

RESOLUTION NO. 02-06-2016

**A RESOLUTION AUTHORIZING THE EXECUTION OF AN
AGREEMENT FOR THE SALE OF REAL PROPERTY**

WHEREAS, the City of Santaquin (“the City”) is a fourth-class city and a political subdivision of the state of Utah; and

WHEREAS, the City owns certain real property, which is more particularly described in Exhibit A hereto (“the Property”); and

WHEREAS, Utah Code Ann. § 10-8-2(1) authorizes a city council to sell and dispose of real property for the benefit of the municipality; and

WHEREAS, the City Council has determined that the best interests of the City and its residents will be served by the sale of the Property to Questar Gas Company; and

WHEREAS, the City Council held a public hearing after proper notice as set forth in applicable provisions of the Utah Code, and provided full opportunity for public comment concerning the proposed sale of the Property; and

WHEREAS, having provided opportunity for public comment and having fully considered the proposed sale, the City Council desires now to sell the Property to Questar Gas Company, pursuant to the terms and conditions set forth in the Real Property Purchase Agreement (“the Agreement”) that is attached hereto as Exhibit A and incorporated herein, as well as access and easements associated therewith attached hereto as Exhibit B.

NOW THEREFORE BE IT RESOLVED by the City Council of Santaquin City, Utah as follows:


Section 1. The terms of the Agreement concerning the sale of the Property are in the best interests of Santaquin City, Utah.

Section 2. The Mayor and City Recorder of the City are hereby authorized to execute the Agreement and all documents reasonably necessary to accomplish the purposes thereof.

Section 3. This Resolution shall take effect upon adoption by the City Council.

Adopted and approved this 17th day of February, 2016.

ATTEST:



Susan Farnsworth, City Recorder



Kirk F. Hunsaker, Mayor



REAL PROPERTY PURCHASE AGREEMENT

THIS REAL PROPERTY PURCHASE AGREEMENT (the "Agreement") is made and entered into by and between **the CITY OF SANTAQUIN, UTAH**, a municipality of the state of Utah ("Seller") and **QUESTAR GAS COMPANY** ("Buyer"). Seller and Buyer are herein sometimes referred to individually as a "Party" and collectively as the "Parties". The transactions contemplated by this Agreement are herein sometimes collectively referred to as (the "Transaction").

In consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Sale of Property. Buyer will purchase from Seller the following described property located in the County of Utah, State of UTAH, to-wit (Property):

A portion of the Southeast Quarter of Section 34, Township 9 South, Range 1 East, Salt Lake Base & Meridian, located in Provo, Utah, more particularly described as follows:

Beginning at the northeast corner of that real property described in Deed Entry No. 53842:2011 in the official records of the Utah County Recorder, said point being located N0°35'53"W along the Section line 1008.18 feet and West 1513.46 feet from the Southeast Corner of Section 34, Township 9 South, Range 1 East, Salt Lake Base and Meridian; thence S83°36'00"E 75.47 feet; thence South 75.00 feet; thence West 75.00 feet to the east line of that real property described in Deed Entry No. 53842:2011 in the official records of the Utah County Recorder; thence North along said east line 83.41 feet to the point of beginning.

Contains: ±0.14 Acres (±5,940 Sq. Ft.)

Within ten days of the execution of this Agreement by all Parties, Seller shall deliver a Quit-Claim Deed to Buyer.

2. Lark Lane Access. Seller will also grant an access easement for ingress and egress ("Access") to the Property from Lark Lane as shown on the attached Exhibit "A". Buyer understands that Lark Lane will be widened by Seller in the future and agrees that Seller shall have the right to relocate the access easement to the Property, in its sole discretion, depending on the road improvements constructed, so long as such relocation does not unreasonably interfere with Buyer's access to or use of the Property as a natural gas regulator station. Seller agrees that in the event access from Lark Lane according to the attached Exhibit "A" is eliminated, Seller will provide a new access easement sufficient for vehicular access to the Property in accordance with the Property's use as a natural gas regulator station with access points to the facility unchanged.

3. **Pipeline Right-of-Way and Easement.** Seller also agrees to provide a 20.00 foot right of way that runs south from the Property for the purposes of installation and maintenance of an intermediate high pressure pipeline or pipelines of natural gas (IHP Easement) which is shown on the attached Exhibit "A".

4. **Disclosures.** Seller specifically discloses and Buyers acknowledge that the Property has been used for a very substantial period of time by the City and others as a landfill, for the disposal of various types of waste products. Accordingly, Buyers should take appropriate measures to determine what if any costs, permits, fees, and/or any other consideration may be required or necessary for Buyer to possess or use the Property as contemplated; provided however, Buyer is not indemnifying Seller from, or accepting any liability for, any liability which Seller may have for any actions, inaction, or liability incurred by Seller during Seller's ownership of the Property.

Seller further represents and Buyers acknowledge that the Property has been used as a landfill since prior to the beginning of the employment of any of the present elected or appointed officials or employees of Seller. Seller disclaims any warranty concerning the suitability of the Property for any purpose whatsoever. Although Seller is unaware of any enforcement action that has been initiated, or that is pending that has arisen or may arise in connection with said use of the Property, Seller specifically disclaims any warranty or representation that no Hazardous Materials have been used, stored or kept at the Property in violation of applicable Environmental Laws. Except as disclosed herein, Seller has no knowledge or reason to suspect that the Property has been designated by any governmental or quasi-governmental authority as an area subject to environmental or other regulation that would materially affect the use of the Property as contemplated by Buyers. As used in this Agreement, the term "Hazardous Materials" is defined to include, without limitation, (i) oil hydrocarbons, petroleum, petroleum products or products containing or derived from petroleum; and (ii) any hazardous or toxic waste, substance, material, chemical, gas or particulate matter, as presently defined by or for purposes of any Environmental Laws. As used in this Agreement, the term "Environmental Laws" is defined to include, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.A. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C.A. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C.A. Section 6901, et seq.; the Toxic Substances Control Act, 15 U.S.C.A. Section 2601, et seq.; the Federal Water Pollution Control Act, 33 U.S.C.A. Section 1251, et seq.; the Safe Drinking Water Act, 42 U.S.C.A. Section 300f, et seq.; the Clean Air Act, 42 U.S.C.A. Section 7401, et seq.; any successor to those laws (in existence on the date this representation is made or updated); any rules, regulations, ordinances, orders or decrees issued pursuant to those laws; any other federal, state or local environmental, health or safety statute, ordinance, code, rule, regulation, order or decree as may now or at any later time be in effect regulating, relating to or imposing liability or standards concerning or in connection with hazardous or toxic wastes, substances, materials, chemicals, gases or particulate matter or the emission, discharge, dumping or other release of any substance to the environment; and any common law theory based on nuisance or strict liability.

Seller expresses no warranty whatsoever in connection with the title or condition of the Property, and specifically excludes any warranty of fitness for any particular purpose.

5. **Consideration.** As consideration for the transfer of the Property to Buyer, Buyer agrees pursuant to its Tariff from the Utah Public Service Commission to construct, operate and maintain a high-pressure natural gas line through the Property and to continue said

natural gas line south under Highway 6, which line shall benefit Seller and the residents of Santaquin City by providing natural gas service to those presently undeveloped portions of Santaquin City south of Highway 6. Buyer agrees that construction of said natural gas line shall be completed within eighteen months of the execution of this Agreement by the Parties.

6. **Termination.** Within 30 days of the execution of this Agreement, Buyer shall, at its sole expense, take any and all steps it deems necessary to determine whether the property is subject to any easements, liens or other restrictions or conditions that are unacceptable to Buyer. In the event the property is subject to restrictions which are unacceptable to Buyer, Buyer may terminate this Agreement by delivering written notice of said termination to Seller within thirty days of the execution of this Agreement. Seller shall not be responsible for any costs or damages incurred by Buyer, including consequential damages. Unless Buyer terminates this Agreement pursuant to the terms of this paragraph, Buyer agrees to accept title to the Property and accept the Property as is, where is, and with all faults.

7. **Taxes.** Property taxes for the year 2016 and all years forward shall be paid by Buyer.

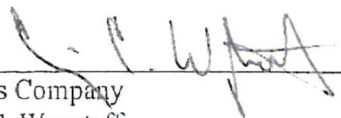
8. **Expenses of Enforcement.** In any proceeding to enforce, interpret, rescind or terminate this Agreement or in pursuing any remedy provided hereunder or by applicable law, the prevailing Party shall be entitled to recover from the other Party all costs and expenses, including reasonable attorneys' fees, whether such proceeding or remedy is pursued by filing suit or otherwise, and regardless of whether such costs, fees and/or expenses are incurred in connection with any bankruptcy proceeding.

9. **Authorization.** Each person signing this Agreement warrants that the person has full legal capacity and authority to execute this Agreement on behalf of the respective party and to bind such party.

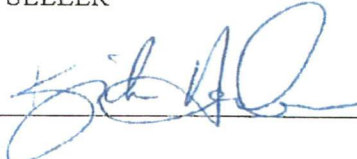
DATED this 28th day of March, 2016.

BUYER

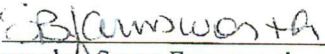
SELLER

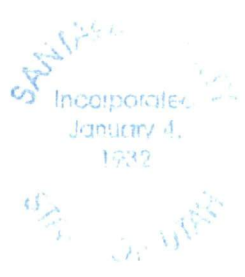


Questar Gas Company
By: Craig C. Wagstaff
Its: President



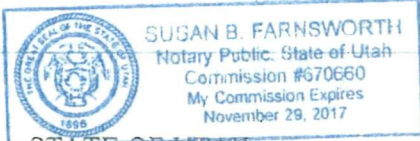
Santaquin City

ATTEST: 
By City Recorder, Susan Farnsworth



STATE OF UTAH)
) ss.
COUNTY OF UTAH)

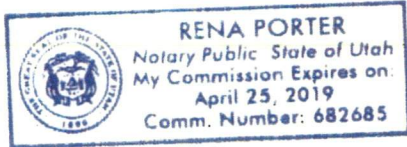
On the 28th day of March, 2016 personally appeared before me Kirk F. Hunsaker who, being duly sworn, did say that he is the Mayor of Santaquin City, and that the foregoing instrument was signed on behalf of said municipal corporation by authority of a resolution of its City Council.



Susan B. Farnsworth
11/29/17 Notary Public

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

The foregoing instrument was acknowledged before me this 12th day of April, 2016, by CRAIG C. WAGSTAFF, ~~President & General Manager~~, of QUESTAR GAS COMPANY.



Rena Porter
Notary Public

