed, until all young have fledged and are capable of leaving the nest site; and

(c) If nesting birds are found during the survey, appropriate spatial buffers should be established around nests. Vegetation treatments or ground-disturbing activities within the buffer areas should be postponed until the birds have left the nest. Confirmation that all young have fledged should be made by a qualified biologist.

SECTION 7 INTERFERENCE

Lessee shall exercise its rights under this Agreement so as not to unreasonably interfere with Surface Owner's use of the Burdened Property or with the public's ability to use Surface Owner's lands for purposes of lawful recreation, except during periods of construction of Lessee's facilities. Any improvements and trade fixtures constructed by Lessee on the Burdened Property shall be placed and constructed so as to allow reasonably unobstructed movement over and across the Burdened Property.

SECTION 8 COMPLIANCE WITH LAWS

Lessee shall comply with all applicable laws, including all Surface Owner's rules and regulations, and state, county and municipal laws, ordinances, or regulations in effect. Lessee shall obtain and be in possession of all permits and licenses required for the authorized use of the Easement and shall provide proof of such permits/licenses upon request by Surface Owner.

SECTION 9 ENVIRONMENTAL LIABILITY/RISK ALLOCATION

9.1 **Definition**. "Hazardous Substance" means any substance which now or in the future becomes regulated or defined under any federal, state, or local statute, ordinance, rule, regulation, or other law relating to human health, environmental protection, contamination or cleanup, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. 9601, et seq.

9.2 **Use of Hazardous Substances**. Lessee covenants and agrees that Hazardous Substances will not be used, stored, generated, processed, transported, handled, released, or disposed of in, on, under, or above the Burdened Property, except in accordance with all applicable local, state, and federal laws.

9.3 **Current Conditions, Duty of Utmost Care, and Duty to Investigate.**

(a) Surface Owner makes no representation about the condition of the Burdened Property. Hazardous Substances may exist in, on, under, or above the Burdened Property.

(b) Lessee shall exercise the utmost care with respect to both Hazardous Substances in, on, under, or above the Burdened Property, and any Hazardous Substances that come

to be located in, on, under or above the Burdened Property during the Term of this Agreement, along with the reasonably foreseeable acts or omissions of third parties affecting those Hazardous Substances, and the reasonably foreseeable consequences of those acts or omissions. The obligation to exercise utmost care under this Subsection 9.3 includes, but is not limited to, the following requirements:

(1) Lessee shall not undertake activities that will cause, contribute to, or exacerbate contamination of the Burdened Property;

(2) Lessee shall not undertake activities that damage or interfere with the operation of remedial or restoration activities on the Burdened Property;

(3) Lessee shall not undertake any activities that result in the mechanical or chemical disturbance of Burdened Property habitat mitigation, except as reasonably necessary for Lessee's use and occupancy of the Burdened Property, and in such instances will notify Surface Owner prior to undertaking such activities; and

(4) Lessee shall allow access to the Burdened Property by employees and authorized agents of the Environmental Protection Agency, the State of Utah or other similar environmental agencies.

(c) It shall be Lessee's obligation to gather sufficient information to its satisfaction concerning the Burdened Property and the existence, scope and location of any Hazardous Substances on the Burdened Property, or on adjoining property (to the extent reasonably discoverable or ascertainable), as required for Lessee to effectively meet its obligations to comply with all applicable laws regarding such Hazardous Substances.

9.4 Notification and Reporting.

(a) Lessee shall immediately notify Surface Owner if Lessee becomes aware of any of the following:

(1) A release or threatened release of Hazardous Substances in, on, under or above the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property;

(2) Any actual or alleged violation of any federal, state, or local statute, ordinance, rule, regulation, or other law pertaining to Hazardous Substances with respect to the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property, in the event Lessee observes or is notified of such violations;

(3) Any lien or action with respect to any of the foregoing; or

(4) Any notification from the U.S. Environmental Protection Agency (EPA) or the State of Utah that remediation or removal of Hazardous Substances is or may be required at the Burdened Property.

(b) Lessee shall, at Surface Owner's request, provide Surface Owner with copies of all reports, studies, or audits which pertain to the Burdened Property, and which are or were prepared by or for Lessee and submitted to any federal, state, or local authorities as required by any federal, state, or local permit, license, or law. These reports or permits may include, but are not limited to, any National or State Pollution Discharge Elimination System Permit, any Army Corps of Engineers permit, any Hydraulics Project Approval or any Water Quality Certification.

9.5 Indemnification. Lessee shall fully indemnify, defend, and hold Surface Owner, its director, managers, employees and agents harmless from and against any and all claims, demands, damages, damages to natural resources such as soil, water, vegetation, and wildlife, response costs, remedial costs, cleanup costs, losses, liens, liabilities, penalties,

fines, lawsuits, other proceedings, costs, and expenses (including attorney's fees and disbursements), that arise out of or are in any way related to:

(a) The use, storage, generation, processing, transportation, handling, or disposal of any Hazardous Substance by Lessee, its contractors, agents, employees, guests, invitees, or affiliates in, on, under, or above the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property, during the term of this Easement or during any time when Lessee occupies or occupied the Property.

(b) The release or threatened release of any Hazardous Substance in, on, under, or above the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property, which release or threatened release occurs or occurred during the term of this Easement or during any time when Lessee occupies or occupied the Burdened Property or any such other property and as a result of:

(1) Any act or omission of Lessee, its contractors, agents, employees, guests, invitees, or affiliates; or

(2) Any reasonably foreseeable act or omission of a third party unless Lessee exercised the utmost care with respect to the reasonably foreseeable acts or omissions of the third party and the reasonably foreseeable consequences of those acts or omissions.

(c) A breach of the obligations of Subsection 9.3, above, by Lessee, its contractors, agents, employees, guests, invitees, or affiliates.

9.6 **Cleanup**. If a release of Hazardous Substances occurs in, on, under, or above the Burdened Property or other Surface Owner-owned property arising out of any action, inaction, or event described or referred to in Subsection 9.5 above, Lessee shall, at its sole expense, promptly take all actions necessary or advisable to clean up the Hazardous Substances. Cleanup actions shall include, without limitation, resource restoration, mitigation, removal, containment and remedial actions and shall be performed in accordance with all applicable laws, rules, ordinances, and permits. Lessee's obligation to undertake a cleanup of the Burdened Property under this Subsection 9.6 shall be limited to those instances where the Hazardous Substances exist in amounts that exceed the threshold limits of any applicable federal, state and local regulatory cleanup standards, or where it is determined that there will be continuing damages to natural resources in the absence of a cleanup action. Lessee shall also be solely responsible for all cleanup, administrative, and enforcement costs of governmental agencies, including natural resource damage claims arising out of any action, inaction, or event described or referred to in Subsection 9.5, above. Lessee may take reasonable and appropriate actions without advance approval in emergency situations.

9.7 **Sampling by Surface Owner, Reimbursement, and Split Samples.**

(a) Surface Owner may conduct sampling, tests, audits, surveys or investigations ("Tests") of the Burdened Property at any time to determine the existence, scope, or effects of Hazardous Substances on the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property. If such Tests indicate the existence, release or threatened release of Hazardous Substances arising out of any action, inaction, or event described or referred to in Subsection 9.5, above, Lessee shall promptly reimburse Surface Owner for all costs associated with such Tests.

(b) Surface Owner's ability to seek reimbursement for any Tests under this Subsection shall be conditioned upon Surface Owner providing Lessee written notice of its intent to conduct any Tests at least thirty (30) calendar days prior to undertaking such Tests, unless such Tests are performed in response to an emergency situation, in which case Surface Owner shall only be required to give such notice as is reasonably practical.

(c) Lessee shall be entitled to split samples of any Test samples obtained by Surface Owner. The additional cost of any split samples shall be borne solely by Lessee. Any additional costs Surface Owner incurs by virtue of Lessee's split sampling shall be reimbursed to Surface Owner within thirty (30) calendar days after a bill for such costs is sent to Lessee.

9.8 Contamination Investigation.

(a) If Surface Owner has reason to believe that a release or threatened release of Hazardous Substances has occurred on the Burdened Property during Lessee's occupancy, Surface Owner may require Lessee to conduct a Closeout Environmental Assessment (Closeout Assessment) by providing Lessee with written notice of this requirement no later than ninety (90) calendar days prior to the Easement termination date, or within ninety (90) days of any valid notice to terminate the easement earlier than originally agreed. The purpose of the Closeout Assessment shall be to determine the existence, scope, or effects of any Hazardous Substances on the Burdened Property and any associated natural resources. If the initial results of the Closeout Assessment disclose the existence of Hazardous Substances that may have migrated to other property, Surface Owner may require additional Closeout Assessment work to determine the existence, scope, and effect of any Hazardous Substances on adjoining property, any other property subject to use by Lessee in conjunction with its use of the Burdened Property, or on any associated natural resources. The Closeout Assessment may include Sediment Sampling as well as any additional testing requirements Surface Owner may require based on changes in scientific, statutory, or regulatory standards for information concerning the activities of Lessee, its contractors, agents, employees, guests, invitees, or affiliates.

(b) Prior to undertaking the Closeout Assessment, Lessee shall submit a proposed plan in writing for Surface Owner's approval. The plan shall be provided to Surface Owner within thirty (30) days of Surface Owner's notice requiring the Closeout Assessment. If Surface Owner fails to respond in writing, either approving or disapproving of the proposed plan, within thirty (30) days of its receipt, the proposed plan shall be deemed approved. Lessee shall be responsible for all costs required to complete planning, sampling, analyzing, and reporting associated with the Closeout Assessment.

9.9 Reservation of Rights. The Parties have agreed to allocate certain environmental liabilities by the terms of Section 9. With respect to those environmental liabilities covered by the indemnification provisions of Subsection 9.5, that subsection shall exclusively govern the allocation of those liabilities. With respect to any environmental liabilities not covered by Subsection 9.5, the Parties expressly reserve and do not waive or relinquish any rights, claims, immunities, causes of action or defenses relating to the presence, release, or threatened release of Hazardous Substances in, on, under or above the Burdened Property, any adjoining property or any other property subject to use by Lessee in conjunction with its use of the Burdened Property that either Party may have against the other under federal, state or local laws, including but not limited to, CERLCA, MTCA, and the common law. No right, claim, immunity, or defense either party may have against third parties is affected by this Easement and the Parties expressly reserve all such rights, claims, immunities, and defenses. The allocations of risks, liabilities, and responsibilities set forth above do not release Lessee from or affect Lessee's liability for claims or actions by federal, state, or local regulatory agencies concerning Hazardous Substances.

9.10 Impacts to Wildlife. Lessee, its employees, contractors, successors and assigns shall make reasonable and good faith efforts to protect any legally protected wildlife to the best of their knowledge and ability. Lessee shall report to Surface Owner any harm or threats to harm or harass any legally protected wildlife should Lessee become aware of such harm or threats to harm or harass legally protected wildlife in the ordinary course of its operations on the Burdened Property.

SECTION 10 PRESERVATION OF SURVEY CORNERS

Lessee shall exercise reasonable care to ensure that all legal land subdivision survey corners and witness objects are preserved. If any survey corners or witness objects are destroyed or disturbed by Lessee, Lessee shall reestablish them by a registered professional engineer or licensed land surveyor in accordance with US General Land Office standards, at Lessee's own expense. Corners and/or witness objects that must necessarily be disturbed or destroyed in the process of construction of improvements and trade fixtures must be adequately referenced and/or replaced in accordance with all applicable laws and regulations in force at the time. The references must be approved by Surface Owner prior to removal of the survey corners and/or witness objects.

SECTION 11 TERMINATION OF EASEMENT

11.1 Termination for Cause. This Easement shall terminate if Lessee receives notice from Surface Owner that Lessee is in material breach of this Easement and Lessee fails to cure that breach within ninety (90) days of Surface Owner's notice, or such longer period as may be required under the circumstances as approved by Surface Owner. If the breaching party fails to correct such breach or fails to diligently undertake efforts to cure such breach within such period, Surface Owner may terminate this Easement without further notice; provided, however, such termination shall not release the breaching party from liability for damage prior to such termination. In addition to terminating this Easement, Surface Owner shall have any other remedy available to it. Surface Owner's failure to exercise its right to terminate at any time shall not waive Surface Owner's right to terminate for any future breach.

11.2 Termination for Non-Use.

(a) Lessee shall submit to Surface Owner a summary report of Lessee’s use of the Easement within thirty (30) days of the first anniversary of this Agreement, and an annual report thereafter, along with a fee of One Hundred Dollars ($100) for Surface Owner’s administration of this Easement; Surface Owner reserves the right to recoup from Lessee additional reasonable administrative costs if Surface Owner’s costs are significantly in excess of One Hundred Dollars ($100).

(b) Any portion of the Easement that is determined to be unused or abandoned pursuant to this paragraph shall terminate. Lessee shall upon request of Surface Owner execute a release of interest in the portion abandoned under the provisions of this Section. Under the non-use clause, Lessee shall be responsible for surface reclamation and restoration of the Burdened Property in accordance with Section 12 of this Agreement. Any portion of this Easement that is so described by the following conditions shall be deemed to be unused and abandoned:

(1) Within 365 days of the date of execution of this Agreement, Lessee fails to commence construction and installation of the infrastructure authorized under this Easement, unless otherwise waived by Surface Owner in writing;

(2) Within two (2) years of the date of execution of this Agreement, Lessee does not utilize the pipeline crossing the Burdened Property for the provision of drinking water to Spanish Fork City, unless otherwise waived by Surface Owner in writing; or

(3) If after establishing a drinking water supply to Spanish Fork City, Lessee suspends such provision for a period longer than thirty-six (36) consecutive months, unless otherwise waived by Surface Owner in writing.

11.3 Voluntary Termination. This Easement may also terminate as to all or part of the Burdened Property if Lessee has satisfied its outstanding obligations as to the part to be relinquished, provides Surface Owner with sixty (60) days written notice of its intent to terminate, and executes a release of interest to the portion terminated in recordable form. Lessee shall not be entitled to a refund for any relinquishment.

11.4 **Lessee's Obligations**. Lessee obligations not fully performed upon termination shall continue until fully performed.

SECTION 12. RECLAMATION

12.1 **Timing**. As soon as practicable, following the construction of improvements and trade fixtures, or termination of the Easement, all disturbed land, other than access road driving surfaces for those portions of the Easement not terminated, will be recontoured to the approximate natural contours.

12.2 **Soil**. During construction of the pipeline, any and all topsoil moved or removed will be stockpiled and preserved for present and future project area restoration. Soil from the right of way shall not enter any live stream or open water.

12.3 **Revegetation**. Lessee will re-establish a successful vegetation cover by reseeding with a seed mixture of shrubs, forbs, and grasses, as specified by Surface Owner. Lessee will not be released from this obligation until Surface Owner has inspected the site for two (2) years following construction and reclamation, and has made a determination that the re-vegetation is successful, or such time thereafter until re-vegetation has become successful.

12.4 **Unauthorized Travel**. In consultation with Surface Owner, Lessee will undertake reasonable measures, including the placement of signage, cattle guards, trenches, barrier rock or other obstacles, to restrict unauthorized motorized travel, including that of third parties, on or across the Burdened Property. If such measures are not effective in controlling unauthorized motorized travel, Lessee will consult with Surface Owner on additional measures that may be required to restrict such unauthorized motorized travel on the Burdened Property.

12.5 **Failure to Reclaim**. Surface Owner shall have the right, subject to at least sixty (60) days prior notice and a right to cure, to use funds from Lessee's surety bond to complete reclamation or restoration if Lessee fails to do so.

SECTION 13 OWNERSHIP AND REMOVAL OF IMPROVEMENTS, TRADE FIXTURES, AND EQUIPMENT

13.1 **Improvements.** No Lessee-Owned improvements, other than appurtenances for the rights herein granted, shall be placed on the Burdened Property without Surface Owner's prior written consent.

13.2 **Ownership of Improvements and Trade Fixtures**. Except as provided herein, Lessee shall retain ownership of all improvements and trade fixtures it may place on the Burdened Property (collectively "Lessee Owned Improvements"). Lessee-Owned Improvements shall not include any construction, reconstruction, alteration, or addition to any Unauthorized Improvements as defined in Subsection 13.5 below.

13.3 **Construction**. Issuance of this Easement shall constitute authorization to undertake the initial construction work specified in that agreement without the need for further notice. Subsequent alterations, significant repairs, or new construction shall require advance notice to Surface Owner as contemplated in Section 5.

13.4 **Removal**. Lessee-Owned improvements and trade fixtures that have been installed above or below ground shall be removed by Lessee by the Termination Date unless Surface Owner notifies Lessee in writing that such may remain. If Surface Owner elects to have such above ground improvements remain on the Burdened Property after the Termination Date, they shall become the property of Surface Owner without payment by Surface Owner. If Lessee wishes to leave improvements on the Burdened Property upon expiration of the Easement, Lessee shall notify Surface Owner of such intent at least one

hundred eighty (180) days before the Termination Date. Surface Owner shall then have ninety (90) days in which to notify Lessee whether Surface Owner elects to have the improvements removed or to have them remain. Failure to notify Lessee shall be deemed an election by Surface Owner for the improvements to be removed from the Burdened Property. If the improvements remain on the Burdened Property after the Termination Date without Surface Owner's actual or deemed consent, Surface Owner may remove them at Lessee's expense. Surface Owner may require Lessee to abandon improvements and/or trade fixtures, rather than remove them. Such abandonment shall be undertaken in accordance with a plan approved by Surface Owner. Abandonment of buried facilities should be performed in accordance with the appropriate regulations and any applicable permits. Should Surface Owner elect to allow any part of Lessee's improvements or trade fixtures to remain affixed to the Burdened Property, Lessee shall make a diligent and good-faith effort to clean the improvements or trade fixtures using the best industry practices and technologies available at the time, as directed by Surface Owner, in order to minimize as much as reasonably practical, environmental contaminants left on or in the Burdened Property.

13.5 **Unauthorized Improvements**. Improvements made on the Burdened Property without Surface Owner's prior written consent are not authorized ("Unauthorized Improvements"). Surface Owner may, at its option, require Lessee to sever, remove, and dispose of them or allow them to remain upon amendment of this Agreement, at which time all provisions of this Agreement shall apply to the Unauthorized Improvements unless otherwise explicitly stated in the amendment. If Lessee fails to remove an Unauthorized Improvement within sixty (60) days of notification by Surface Owner, Surface Owner may remove the Unauthorized Improvements and charge Lessee for the cost of removal and disposal.

SECTION 14 INDEMNITY

Lessee agrees to protect, indemnify, save and hold harmless Surface Owner, its agents and employees, from and against all claims, demands, damages, and causes of action of every kind or character on account of bodily injuries, death, or damage to property arising because of, for, out of, or in any way connected with the performance of Lessee under this Agreement, except where such injury, death, or damage has resulted from the sole negligence of Surface Owner without negligence or willful act on the part of Lessee, its agents, employees, or subcontractors. Lessee shall defend all suits brought upon such claims and pay all costs and expenses incidental thereto, but Surface Owner shall have the right, at its option, to participate in the defense incidental thereto without relieving Lessee of any obligation hereunder. Lessee's liability to Surface Owner for hazardous substances, and its obligation to indemnify, defend, and hold Surface Owner harmless for hazardous substances, shall be governed exclusively by Section 9.

SECTION 15 FINANCIAL SECURITY

[Intentionally Omitted]

SECTION 16 TAXES AND ASSESSMENTS

Lessee shall promptly pay all taxes, assessments and other governmental charges of any kind whatsoever levied as a result of this Easement or relating to Lessee's improvements and trade fixtures constructed pursuant to this Easement.

SECTION 17 ADVANCES BY SURFACE OWNER

If Surface Owner advances or pays any costs or expenses for or on behalf of Lessee, including, but not limited to taxes, assessments, insurance premiums, costs of removal and disposal of unauthorized materials, costs of removal and disposal of improvements

and trade fixtures, or other amounts not paid when due, Lessee shall reimburse Surface Owner the amount paid and shall pay interest on such amount at the rate of one percent (1%) per month from the date Surface Owner notifies Lessee of the advance or payment.

SECTION 18 NOTICE

Except as provided in Section 5 of this Agreement, any notices required or permitted under this Agreement shall be in writing and personally delivered or mailed by certified mail, return receipt requested, to the following addresses or to such other places as the parties may direct in writing from time to time:

Surface Owner
Habitat Section
Utah Division of Wildlife Resources
1594 West North Temple, Suite 2110
Salt Lake City, Utah 84114-6301

AND

Habitat Section
Utah Division of Wildlife Resources
1115 N Main St.
Springville, Utah 84663

Lessee
Spanish Fork City
Attn: Chris Thompson
Public Works Director, City Engineer
40 South Main Street
Spanish Fork, Utah 84660

A notice shall be deemed given and delivered upon personal delivery, upon receipt of a confirmation report if delivered by facsimile machine, email or three (3) days after being mailed as set forth above, whichever is applicable.

SECTION 19 RESERVATIONS

Surface Owner, its successors and assigns, reserves all ownership of the Burdened Property and profits thereon, and the right of use for any and all purposes that do not unreasonably interfere with the rights granted herein, including the right to keep the Burdened Property open for public use for recreation; the right to remove profits from the Burdened Property; the right at all times to cross and recross the Burdened Property at any place on grade or otherwise; and the right to use the Easement for access to and from the lands owned by Surface Owner on both sides of the Easement. Surface Owner may grant to third parties any and all rights reserved. Once Lessee clears or removes any vegetation on the Burdened Property as provided in this Agreement, vegetation that is subsequently grown in such cleared areas shall belong to Surface Owner.

SECTION 20 CULTURAL RESOURCES

It is hereby understood and agreed that all treasure-trove, all articles of antiquity, and critical paleontological resources in or upon the Burdened Property or adjacent lands belonging to Surface Owner are and shall remain the property of Surface Owner. Lessee agrees that all costs associated with archeological and paleontological investigations on the Burdened Property that may be required by Surface Owner will be borne by Lessee. Lessee further agrees to cease all activity on the subject lands and immediately notify Surface Owner if any discovery of human remains or a “site” or “specimen,” as defined

in Section 9-8-302 or 63-73-1 Utah Code Annotated (1953), as amended, is made on the Burdened Property, and continue to cease all construction or maintenance therein until such time as the human remains, “site” or “specimen” in question has been treated to the satisfaction of Surface Owner.

SECTION 21 ASSIGNMENT

21.1 **Consent of Surface Owner**. Lessee shall not hypothecate, mortgage, assign, transfer or otherwise alienate this Easement, or any interest therein, without the prior written consent of Surface Owner, which shall not be unreasonably withheld. In no case shall such consent operate to relieve Lessee of the responsibilities or liabilities assumed by Lessee hereunder, or be given unless such party is acceptable to Surface Owner and assumes in writing all of the obligations of Lessee under the terms of this Agreement as to the balance of the term thereof, or acquires the rights in trust as security and subject to conditions such as Surface Owner deems necessary. A sublease, conveyance, or assignment must be a sufficient legal instrument, properly executed and acknowledged, and should clearly set forth the easement lease contract number, lands involved, and the name and address of the assignee, and shall include any agreement which transfers control of the Easement to a third party. A copy of the documents subleasing, conveying, or assigning the interest shall be given to Surface Owner prior to Surface Owner’s approval or denial of the assignment.

21.2 **Assignee**. Any assignment shall be in keeping with the purposes of this Easement and may only be made to a party qualified to do business in the State of Utah, and which has authority to operate the said facilities, and which is not in default under the laws of the State of Utah relative to qualification to do business within the State, and is not in default on any previous obligation to Surface Owner.

21.3 **Costs of Assignment**. A sublease, conveyance, or assignment may not be approved without reimbursement of Surface Owner’s administrative costs associated with said sublease, conveyance, or assignment; and payment of the difference between what was originally paid for the permit, lease, or contract and what the division would charge for the permit, lease, or contract at the time the application for sublease, conveyance, or assignment is submitted.

21.4 **Effective Date of Assignment**. A sublease, conveyance, or assignment shall take effect on the date of Surface Owner’s approval of the assignment. On the effective date of any assignment, the assignee is bound by the terms of the lease to the same extent as if the assignee were the original grantee, any conditions in the assignment to the contrary notwithstanding.

21.5 **Non-Waiver**. The consent of Surface Owner to any one assignment shall not constitute a waiver of Surface Owner's right to consent to subsequent assignments, nor shall consent of Surface Owner to any one assignment relieve any party previously liable as Lessee from any obligations under this Agreement. The acceptance by Surface Owner of payment of rent following an assignment shall not constitute consent to any assignment and Surface Owner's consent shall be evidenced only in writing.

SECTION 22 SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns and shall be a covenant running with the land.

SECTION 23 TIME IS OF THE ESSENCE

TIME IS OF THE ESSENCE as to each and every provision of this Agreement.

SECTION 24 RECORDATION

Lessee shall record this Agreement in the counties in which the Burdened Property is located, at Lessee's sole expense. Lessee shall provide Surface Owner a copy of the public recording. Lessee shall have ninety (90) days from the date of delivery of the final executed Agreement to comply with the requirements of this Section.

SECTION 25 APPLICABLE LAW AND VENUE

This Agreement shall be interpreted and construed in accordance with and shall be subject to the laws of the State of Utah. Any reference to a statute shall mean that statute as presently enacted or hereafter amended or superseded. Lessee consents to suit in the courts of the State of Utah in any dispute arising under the terms of this Agreement or as a result of operations carried on under this Agreement. Service of process in any such action is hereby agreed to be sufficient if sent by registered mail to Lessee at the last known address of Lessee appearing in the records of Surface Owner. Lessee agrees for itself and its successors and assigns that any suit brought by Lessee, its successors or assigns concerning this Agreement may be maintained only in the Utah State District Court of Salt Lake County. In the event of any litigation arising under this Agreement, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees incurred in connection with the litigation, including any appeals.

SECTION 26 MODIFICATION

Any modification of this Agreement must be in writing and signed by the parties. Surface Owner or Lessee shall not be bound by any oral representations of Surface Owner or Lessee. Authorized signatures for Surface Owner may only be provided by the Director or the Director's designee.

SECTION 27 SURVIVAL

Any obligations which are not fully performed upon termination of this Easement shall not cease, but shall continue as obligations until fully performed.

SECTION 28 WAIVER

No Waiver of Conditions by Surface Owner of any default of Lessee or failure of Surface Owner to timely enforce any provision of this Agreement shall constitute a waiver of or constitute a bar to subsequent enforcement of the same or other provisions of this Agreement. No provision in this Agreement shall be construed to prevent Surface Owner from exercising any legal or equitable remedy it may have.

SECTION 29 WATER RIGHTS

Lessee shall not file an application to appropriate water from the surface or subsurface of Surface Owner's lands unless the application is approved by Surface Owner in writing and is filed in the name of the Surface Owner. All water structures, including impoundment, diversion and conveyance structures or works, used to impound, divert or convey water claimed solely under a Surface Owner water right shall be the property of Surface Owner.

SECTION 30 INVALIDITY

If any provision of this Agreement proves to be invalid, void, or illegal, it shall in no way affect, impair, or invalidate any other provision of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement, effective on the date of the last signature below.

SURFACE OWNER

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES, DIVISION OF WILDLIFE RESOURCES

By:_____
James F. Karpowitz
Director of Wildlife Resources

Date:_____

LESSEE

SPANISH FORK CITY

By_____
G. Wayne Andersen
Mayor

Date:_____

Funding Approvals:
Division of Wildlife Resources Fiscal Management

By:_____
Linda Braithwaite
Budget Officer
Date:_____

STATE OF UTAH)
) SS.
COUNTY OF SALT LAKE)

On this _____ day of _____, 2011 personally appeared before me James F. Karpowitz, who being first duly sworn said that he is the Director of the Division of Wildlife Resources for the State of Utah, that the foregoing instrument was executed pursuant to authority granted him by The Wildlife Resource Code of Utah (23-21-1), and he acknowledged to me that he executed the same.

_____
Notary Public for the State of Utah

Residing at _____

My commission expires_____

STATE OF UTAH)
) SS.
COUNTY OF UTAH)

On this _____ day of _____, 2011, personally appeared before me G. Wayne Andersen to me known to be the Mayor of Spanish Fork City who executed the within and foregoing instrument, and acknowledged that the execution of the document herein was his free and voluntary act and deed, for the uses and purposes therein mentioned, and gave an oath that he is authorized to execute the within instrument for said corporation.

_____
Notary Public for the State of Utah

Residing at _____

My commission expires_____

Legal description of alignment DWR Alignment Section

A description of the 4943.85 foot long centerline of the proposed 15 foot wide easement (7.5 foot offset to each side of centerline) described as follows:

Commencing at a point which lies East 1,218.15 feet and South 2,511.49 feet, more or less, from the Northwest (NW) corner of Section 2 in Township 9 S and Range 3 E, and lies on the Utah Division of Wildlife Resource's property line. Thence along a tangent line S 35° 43' 34" E a distance of 259.12 feet;
Said curve turning to the right through an angle of 30° 35' 53", having a radius of 100.00 feet, and whose long chord bears S 20° 25' 37" E for a distance of 52.77 feet to a point of intersection with a tangential line.
Thence along a tangent line S 05° 07' 41" E a distance of 57.76 feet;
Said curve turning to the left through an angle of 84° 27' 27", having a radius of 75.00 feet, and whose long chord bears S 47° 21' 25" E for a distance of 100.81 feet to a point of intersection with a tangential line.
Thence along a tangent line S 89° 35' 08" E a distance of 41.36 feet;
Said curve turning to the right through an angle of 17° 50' 51", having a radius of 100.00 feet, and whose long chord bears S 80° 39' 43" E for a distance of 31.02 feet to a point of intersection with a tangential line.
Thence along a tangent line S 71° 44' 17" E a distance of 280.43 feet;
Said curve turning to the right through an angle of 47° 55' 54", having a radius of 150.00 feet, and whose long chord bears S 47° 46' 20" E for a distance of 121.86 feet to a point of intersection with a tangential line.
Thence along a tangent line S 23° 48' 23" E a distance of 80.07 feet;
Said curve turning to the left through an angle of 39° 04' 02", having a radius of 150.00 feet, and whose long chord bears S 43° 20' 24" E for a distance of 100.31 feet to a point of intersection with a tangential line.
Thence along a tangent line S 62° 52' 24" E a distance of 37.46 feet;
Said curve turning to the right through an angle of 10° 30' 53", having a radius of 500.00 feet, and whose long chord bears S 57° 36' 58" E for a distance of 91.63 feet to a point of intersection with a tangential line.
Thence along a tangent line S 52° 21' 32" E a distance of 239.71 feet;
Said curve turning to the right through an angle of 18° 45' 15", having a radius of 500.00 feet, and whose long chord bears S 42° 58' 54" E for a distance of 162.93 feet to a point of intersection with a tangential line.
Thence along a tangent line S 33° 36' 16" E a distance of 371.78 feet;
Said curve turning to the right through an angle of 21° 20' 08", having a radius of 500.00 feet, and whose long chord bears S 22° 56' 12" E for a distance of 185.11 feet to a point of intersection with a tangential line.
Thence along a tangent line S 12° 16' 08" E a distance of 28.33 feet, more or less, to a point on the Utah Division of Wildlife Resource's property line;

[Continued On Next Page]

Said curve turning to the left through an angle of 46° 36' 06", having a radius of 75.00 feet, and whose long chord bears S 35° 34' 11" E for a distance of 59.33 feet to a point of intersection with a tangential line.
Thence along a tangent line S 58° 52' 14" E a distance of 34.09 feet;
Said curve turning to the right through an angle of 11° 59' 52", having a radius of 75.00 feet, and whose long chord bears S 52° 52' 18" E for a distance of 15.68 feet to a point of intersection with a tangential line.
Thence along a tangent line S 46° 52' 22" E a distance of 68.16 feet;
Said curve turning to the right through an angle of 20° 42' 13", having a radius of 75.00 feet, and whose long chord bears S 36° 31' 15" E for a distance of 26.95 feet to a point of intersection with a tangential line.
Thence along a tangent line S 26° 10' 09" E a distance of 88.85 feet;
Said curve turning to the left through an angle of 17° 55' 51", having a radius of 75.00 feet, and whose long chord bears S 35° 08' 04" E for a distance of 23.38 feet to a point of intersection with a tangential line.
Thence along a tangent line S 44° 05' 60" E a distance of 331.40 feet;
Said curve turning to the left through an angle of 29° 19' 37", having a radius of 75.00 feet, and whose long chord bears S 58° 45' 48" E for a distance of 37.97 feet to a point of intersection with a tangential line.
Thence along a tangent line S 73° 25' 37" E a distance of 60.57 feet;
Said curve turning to the right through an angle of 46° 21' 24", having a radius of 75.00 feet, and whose long chord bears S 50° 14' 55" E for a distance of 59.04 feet to a point of intersection with a tangential line.
Thence along a tangent line S 27° 04' 13" E a distance of 58.79 feet;
Said curve turning to the left through an angle of 28° 31' 59", having a radius of 75.00 feet, and whose long chord bears S 41° 20' 13" E for a distance of 36.97 feet to a point of intersection with a tangential line.
Thence along a tangent line S 55° 36' 12" E a distance of 42.92 feet;
Said curve turning to the right through an angle of 43° 58' 27", having a radius of 75.00 feet, and whose long chord bears S 33° 36' 59" E for a distance of 56.16 feet to a point of intersection with a tangential line.
Thence along a tangent line S 11° 37' 45" E a distance of 39.39 feet;
Said curve turning to the left through an angle of 38° 05' 04", having a radius of 75.00 feet, and whose long chord bears S 30° 40' 17" E for a distance of 48.94 feet to a point of intersection with a tangential line.
Thence along a tangent line S 49° 42' 49" E a distance of 133.25 feet;
Said curve turning to the left through an angle of 11° 19' 15", having a radius of 500.00 feet, and whose long chord bears S 55° 22' 26" E for a distance of 98.63 feet to a point of intersection with a tangential line.
Thence along a tangent line S 61° 02' 03" E a distance of 196.99 feet;
Said curve turning to the left through an angle of 14° 33' 51", having a radius of 500.00 feet, and whose long chord bears S 68° 18' 59" E for a distance of 126.76 feet to a point of intersection with a tangential line.
Thence along a tangent line S 75° 35' 55" E a distance of 92.55 feet;

[Continued On Next Page]

Said curve turning to the left through an angle of 06° 45' 28", having a radius of 500.00 feet, and whose long chord bears S 78° 58' 39" E for a distance of 58.94 feet to a point of intersection with a tangential line.
Thence along a tangent line S 82° 21' 23" E a distance of 106.82 feet;
Said curve turning to the left through an angle of 37° 49' 21", having a radius of 75.00 feet, and whose long chord bears N 78° 43' 57" E for a distance of 48.62 feet to a point of intersection with a tangential line.
Thence along a tangent line N 59° 49' 16" E a distance of 56.93 feet;
Thence along a tangent line S 58° 24' 39" E a distance of 39.91 feet;
Said curve turning to the right through an angle of 19° 17' 41", having a radius of 200.00 feet, and whose long chord bears S 48° 45' 49" E for a distance of 67.03 feet to a point of intersection with a tangential line.
Thence along a tangent line S 39° 06' 59" E a distance of 121.04 feet;
Thence along a tangent line N 79° 31' 02" E a distance of 119.05 feet;
Thence along a tangent line S 36° 57' 47" E a distance of 183.93 feet;
Said curve turning to the right through an angle of 11° 00' 23", having a radius of 75.00 feet, and whose long chord bears S 31° 27' 36" E for a distance of 14.39 feet to a point of intersection with a tangential line.
Thence along a tangent line S 25° 57' 24" E a distance of 5.51 feet;
Said curve turning to the left through an angle of 26° 49' 55", having a radius of 75.00 feet, and whose long chord bears S 39° 22' 21" E for a distance of 34.80 feet to a point of intersection with a tangential line.
Thence along a tangent line S 52° 47' 19" E a distance of 5.57 feet;
Said curve turning to the right through an angle of 22° 51' 47", having a radius of 75.00 feet, and whose long chord bears S 41° 21' 25" E for a distance of 29.73 feet to a point of intersection with a tangential line.
Thence, S 29° 55' 31" E for a distance of 45.32 feet, more or less, ending on the Division of Wildlife Resource's property line.

[END]

Exhibit A.2
Depiction of Crab Creek Pipeline Corridor

HANSEN ALLEN & LUCE inc ENGINEERS

Project Plan of Development

DATE: November 15, 2011
FROM: Tavis Timothy, PE
PROJECT: Lower Crab Creek Pipeline
SUBJECT: Revised Project Plan of Development Accompanying Application for Right-of-Way

I. BIDDING

Time Frame

Bidding for this project will begin in the middle of September and end by the end of September 2011.

II. FUNDING

Time Frame

Funding for this project will be provided through a Utah State Division of Drinking Water Loan that is anticipated to finalize the middle of October. To finalize the funding a construction bid is required along with attaining ROW for the project.

III. AWARD OF CONTRACT

Time Frame

A contract for the construction of the project is anticipated to be awarded during the end of October after funding has been finalized.

IV. GENERAL CONSTRUCTION

Time Frame

Construction for the entire project will occur between October 2011 and August 2012. It is anticipated that Construction within DWR property will not occur until after April 15, 2012 except for the River Crossings as described below.

Description

General construction will consist of clearing and grubbing the area, excavation of the trench, installation of the pipeline and other appurtenances, installation of pipe stabilization material, installation of the native trench backfill with required compaction of

Project Plan of Development - Continued

all backfill, installation of the topsoil, removal of excess stockpiled material, revegetation of affected areas, and any other procedures and methods required for the installation of the pipeline and associated appurtenances.

The excavated trench will be at least 38 inches wide and at least 7 feet deep (8 feet if the pipe is in railroad right-of-way). The top width of the trench will vary depending on the soil conditions and OSHA requirements. Backfill around the pipe will consist of sand extending 6 inches above the pipe and stabilization material on the bottom 6 inches of the trench. Additional backfill will consist of native 6 inch minus and all backfill will be compacted per requirements on the construction drawings. Topsoil will be installed above the native backfill.

Stockpiled excavated material will be segregated from stockpiled topsoil which is required for successful revegetation.

V. CONSTRUCTION FROM COLD SPRINGS TO DIVERSION STRUCTURE

Time Frame

The construction of this section of the project, occurring in Railroad Right of Way, will occur between November and the end of January, 2011.

Description

This section of the project is not located in Division of Wildlife Resources (DWR) property and will not be addressed here.

VI. CONSTRUCT RIVER CROSSINGS

Time Frame

The construction of the river crossings will occur between December 2011 and April 1, 2012. It is critical that the river crossings be completed during this time frame to avoid high water due to spring runoff. Three river crossings exist in DWR property, which are dry during the Winter months (before April 15th) as they are below the Bureau of Reclamation/Power Canal diversion.

Although it is understood DWR limits construction from December to March to prevent excessive stress upon wildlife during winter months, the limited time frame to complete the river crossings will necessitate construction during the winter months. However, the river crossings do not exceed 800 feet of pipe, occur near the edge of the wildlife refuge and are not anticipated to excessively stress the wildlife.

Project Plan of Development - Continued

Description

The river crossings will meet or exceed those standards required by the Division of Drinking Water (DDW).

River crossings will be constructed with 24 inch diameter HDPE DIPS DR-21 pipe. The crossings will have at least 4 feet of cover. The crossings will all have valves immediately upstream and downstream of the crossings with a manhole and sampling taps on the upstream side as required by DDW. Crossings will be returned to existing grade.

VII. CONSTRUCTION FROM DIVERSION STRUCTURE TO EXISTING SYSTEM

Time Frame

Construction will occur between December, 2011 and August, 2012. Less than 5,000 feet of this section of the project is located in DWR property (total section is approximately 13,000 feet long). Construction will occur in DWR property after March and as weather permits. Any construction before March required for basic pipeline installation (excluding river crossings) will be authorized in this area by DWR before construction begins.

Description

This section of the project will consist of 24 inch diameter HDPE DIPS DR-21 pipe with at least 4 feet of cover, or 5 feet of cover if the area is within the Union Pacific Railroad right-of-way. This area of this section of the project will be returned to existing grade. There is a crossing of the Bureau of Reclamation's existing underground Power Canal that will require casing pipe that is located in DWR property, but within the Bureau's ROW. The power canal crossing will require open jacking pits to install the casing pipe.

VIII. TESTING, REVEGETATION, CLEANUP

Time Frame

Testing of the pipeline, revegetation of the corridor, and general cleanup of the project will occur during July and August 2012.

Description

Revegetation will consist of seeding the disturbed vegetated corridor with plant species indigenous to the area to prevent erosion and restore the area to initial conditions.

Cleanup will remove stockpiled fill and cleared vegetation from the area, leaving the corridor in a condition equal to the initial condition. After completion of the project above

Project Plan of Development - Continued

ground visible features will be the three manhole covers upstream of the river crossings, and the three valve access covers downstream of the river crossings. At a few high point locations within the DWR property there will also be small diameter pipes (3 inch to – 4 inch diameter pipes) above ground that will vent to atmosphere.

REMAINDER OF PLAN LEFT BLANK

Exhibit C
Reclamation Seed Mix

Recommended Wetland Seed Mix*:

Scientific Name	**Common Name**	**Approximate Pounds/Acre**	**% of Mix**	**Indicator Status**
Agrostis gigantea	Redtop	0.50	24	FACW
Aquilegia formosa	Western Red Columbine	0.50	2	FAC
Eleocharis palustris	Creeping Spikerush	1.00	10	OBL
Juncus balticus	Baltic Rush	0.25	30	FACW
Poa palustris	Fowl Bluegrass	1.00	34	FACW
	Total	**3.25**	**100**	

* Substitutions may be necessary based on seed availability. Substituted species must have an indicator status of FAC, FACW, or OBL

Recommended Upland Seed Mix*:

Scientific Name	**Common Name**	**Approximate Pounds/Acre**	**% of Mix**	**Indicator Status**
Pascopyrum smithii	Western Wheatgrass	10.5	30	FACU
Pseudoroegneria spicata	Blue Bunchgrass	3.5	10	FACU
Leymus cinereus	Great Basin Wildrye	5.2	15	NI
Achnatherum hymenoides	Indian Ricegrass	12.0	35	UPL
Linum lewisii	Blue Flax	1.0	3	NI
Cleome serrulata	Rocky Mountain Bee Plant	0.8	2	FACU
Gooseberry-leaf globemallow, Utah (northern) sweetvetch, or Rocky Mountain or Palmer penstemon		2.0	5	
	Total	**35.0**	**100**	

Mayor and Council,

Here is the audit report for the Spanish Fork/ Springville Airport for the Fiscal Year 2011.
All Accounting and Finances are done by Springville City. An Audit is done separate from both the Springville City Audit and the Spanish Fork City Audit. The Airport financials are reported in each city's financial statements in the footnotes.

Kent

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SPANISH FORK/SPRINGVILLE AIRPORT
BASIC FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITOR'S REPORTS
YEAR ENDED JUNE 30, 2011

SPANISH FORK/SPRINGVILLE AIRPORT

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GREG OGDEN, CPA
1761 EAST 850 SOUTH
SPRINGVILLE, UT 84663
(801) 489-8408

INDEPENDENT AUDITOR'S REPORT

November 9, 2011

Airport Board of Directors
Spanish Fork/Springville Airport

Council Members:

I have audited the accompanying financial statements of the governmental activities and each major fund of Spanish Fork/Springville Airport (Airport), as of and for the year ended June 30, 2011, which collectively comprise the Airport's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Airport's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my opinion the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Airport as of June 30, 2011, and the respective changes in financial position of those activities and funds and the budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated November 9, 2011 on my consideration of the Airport's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Greg Ogden CPA

Greg Ogden
Certified Public Accountant

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Spanish Fork/Springville Airport, we offer readers of the Airport's financial statements this narrative overview and analysis of the financial activities of Spanish Fork/Springville Airport for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with the financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The total net assets of Spanish Fork/Springville Airport decreased by $25,889 to $5,476,838.

- The total net assets of $5,476,838 are made up of $5,260,787 in capital assets net of related debt and $216,051 in other net assets.

REPORTING THE AIRPORT AS A WHOLE

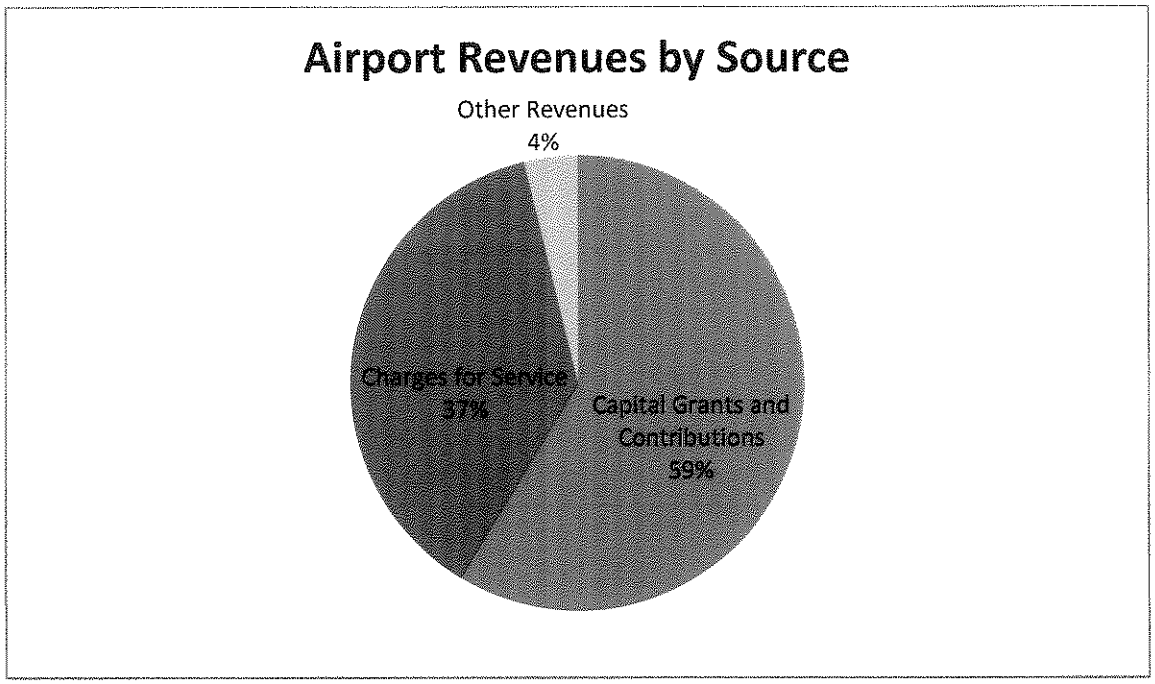
This discussion and analysis is intended to serve as an introduction to Spanish Fork/Springville Airport's basic financial statements. Spanish Fork/Springville Airport's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes other supplementary information in addition to the basic financial statements.

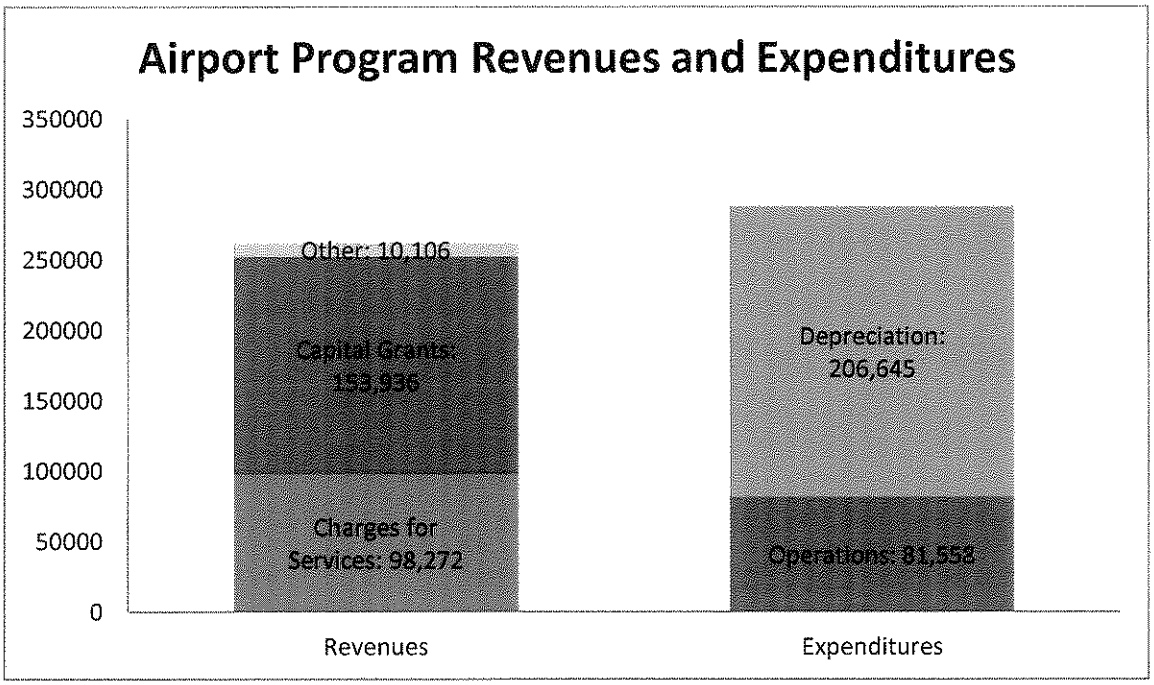
The Government-wide Financial Statements are designed to provide readers with a broad overview of Spanish Fork/Springville Airport's finances in a manner similar to a private-sector business. As such, the government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

- *The Statement of Net Assets* presents information on all of Spanish Fork/Springville Airport's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Spanish Fork/Springville Airport is improving or deteriorating. However, the reader will need to consider other non-financial factors.

- *The Statement of Activities* presents information showing how the Airport's net assets changed during the fiscal year reported. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The cost of capital assets is allocated over their estimated useful life as depreciation expense.

The following graphs display the Airport activities from the Entity-wide Statement of Activities reported in the above tables.





In FY 2010-2011 the airport utilized FAA and State of Utah grants available to complete the update and revision of the Airport Master Plan. Expenditures for the year exceeded revenues by $25,889, which is reflected as a reduction in net assets. This reduction is the result of depreciation expense exceeding capital outlays for the year.

BASIC FINANCIAL STATEMENTS

SPANISH FORK/SPRINGVILLE AIRPORT

STATEMENT OF NET ASSETS

JUNE 30, 2011

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	$ 213,812
Accounts Receivable	3,267
Capital Assets	
Non Depreciable	1,821,518
Depreciable Assets (net of Depreciation)	3,439,269
TOTAL ASSETS	5,477,866
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable	1,028
TOTAL CURRENT LIABILITIES	1,028
TOTAL LIABILITIES	1,028
NET ASSETS	
Investment in Capital Assets, Net of Related Debt	5,260,787
Unrestricted	216,051
TOTAL NET ASSETS	$ 5,476,838

See the accompanying notes to the financial statements

SPANISH FORK/SPRINGVILLE AIRPORT

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011

	General	Capital Improvement	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 63,812	$ 150,000	$ 213,812
Accounts Receivable	3,267	-	3,267
TOTAL ASSETS	$ 67,079	$ 150,000	$ 217,079
LIABILITIES AND FUND EQUITY			
LIABILITIES			
Accounts Payable	$ 1,028	$ -	$ 1,028
EQUITY			
Assigned for Capital Projects	-	150,000	150,000
Unassigned	66,051	-	66,051
TOTAL FUND EQUITY	$ 67,079	$ 150,000	$ 217,079

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS

TOTAL GOVERNMENTAL FUNDS BALANCES	$ 216,051
Amounts reported for governmental activities in the statement of net assets are different because	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	5,260,787
TOTAL NET ASSETS OF GOVERNMENTAL ACTIVITIES	$ 5,476,838

See the accompanying notes to the financial statements

SPANISH FORK/SPRINGVILLE AIRPORT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITES FOR THE YEAR ENDED JUNE 30, 2011

EXCESS OF REVENUES OVER EXPENDITURES	$	39,392
Amounts reported for governmental activities in the statement of activites are different because		
Governmental funds report capital outlays as expenditures. In the statement of activities the cost of those assets is allocated over their estimated useful as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		(65,281)
CHANGE IN NET ASSETS OF GOVERNMENTAL FUNDS	$	(25,889)

See the accompanying notes to the financial statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Spanish Fork/Springville Airport (Airport) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of the Airport's accounting policies.

The Reporting Entity

Spanish Fork/Springville Airport is organized as a joint venture of the City of Spanish Fork and the City of Springville under an interlocal agreement per Section 11-13 of the Utah Code. The Airport accounts for its operations as a governmental-type fund; activities are financed and the costs of services are recovered primarily through user charges, grants and equal direct payments from the two member cities.

The Airport is governed by the city councils of the two participating cities. It also has an oversight board, which is selected from members of the participants' city councils and other citizens of the two communities.

The Airport Oversight Board oversees the operations of the Airport through management employed by the Board. The Airport is subject to the same laws as the creating entities, therefore, it must follow Utah State laws for cities in the areas of fiscal management, budgeting and financing. As the governing board is made up of the participants' city councils and appointees, each participant has indirect control over these matters.

Government-wide and Fund Financial Statements

The government-wide financial statements (statement of net assets and statement of activities) report information on all of the non-fiduciary activities of the Airport. Governmental activities are supported by charges for services, contributions and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include 1) charges to customers who directly benefit from goods or services provided by a given function or activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Interest and other items not properly included among program revenues are reported as general revenues.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1 - (CONTINUED)

Major additions are capitalized, while maintenance and repairs which do not improve or extend the life of the respective assets, are charged to expense.

Capital asset depreciation is recognized using the straight-line method over the estimated useful lives as follows:

Classification	Range of Lives
Improvements	10-30 years
Vehicles and Equipment	5-15 years

C. Fund Equity

In the fund financial statements, governmental funds report fund balances divided into five categories as follows:

Non-spendable – These amounts have already been spent. They match the total of inventory, prepaid expenses, if applicable.

Restricted – These amounts have restrictions that are externally imposed or are imposed by law.

Committed – These amounts have self-imposed limitations. In order to be considered committed the government must make a formal action formally establishing the amount. All committed amounts must be spent by the end of the next fiscal year.

Assigned – These are funds that the government sets aside for a specific purpose. The two city councils are authorized to assign amounts to a specific purpose.

Unassigned – This category holds the remainder of the fund equity and is the amount available for the airport to spend.

When faced with a choice, the government elects to use restricted, committed and assigned amounts before spending any unassigned amounts.

D. Net assets

Net assets represents the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Prior to the first regularly scheduled meetings of the City Councils in May, the Oversight Board submits to the two City Councils a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and proposed sources of revenues.

Between May 1 and June 22, the two City Councils review and adjust the proposed budget. On or before June 22, a public hearing is held and the budget is legally adopted through passage of a resolution.

Under Utah State law, the Airport's budget establishes maximum legal authorization for expenditures during the fiscal year. Expenditures are not to exceed the budgeted amounts, including revisions, except as allowed by the code for certain events. A public hearing must be held to increase the total appropriations the governmental fund.

NOTE 4 - DEPOSITS AND INVESTMENTS

Deposits and investments for the Airport are governed by the Utah Money Management Act (*Utah Code Annotated*, Title 51, Chapter 7) (The Act) and by rules of the Utah Money Management Council (the Council). Following are discussions of the Airport's exposure to various risks related to its cash management activities.

Custodial Credit Risk

Deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure, the Airport's deposits may not be recovered. The Airport's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the Airport to be in a *qualified depository*, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. As of June 30, 2011, none of the Airport's bank balances of $93,602 were uninsured and uncollateralized.

Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The Airport's policy for limiting the credit risk of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first-tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard & Poors; bankers acceptances; obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations as defined in the Act.

The Airport is authorized to invest in the Utah Public Treasurer's Investment Fund(PTIF), an external pooled investment fund managed by the Utah State Treasurer and subjected to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses net of administration fees, of the PTIF are allocated based upon the participants' average daily balances.

NOTE 6 - ECONOMIC DEPENDENCY

The Airport depends upon the continued financial support of both the City of Spanish Fork and the City of Springville. The two cities generally each remit funds sufficient to cover the operating expenses of the Airport.

NOTE 7 - RISK MANAGEMENT

The Airport is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Airport carries insurance. Liability insurance is carried by the Airport through the Fred A. Moreton Company. The policy is for $1,000,000 with a limit of $100,000 for any one occurrence.

STATE LEGAL COMPLIANCE REPORT

GREG OGDEN, CPA
1761 EAST 850 SOUTH
SPRINGVILLE, UT 84663
(801) 489-8408

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE IN ACCORDANCE WITH THE *STATE OF UTAH LEGAL COMPLIANCE AUDIT GUIDE*

November 9, 2011

Airport Board of Directors
Spanish Fork/Springville Airport

Council Members:

I have audited Spanish Fork/Springville Airport's (Airport) compliance with general compliance requirements described in the State of Utah Legal Compliance Audit Guide for the year ended June 30, 2011. The general compliance requirements applicable to the Airport are identified as follows:

Cash Management	Purchasing Requirements
Budgetary Compliance	Special Districts
Other General Issues	Fund Balance

The Airport received no major or nonmajor grants from the State of Utah for the year ended June 30, 2011.

Compliance with the referred to above is the responsibility of the Airport's management. My responsibility is to express an opinion on compliance with those requirements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Airport's compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State of Utah Legal Compliance Audit Guide*. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above could have a material effect on the general compliance requirements identified above. An audit includes examining, on a test basis, evidence about

the Airport's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of the Airport's compliance with those requirements.

In my opinion, the Spanish Fork/Springville Airport complied, in all material respects, with the general compliance requirements identified above for the year ended June 30, 2011.

The report is intended solely for the information and use of the Spanish Fork and Springville City Councils, management of the Airport, others within the organization, and the Board of Directors and is not intended to be and should not be used by anyone other than these specified parties. However, the report is a matter of public record and its distribution is not limited.

Greg Ogden CPA

Greg Ogden,
Certified Public Accountant

GOVERNMENT AUDITING STANDARDS REPORT

GREG OGDEN, CPA
1761 EAST 850 SOUTH
SPRINGVILLE, UT 84663
(801) 489-8408

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

November 9, 2011

Airport Board of Directors
Spanish Fork/Springville Airport

Council Members:

I have audited the accompanying financial statements of the governmental activities and each major fund of the Spanish Fork/Springville Airport (Airport) as of and for the year ended June 30, 2011, which collectively comprise Spanish Fork/Springville Airport's basic financial statements and have issued my report thereon dated November 9, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Airport's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Airport's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above. However, I identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that I consider to be significant deficiencies in internal control over financial reporting. I believe that finding #1 is a significant deficiency. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Spanish Fork/Springville Airport's financial statements are free of material misstatements, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the Spanish Fork and Springville City Councils, the Airport's management, others within the organization, and the Board of Directors and is not intended to be and should not be used by anyone other than these specified parties.

Greg Ogden CPA

Greg Ogden,
Certified Public Accountant

SPANISH FORK/SPRINGVILLE AIRPORT
MANAGEMENT LETTER
JUNE 30, 2011

GREG OGDEN, CPA
1761 EAST 850 SOUTH
SPRINGVILLE, UT 84663
(801) 489-8408

MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

November 9, 2011

Airport Board of Directors
Spanish Fork/Springville Airport

Council Members:

While planning and performing my audit of the basic financial statements of Spanish Fork/Springville Airport for the year ended June 30, 2011, I noted matters regarding compliance with requirements of the *Utah Code* and the Airport's internal control over financial reporting which need to be addressed by the Airport's management.

My findings from the audit are attached. I feel that internal control deficiency #1 is a significant deficiency. If the weaknesses and deficiencies noted in this management letter are left uncorrected, an unacceptable amount of errors could occur without detection.

This report is intended solely for the use of the management of Spanish Fork/Springville Airport. However, this report is a matter of public record and its distribution is not limited.

By its nature, this report focuses on exceptions, weaknesses and problems. This focus should not be understood to mean that there are not also various strengths and accomplishments. I appreciate the courtesy and assistance extended to me by the personnel of the Airport during the course of my audit, and I look forward to a continuing professional relationship. I would be pleased to discuss any of these matters with you at your convenience and, if desired, to assist you in implementing any of these suggestions.

Greg Ogden CPA

Greg Ogden,
Certified Public Accountant

THE CPA. NEVER UNDERESTIMATE THE VALUE. ®

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

INTERNAL CONTROL DEFICIENCIES

1. FINDING - DRAFT FINANCIAL STATEMENTS

The Airport hires the auditor, with oversight from management to draft the Airport's basic financial statements and related footnotes. Management then reviews, approves and accepts responsibility for financial statements.

RECOMMENDATION

Management should continue to carefully review the financial statements so they can feel confident approving and accepting responsibility for them.

RESPONSE - SPANISH FORK/SPRINGVILLE AIRPORT

The ideal would be to have the financial statements and related footnotes prepared internally by City employees. However, the time required combined with the continuing changes in audit standards makes this difficult. Thus, it is expected these documents will continue to be prepared by the auditor with close review by Springville City Management. The alternative would be to engage another audit firm to prepare the needed documents which would then be audited by the primary auditor. The cost of retaining two auditors would be prohibitive so it is unlikely the City will pursue this course of action.

MEMO

To: Mayor and City Council
From: Jason Sant
Date: 1 December 2011
Re: Airport Manager Contract Modification Action Item

In May of this year, the Airport Board conducted a meeting to discuss the Airport Manager's monthly compensation beginning January of 2012. The monthly compensation found in Paragraph 2 of the contract currently is set at $1000 per month. The Airport Manager proposed to the Airport Board a monthly compensation of $2500 per month. However, after some discussion the Airport Board voted in favor of recommending to the City Council a contract pay increase of $1000 per month for a total of $2000 per month. Thus, the Airport Board has asked staff to place this item on your City Council agenda and let you know they support and recommend the change. We as staff believe there should be some discussion between the council members thus we recommend this item be placed on the action portion of the agenda. The attached contract reflects the sole modification at issue on your agenda tonight.

AIRPORT MANAGERS AGREEMENT

THIS AGREEMENT, made and entered into this ___ day of _____ 2011, by and between the City of Spanish Fork, a municipality existing by and under the authority of the laws of the State of Utah, and the City of Springville, a municipality existing by and under the authority of the laws of the State of Utah, hereinafter referred to as the Owners, and Cris Child, an individual, hereinafter referred to as the Manager.

WHEREAS, the City of Spanish Fork and the City of Springville own and operate an airport known as the Spanish Fork / Springville Airport, and Manager is desirous of entering into a contractual arrangement for the management of the airport,

WHEREAS, the Owners, insofar as relationships are concerned in this Agreement, shall mean The City of Spanish Fork, the City of Springville and their Airport Boards or its successors, unless otherwise specifically provided,

NOW THEREFORE, in consideration of the salary and agreements herein contained, the Manager does hereby agree to assume responsibility for management of the Spanish Fork / Springville Airport, upon the following terms and conditions:

1. It is understood and agreed that nothing in this agreement shall be construed to authorize or grant to the Manager any exclusive right or privilege in connection with any business activity or any other activity on the airport in which the Manager may have an interest or association.

2. Commencing January 1, 2012, the Owners hereby agree to pay the Manager for such management services the cash sum of $2,000.00 per month.

3. The term of this Agreement shall be from the period of January 1, 2012 to December 31, 2012, unless sooner terminated as provided for in paragraph 9. Furthermore, this Agreement shall be continuously renewed automatically for a period 1 year, unless one month written notice is given by either party to the other.

4. Both parties agree that the Manager shall perform all duties and enter into all agreements under this principle agreement as an independent contractor and shall be solely responsible for his own taxes, insurance (including workmans compensation) and equipment. As an independent contractor, Manager understands that he is not an employee of either Owner or the Airport, and is not entitled to employment benefits.

5. Under policy established by the Owner, the Manager is in charge of, and is

responsible for, the administration, operation and maintenance of the Airport. The Manager, as part of his duties and responsibilities shall:

(a) Conduct or provide for daily inspections of all airport physical properties, including runways, taxiways, lighting systems, buildings, navigational equipment, automobile parking areas and access roads; personally make or direct others to make routine repairs, replacements and improvements in a timely and efficient manner; requisition from the Owner or purchase, small equipment and supplies required in daily operation and maintenance; recommend the purchase of new equipment and other expenditures exceeding $100.00; keep a complete and accurate record of all maintenance work performed on the airport, and make such reports to the Owners as may be required at such time and in the form requested by the Owners.

(b) Determine current and potential program needs and prepare plans to fill those needs; make recommendations for current and future development of aviation facilities; coordinate all development and improvement with the proper local, state and federal agencies.

(c) Recommend to the Owners ordinances and regulations relating to the safe and efficient operations of the airport, and governing the use of the airport, including the leasing of floor space, parking, hangars and other property; assure enforcement of all ordinances and regulations concerning the airport;

(d) Serve as a liason between the Owners and the airport users and lesees relative to preparation , negotiation, rates and charges, and terms of leases and agreements;

(e) Develop and maintain effective liason with the traveling and general public, commercial and general aviation interests, agencies having control over or interest in, certain airport activities, tenants and their employees, and all entities with an interest in the airport;

(f) Establish appropriate airport accounts, prepare periodic and special operations and financial reports, including annual budget requests for the Owners,

(g) Supervise all operating, maintenance, security, fire prevention, safety and / or custodial personnel of the airport, if any;

(h) Be responsible for coordinating and directing the timely and efficient snow plowing operation, as provided by the Owners or by written assignments and procedures with the Airport Board;

(i) Be responsible for notifying the Federal Aviation Administration Flight Service Station promptly of all conditions affecting the safe use of the airport, or in the alternative, oversee and administrate staff who can carry out that task;

(j) Participate in conferences and meetings of aeronautical and civic organizations for the promotion of aviation activity in the community; give talks on airport progress and service; coordinate the plans and assure safe operating procedures are followed for air shows, demonstrations and exhibitions at the airport;

(k) Participate in all Spanish Fork / Springville Airport Board meetings; carry out resolutions initiated by the Board, which do not require city council approval, maintain open lines of communication with city council members regarding issues and resolutions discussed at Board meetings.

6. The Manager for himself, his personal representatives, successors in interest, and assigns agrees that: (a) no person on the grounds of race, color, religion or national origin shall be excluded from participation in , denied the benefits of, or be otherwise subjected to discrimination in the use of all airport facilities; (b) in the construction and maintenance of any improvements on, over, or under such land and the furnishing of services thereon or therein, no person on the grounds of race, color, religion or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, c) the Manager shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21: Non Discrimination in Federally Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

7. The Manager shall not assign or delegate any of his duties or responsibilities under this agreement without prior written approval of the Owners.

8. The schedule of days and hours during which the Manager shall normally be in attendance at the airport shall be reasonable and established by the Owners, with re-evaluation from time to time as needed.

9. Either party may terminate this agreement at any time upon giving not less than thirty (30) days written notice to the other party.

10. Any controversy or claim arising out of or relating to this agreement or any alleged breach thereof which cannot be settled between the parties, shall be litigated in the Utah state court system. Both parties agree that prior to litigation of any term or condition of this agreement, each party shall make reasonable attempts to settle through mediation.

SIGNED THIS ____ DAY OF _____, 2011.

_____
G. Wayne Andersen
Spanish Fork City Mayor

_____
Wilford W. Clyde
Springville City Mayor

_____
Cris Child
Spanish Fork / Springville Airport Manager

When Recorded mail to:
Matthew Hubert
c/o R.R. Donnelley & Sons Company
111 South Wacker Drive
Chicago IL 60606

Space above this line for recording data.

SPECIAL WARRANTY DEED
Corporate Form

SPANISH FORK CITY, a Municipal Corporation

GRANTOR(S)

of Spanish Fork, County of Utah, State of Utah
Hereby ***Convey(s)*** and ***Warrant(s) against all claiming by, through, or under*** to

BANTA CORPORATION, a Wisconsin Corporative

GRANTEE(S)

of Chicago, County of Cook, STATE OF ILLINOIS

FOR THE SUM OF TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, THE FOLLOWING DESCRIBED TRACT OF LAND IN ***UTAH*** COUNTY, STATE OF UTAH, to-wit:

Commencing at a point South 940.27 feet and East 5.57 feet from the Northwest corner of Section 7, Township 8 South, Range 3 East, Salt Lake Base and Meridian; thence East 50.00 feet; thence North 00°20'20" West 50.00 feet; thence West 50.00 feet; thence South 00°20'20" East 50.00 feet to the point of beginning.

Subject to any and all existing restrictions, exceptions, reservations, easements, rights-of-way, conditions, and covenants of whatever nature, whether or not filed for record, and is expressly subject to all municipal, city, county, and state zoning laws and other ordinances, regulations, and restrictions, including statutes and other laws of municipal, county, or other governmental authorities applicable to and enforceable against the premises described herein. Also subject to General Property Taxes for 2011 and thereafter.

The officer(s) who sign this deed hereby certify that this deed and the transfer represented thereby was duly authorized under a resolution duly adopted by the board of directors of the grantor at a lawful meeting duly held and attended by a quorum.
In witness whereof, the grantor has caused its corporation name and seal to be hereunto affixed by its duly authorized officers, this _____ day of November, 2011.

Spanish Fork City, a Municipal Corporation

_____
By: _____

State of Utah)
:ss
County of Utah)

On the _____ day of November, 2011, personally appeared before me _____ who being by me duly sworn, did say, that he/she is the _____ of Spanish Fork City, a Municipal Corporation and that he/she executed the within instrument on behalf of said Municipal Corporation by authority of a resolution of its board of Directors, and said _____ duly acknowledged to me that said corporation executed the same.

_____
Notary Public

When Recorded mail to:
Spanish Fork City
40 South Main
Spanish Fork, Utah 84660

Space above this line for recording data.

SPECIAL WARRANTY DEED
Corporate Form

BANTA CORPORATION, a Wisconsin Corporation formally known as BUSHMAN PRESS INCORPORATED

GRANTOR(S)

a corporation organized and existed under the laws of the State of Wisconsin
Hereby ***Convey(s)*** and ***Warrant(s) against all claiming by, through, or under*** to

SPANISH FORK CITY, a Municipal Corporation

GRANTEE(S)

of Spanish Fork, County of Utah , STATE OF UTAH

FOR THE SUM OF TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, THE FOLLOWING DESCRIBED TRACT OF LAND IN ***UTAH*** COUNTY, STATE OF UTAH, to-wit:

Commencing at a point South 1239.68 feet and East 72.14 feet from the Northwest corner of Section 7, Township 8 South, Range 3 East, Salt Lake Base and Meridian; thence North 00°26'00" East 51.70 feet; thence South 89°29'00" West 65.50 feet; thence South 00°20'20" East 51.69 feet; thence North 89°29'00" East 64.80 feet to the point of beginning.

Subject to any and all existing restrictions, exceptions, reservations, easements, rights-of-way, conditions, and covenants of whatever nature, whether or not filed for record, and is expressly subject to all municipal, city, county, and state zoning laws and other ordinances, regulations, and restrictions, including statutes and other laws of municipal, county, or other governmental authorities applicable to and enforceable against the premises described herein. Also subject to General Property Taxes for 2011 and thereafter.

The officer(s) who sign this deed hereby certify that this deed and the transfer represented thereby was duly authorized under a resolution duly adopted by the board of directors of the grantor at a lawful meeting duly held and attended by a quorum.
In witness whereof, the grantor has caused its corporation name and seal to be hereunto affixed by its duly authorized officers, this _____ day of November, 2011.

Banta Corporation, a Wisconsin Corporative

_____
By: _____ President

State of Illinois)
:ss
County of Cook)

On the _____ day of November, 2011, personally appeared before me _____ who being by me duly sworn, did say, that he is the _____ of Banta Corporation, a Wisconsin Corporative and that the board of directors, and said _____ duly acknowledged to me that said corporation executed the same.

_____
Notary Public

RESOLUTION No. 11-10

ROLL CALL

VOTING	YES	NO
G. WAYNE ANDERSEN Mayor *(votes only in case of tie)*		
ROD DART *Council member*		
RICHARD M. DAVIS *Council member*		
STEVE LEIFSON *Council member*		
JENS P. NIELSON *Council member*		
KEIR A. SCOUBES *Council member*		

I MOVE this ordinance be adopted: _____

I SECOND the foregoing motion _____

RESOLUTION No. 11-10

A RESOLUTION ADOPTING TAX COMPLIANCE PROCEDURES FOR TAX EXEMPT GOVERNMENTAL BONDS

WHEREAS, Spanish Fork City obtains tax exempt bonds from time to time in order to construct various projects; and

WHEREAS, new regulations from the federal government will require the City to adopt procedures in order to remain in compliance with the laws and regulations;

NOW THEREFORE, it is hereby resolved by the Spanish Fork City Council as follows:

1. Spanish Fork City hereby adopts tax compliance procedures for tax exempt governmental bonds as set forth in the attached document.
2. The tax compliance procedures shall be effective immediately.

DATED this 6th day of December, 2011

_____

G. Wayne Andersen, Mayor

Attest:

_____

Kent R. Clark, City Recorder

TAX COMPLIANCE PROCEDURES
TAX EXEMPT GOVERNMENTAL BONDS

The Issuer's CITY FINANCE DIRECTOR (the "Oversight Officer") will be responsible for overall administration and coordination of these procedures and policies.

1. Purpose

Issuers of tax-exempt "governmental bonds" must comply with federal tax rules pertaining to expenditure of proceeds for qualified costs, rate of expenditure, use of bond-financed property, investment of proceeds in compliance with arbitrage rules, and retention of records. The following procedures and policies are intended to establish compliance by the issuer (the "*Issuer*") with these rules in connection with the issuance of tax-exempt governmental bonds. These Tax Compliance Procedures may also be used by the Issuer to ensure compliance with federal tax rules for its currently outstanding tax-exempt governmental bonds.

2. Delegation of Responsibility

To the extent that any of the responsibilities set forth in these Tax Compliance Procedures are delegated to any other party, the Issuer will keep a record of such delegations with respect to each bond issue.

3. Schedule of Reviews

The Issuer will establish routines for monitoring on-going compliance that are consistent with discovering any noncompliance in a timely manner so that it may be corrected. While specific review processes are described in detail below, timing for such reviews will be as follows:

(a) Non-Exempt Use: All contracts, leases or other arrangements providing special legal entitlement to use of bond-financed facilities will be reviewed prior to execution to ensure that they will not cause private use limits to be exceeded with respect to any issue of bonds.

(b) Arbitrage Compliance: With respect to each bond issue, the Issuer will ensure that it understands at the time of bond closing which funds and accounts containing bond proceeds may become subject to yield-restriction investment rules and will keep a record of the dates upon which such rules will begin to apply.

(c) Rebate Compliance: While rebate calculations may be performed more often, the Issuer will ensure upon the fifth anniversary date of the issuance date of the bonds, every five years thereafter, and upon final retirement of the bonds, that either no rebate is owed or provision has been made for the payment of any rebate owed within 60 days.

(d) Change in Use/Ownership: Prior to executing any contract, lease or other document which would materially change the use of the bond-financed project

or selling of any bond-financed property, the Issuer will (i) confirm that such change will not require a remedial action to be taken with respect to any bond issue, (ii) take a remedial action, if necessary, or (iii) discuss with bond counsel whether a voluntary closing agreement with the Internal Revenue Service is appropriate.

4. Tax Requirements Associated with Sale and Issuance of Bonds

Review and retention of tax documents related to the sale and issuance of bonds will be supervised by the Oversight Officer.

(a) Issue Price. The "issue price", as defined in the Internal Revenue Code of 1986, as amended (the "*Code*"), of the bonds will be documented at the time of issuance. Certifications of an underwriter, placement agent or purchaser and a final numbers package (if applicable) will establish "issue price" and will be reviewed and included in the bond transcript or other records maintained for the bond issue.

(b) Weighted Average Maturity. The weighted average maturity (taking into account the various issue prices of the maturities of the bonds) will be documented at the time of issuance.

(c) Economic Life of Financed Assets. As estimated average economic life of the expected bond-financed assets will be documented at the time of issuance.

(d) Information Reporting. Form 8038-G will be reviewed and filed not later than the 15th day of the 2nd calendar month following the quarter in which the bonds were issued. Filing of the Form 8038-G will be confirmed with bond counsel.

5. Expenditure of Proceeds for Qualified Costs

Expenditure of bond proceeds will be reviewed by the Oversight Officer.

(a) Requisitions. The Oversight Officer will establish a form and procedures for preparation and review of requisitions of bond proceeds, and maintain records of the date, amount and purpose of the disbursement. Requisitions must identify the financed property in conformity with the Tax Certificate and Agreement executed by the Issuer at closing, including any certifications as to the location and character of the bond-financed property.

(b) Investment Earnings. Investment earnings on sale proceeds of the bonds will be tracked and will be requisitioned only for appropriate expenditures.

(c) Capital Expenditures. The Issuer will verify that all costs for which it requisitions bond proceeds are capital expenditures, except as otherwise permitted by the Tax Certificate and Agreement executed by the Issuer at closing.

(d) Debt Service Reserve Funds. Bond-funded reserve funds cannot exceed the least of (i) 10% of the par amount of the bonds (or the issue price of the

bonds, if there is more than a de minimis amount of original issue discount or premium), (ii) maximum annual debt service, and (iii) 125% of average annual debt service. The initial funding of any reserve fund will be measured against this limit.

(e) Reimbursement. Requisitions for costs that were paid prior to the issuance of the bonds are, in general, limited to costs paid subsequent to, or not more than 60 days prior to, the date a "declaration of intent" to reimburse the costs was adopted by the Issuer. If proceeds are used for reimbursement, a copy of the declaration will be obtained and included in the records for the bonds, if not already part of the bond transcript.

(f) Final Allocation. Requisitions will be summarized in a "final allocation" of proceeds to uses not later than 18 months after the in-service date of the financed property (and in any event not later than 5 years and 60 days after the issuance of the bonds).

(g) Timing of Expenditures. Expenditure of proceeds will be measured against the Issuer's expectations, as set forth in the Tax Certificate and Agreement executed in connection with the particular bond issue, to spend or commit 5% of net sale proceeds within 6 months, to spend 85% of net sale proceeds within 3 years, and to proceed with due diligence to complete the project and fully spend the net sale proceeds. Expected expenditure schedules, project timelines, and plans and specifications will be maintained to support expectations. Reasons for failure to meet the expected schedule will be documented and retained in the records for the bonds.

(h) Rebate Spending Exceptions. Expenditure of proceeds will be monitored for compliance with spending exceptions to the rebate requirement, as follows:

(i) If the six-month spending exception applies, expenditure of gross proceeds will be monitored against the following schedule.

100% within 6 months

(ii) If the 18-month spending exception applies, expenditure of gross proceeds will be monitored against the following schedule.

15% within 6 months
60% within 12 months
100% within 18 months

ORDINANCE NO. 16-11

ROLL CALL

VOTING	YES	NO
G. WAYNE ANDERSEN *Mayor (votes only in case of tie)*		
ROD DART *Council member*		
RICHARD M. DAVIS *Council member*		
STEVE LEIFSON *Council member*		
JENS P. NIELSON *Council member*		
KEIR A. SCOUBES *Council member*		

I MOVE this ordinance be adopted: Council member
I SECOND the foregoing motion: Council member

ORDINANCE NO. 16-11

AN ORDINANCE AMENDING THE FIRE AND AMBULANCE RETIREMENT ORDINANCE

WHEREAS, Spanish Fork City provides a Volunteer Fire Department and Volunteer Ambulance Association, which entities provide a valuable service to residents of the community; and

WHEREAS, Spanish Fork City maintains a retirement account on behalf of its qualified fire and ambulance personnel; and

WHEREAS, it is fair and reasonable, from time to time, to adjust the benefits in light of inflation and other factors;

NOW THEREFORE, be it enacted and ordained by the Spanish Fork City Council as follows:

I.

Spanish Fork City Municipal Code §4.08.040 is hereby amended to read as follows:

4.08.040. Retirement Benefit.

The retirement benefit provided to each qualified firefighter or ambulance crew member shall be in the amount of $100.00 per month through December, 2011. Commencing January 2012, the monthly amount shall increase to $103.00 and shall increase in January each year thereafter by the monthly amount of $3.00 for a period of ten years, until the retirement benefit amount reaches $130.00 per month.

II.

This Ordinance shall take effect commencing on the 1st day of January, 2012.

PASSED AND ORDERED PUBLISHED BY THE CITY COUNCIL OF SPANISH FORK, UTAH, this 6th day of December, 2011.

_____
G. WAYNE ANDERSEN, Mayor

ATTEST:

_____
KENT R. CLARK, City Recorder

Staff Report to City Council

Agenda Date:	December 6, 2011
Staff Contacts:	Dale Robinson, Ryan Rhees
Subject:	Golf Course Fees Proposal

Background Discussion:
The fees at Spanish Oaks have not increased for 3 years. Ryan Rhees has conducted a survey of golf course fees for those that are in Utah Valley. We are most interested in the fees at Gladstan in Payson because they are very similar to us and in close proximity. The Payson city council just adopted new golf fees for Gladstan on Wednesday, November 30. The fees that they adopted are exactly the same across the board as what we are proposing. No, it was not a coincidence. Ryan had a meeting with Tracy Zobell who is the Head Professional at Gladstan and they discussed what the fees should be. We were already behind the other courses by at least one dollar on regular green fees and didn't want to fall further behind if they increased at all this next year. Due to the fact that we do not have a non-resident fee, our season passes are still lower than the other courses in the valley. We are proposing a decrease on the cart punch pass because we only sell a hand full of those a year and would like to see that number increase. As you look at the attached survey the number in parenthesis next to the proposed fee for season passes is the number of 18 hole rounds they would have to play to break even.

Budgetary Impact:
There is no immediate impact on the budget. We hope that this will help decrease the subsidy at the golf course by increasing revenue. Staff has searched hard to find places to reduce expenses and will continue to do so, however, we are already operating on a skeleton budget. Increasing revenue is the only way to reduce the deficit.

Recommendation:
Staff recommends approving the proposed fee increases effective immediately in order to keep pace with the current market.

Attachments:
Survey of Area Golf Course Rates and existing and proposed fees for Spanish Oaks.

2011 Area Course Rates / Survey

	2012 Proposed Rates	2011 Rates	2012 Approved Rates	2011 Rates	2011 Rates	2011 Rates	2011 Rates
Rates	**Spanish Oaks**	**Spanish Oaks**	**Gladstan**	**Hobble Creek**	**East Bay**	**Sleepy Ridge**	**Fox Hollow**
9 WD	$13.00	$12.00	$13.00	$13.00	$13.00	$18.00	$14.00
9 WE	$14.00	$13.00	$14.00	$14.00	$14.00	$19.00	$16.00
18 WD	$26.00	$24.00	$26.00	$26.00	$26.00	$35.00	$26.00
18 WE	$28.00	$26.00	$28.00	$28.00	$28.00	$37.00	$30.00
9 Cart (per rider)	Same	$7.00	$7.00	$8.00	$7.00		$8.00
18 Cart (per rider)	Same	$14.00	$14.00	$16.00	$14.00		$15.00
9 Junior (M-TH)	$12.00	$11.00	$12.00	$12.00	$8.00		
9 Senior (M-TH)	$12.00	$11.00	$12.00	$12.00	$10.00		
18 Junior (M-TH)	$24.00	$22.00	$24.00	$24.00	$16.00		
18 Senior (M-TH)	$24.00	$22.00	$24.00	$24.00	$20.00		
Trail Fee	Same	$6.00	$3 / $6		$4 / $8		
Range Small	$5.00	$4.00	$5.00	$5.00	$6.00	$6.00	$5.00
Range Large	$7.00	$6.00	$7.00	$8.00	$9.00	$10.00	$8.00

Punch Passes							
GF Punch Pass	10 - $110 / 20 - $220	10 - $100 / 20 - $200	20 9 Hole - $215	20 - $220/$240	20 - $180 / $160 sr	10 - $140	10 - $120
Cart Punch Pass	20 9 Hole - $110	20 9 hole - $125	20 9 Hole - $110	NA	NA		
Range Punch	Same	20 Large - $105		NA	$500 Season Pass		

Season Passes							**2012 Rates**
5 Day Single	$575 (22)	$485	$575	$575 / $675	$520 / $600		$860 / $925
5 Day Junior	$550 (23)	$450	$550	$475 / $475	$350 / $400		$675.00
5 Day Senior	$550 (23)	$450	$550	$550 / $650	$500 / $575		$675 / $720
5 Day Husband Wife	$750 (14.5)	$665	$750	NA	$700 / $775		
5 Day Senior Husband Wife	$700 (14.5)	$575	NA	NA	$645 / $710		$860 / $925
7 Day Single	$700 (25)	$620	$700	$750 / $875	$645 / $710		$990 / $1,020
7 Day Junior	NA	$560	NA	NA	NA		NA
7 Day Senior	NA	$560	NA	NA	NA		NA
7 Day Husband Wife	$950 (17.5)	$865	$950	NA	$935 / $1,010		$1,220 / $1,320
7 Day Senior Husband Wife	NA	$765	NA	NA	NA		NA
Junior Monthly Pass	$60 Month (2.5)	$50 per Month	$60 Month				

***Our records show we have had the same rates in at least 2009, 2010, 2011.