



EAGLE MOUNTAIN CITY COUNCIL MEETING

January 17, 2023, 4:00 PM

Eagle Mountain City Council Chambers

1650 East Stagecoach Run, Eagle Mountain, Utah 84005

4:00 P.M. WORK SESSION - CITY COUNCIL CHAMBERS

1. CITY ADMINISTRATOR INFORMATION ITEMS

This is an opportunity for the City Administrator to provide information to the City Council. These items are for information only and do not require action by the City Council.

1.A PRESENTATION - Eagle Mountain Chamber of Commerce State of the Chamber

1.B DISCUSSION - Parking Code Amendments

2. AGENDA REVIEW

The City Council will review items on the Consent Agenda and Policy Session Agenda.

3. ADJOURN TO A CLOSED EXECUTIVE SESSION

The City Council will adjourn into a Closed Executive Session for the purpose of discussing reasonably imminent litigation, the purchase, lease or exchange of real property pursuant to Section 52-4-205(1) of the Utah Code, Annotated.

7:00 P.M. POLICY SESSION - CITY COUNCIL CHAMBERS

4. CALL TO ORDER

5. PLEDGE OF ALLEGIANCE

6. INFORMATION ITEMS/UPCOMING EVENTS

7. PUBLIC COMMENTS

Time has been set aside for the public to express their ideas, concerns and comments. (Please limit your comments to three minutes each.)

8. CITY COUNCIL/MAYOR'S ITEMS

Time has been set aside for the City Council and Mayor to make comments.

9. APPOINTMENT

9.A Planning Commission

1. Robert Fox - Completing the Alternate Member 3-year Term through December 2024

CONSENT AGENDA

10. AUDIT

- 10.A Acceptance of the 2022 Fiscal Year Audit - Ron Stewart

11. BOND RELEASES

- 11.A New Park at Porter's Crossing - Into Warranty
[Bond Release Letter](#)
[Recorded Plat](#)
- 11.B Skyline Ridge Phase 2, Plat 6 - Into Warranty
[Bond Release Letter](#)
[Recorded Plat](#)
- 11.C Cedar Farm - Out of Warranty
[Bond Release Letter](#)
[Recorded Plat](#)

12. MINUTES

- 12.A January 3, 2023 Minutes - Regular City Council Meeting
[01.03.2023 City Council Minutes - DRAFT](#)

13. PRELIMINARY PLATS & SITE PLANS

- 13.A [PRELIMINARY PLAT - Lone Tree Phase F, Plat 3](#)
[Lone Tree F-3 Civil Drawings](#)
[Lone Tree F-3 Open Space Appraisal](#)
[Lone Tree Open Space Worksheet](#)
[Approved Circle 5 Preliminary Plat](#)
[Lone Tree Park Completion Plan](#)

14. RESOLUTION

- 14.A [RESOLUTION - A Resolution of Eagle Mountain City, Utah, Approving an Update to the Eagle Mountain Storm Water Management Program.](#)
[RES--Storm Water Management Program Update](#)
[Storm Water Management Program](#)

SCHEDULED ITEMS

15. AGREEMENT

15.A [AGREEMENT - Public Water Supply Agreement Between Eagle Mountain City, Utah and Oquirrh Wood Ranch, LLC.](#)

BACKGROUND: *(Presented by City Administrator Paul Jerome)* The developers of Firefly (aka Pole Canyon) are seeking a long-term agreement to purchase 4,000 acre feet of water for their development through the City's contract with the Central Utah Water Conservancy District (CUWCD). The proposed agreement allows Oquirrh Mountain Ranch, LLC to purchase 1,000 acre feet under the City's existing contract with CUWCD, and would entail the City being able to contract with CUWCD for an additional 3,000 acre feet under a new contract. This item was tabled at the November 15, 2022 City Council meeting.

[Water Purchase Agreement](#)

[Water Purchase Agreement - Redlines](#)

16. CITY COUNCIL/MAYOR'S BUSINESS

This time is set aside for the City Council's and Mayor's comments on City business.

17. CITY COUNCIL BOARD LIAISON REPORTS

This time is set aside for Councilmembers to report on the boards they are assigned to as liaisons to the City Council.

18. COMMUNICATION ITEMS

18.A [Financial Report](#) [December 2022 Executive Summary](#) [2022 Final Financial Statements](#)

18.B [Upcoming Agenda Items](#) [CI--Upcoming Agenda Items](#)

19. ADJOURNMENT

THE PUBLIC IS INVITED TO PARTICIPATE IN PUBLIC MEETINGS FOR ALL AGENDAS.

In accordance with the Americans with Disabilities Act, Eagle Mountain City will make reasonable accommodation for participation in all Public Meetings and Work Sessions. Please call the City Recorder's Office at least 3 working days prior to the meeting at 801-789-6610. This meeting may be held telephonically to allow a member of the public body to participate. This agenda is subject to change with a minimum 24-hour notice.

CERTIFICATE OF POSTING

The undersigned, duly appointed City Recorder, does hereby certify that the above agenda notice was posted on this 12th day of January, 2023, on the Eagle Mountain City bulletin boards, the Eagle Mountain City website www.emcity.org, posted to the Utah State public notice website <http://www.utah.gov/pmn/index.html>, and was emailed to at least one newspaper of general circulation within the jurisdiction of the public body.

Fionnuala B. Kofoed, MMC, City Recorder



Engineering Division
2565 North Pony Express Parkway
Eagle Mountain City, Utah 84005
(801) 789-6671

Wednesday, December 21, 2022

City Recorder's Office
Eagle Mountain City
1650 East Stage Coach Run
Eagle Mountain City, UT 84005

SUBJECT: New Park at Porters Crossing into warranty Bond Release

City Recorder:

The above referenced subdivision has completed all the required improvements as of this date. With the approval of the installed infrastructure, we are recommending this subdivision begin the required one-year warranty period. A reduced bond letter has been generated, reducing all bond items which have been completed. A warranty bond for the remaining warranty amount must be issued and maintained until released from the warranty period by the city.

Please contact me should you have any comments, questions, or concerns. Thank you.

Sincerely,

for 

Christopher T. Trusty, P.E.
Engineering Director
Eagle Mountain City

Cc: Fionnuala Kofoed, City Recorder



BOND RELEASE REQUEST LETTER
New Park at Porters Crossing
Reduced
Revised

Engineering Division
2565 North Pony Express Parkway
Eagle Mountain City, Utah 84005
(801) 789-6671

2nd Bond Release	
Original Bond Amount:	\$ 765,215.92
Previous Release Amount:	\$ 368,531.01
Amount to Release this Period:	\$ 18,618.73
Amount Remaining in Bond:	\$ 378,066.18

Bond Releases Summary	
#1	\$ 368,531.01
#2	\$ 18,618.73
#3	\$ -
#4	\$ -
TOTAL	\$ 387,149.74

12/21/2022

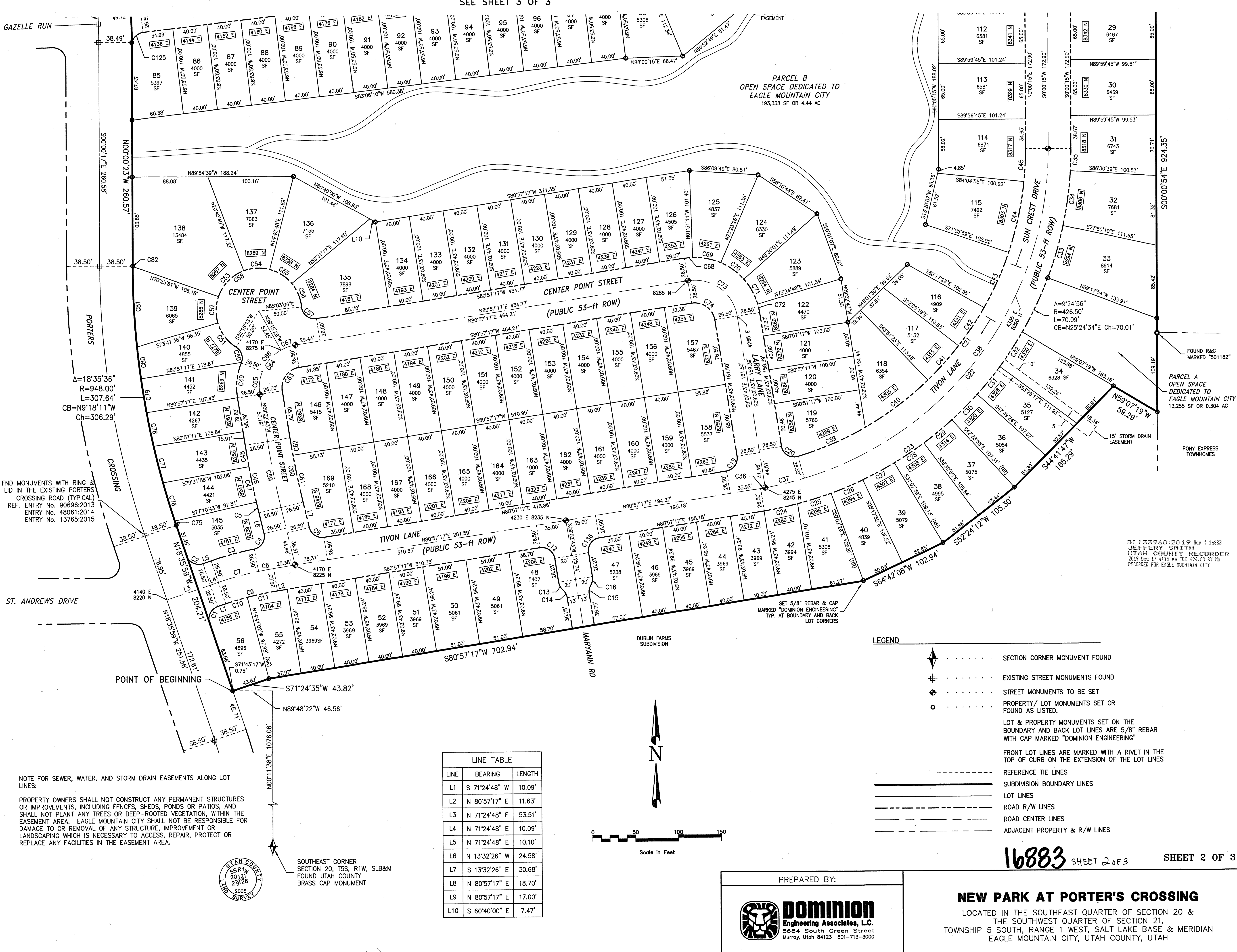
ITEM	DESCRIPTION	ORIGINAL QUANTITY	REDUCED QUANTITY	UNIT	UNIT COST	TOTAL	QUANTITIES COMPLETED			MONIES RELEASED	
							Previous Period	This Period	% to date	This Period	To Date
1	SITE PREP.										
a	Mobilization	1	0.2	LS	\$129,795.25	\$25,959.05	1	0	100%	\$0.00	\$25,959.05
b	Sub base prep	489852	97970.4	SF	\$0.10	\$9,797.04	489,852	0	100%	\$0.00	\$9,797.04
c	Top soil stripping	57000	11400	CY	\$3.43	\$39,102.00	57,000	0	100%	\$0.00	\$39,102.00
d	Roadway earthwork (cut)	105000	21000	CY	\$3.68	\$77,280.00	105,000	0	100%	\$0.00	\$77,280.00
e	Curb & gutter remove and dispose	260	52	LF	\$6.60	\$343.20	260	0	100%	\$0.00	\$343.20
2	ROADWAY IMPROVEMENTS										
a	3" Asphalt Roadway	152740	7637	SF	\$1.29	\$9,851.73	152,740	0	100%	\$0.00	\$9,851.73
b	6" road base	153900	7695	SF	\$0.66	\$5,078.70	153,900	0	100%	\$0.00	\$5,078.70
c	9" subbase	153900	7695	SF	\$0.51	\$3,924.45	153,900	0	100%	\$0.00	\$3,924.45
d	5' sidewalk	9669	483.45	LF	\$24.25	\$11,723.66	0	9669	100%	\$11,723.66	\$11,723.66
e	8' sidewalk	1038	51.9	SF	\$38.20	\$1,982.58	0	1038	100%	\$1,982.58	\$1,982.58
f	6' trail	20121	1006.5	SF	\$3.25	\$3,271.13	0	20121	100%	\$3,271.13	\$3,271.13
g	Sidewalk prep	18260	91.3	SF	\$0.85	\$77.61	18,260	0	100%	\$0.00	\$77.61
h	ADA ramps & placards	16	0.8	EA	\$920.00	\$736.00	0	16	100%	\$736.00	\$736.00
i	30" Curb & Gutter type D w/base prep	10156	507.8	LF	\$18.40	\$9,343.52	10,156	0	100%	\$0.00	\$9,343.52
j	sliping	1	0.05	LS	\$10,000.00	\$500.00	1	0	100%	\$0.00	\$500.00
3	CULINARY WATER										
a	8" C-900 water line	4520	226	LF	\$30.10	\$6,802.60	4,520	0	100%	\$0.00	\$6,802.60
b	10" C-900 water line	951	47.55	LF	\$33.00	\$1,569.15	951	0	100%	\$0.00	\$1,569.15
c	8" gate valve w/collar	11	0.55	EA	\$2,170.00	\$1,193.50	11	0	100%	\$0.00	\$1,193.50
d	10" gate valve w/collar	3	0.15	EA	\$2,700.00	\$405.00	3	0	100%	\$0.00	\$405.00
e	1" service	169	8.45	EA	\$1,175.00	\$9,928.75	169	0	100%	\$0.00	\$9,928.75
f	3" service	1	0.05	EA	\$9,575.00	\$478.75	1	0	100%	\$0.00	\$478.75
g	2" service	2	0.1	EA	\$4,175.00	\$417.50	2	0	100%	\$0.00	\$417.50
h	1" service	1	0.05	EA	\$2,800.00	\$140.00	1	0	100%	\$0.00	\$140.00
i	Sampling station	1	0.05	EA	\$9,680.00	\$484.00	1	0	100%	\$0.00	\$484.00
j	2" temp blow off	2	0.1	EA	\$1,500.00	\$150.00	2	0	100%	\$0.00	\$150.00
k	Connect to existing	3	0.15	EA	\$3,520.00	\$528.00	3	0	100%	\$0.00	\$528.00
l	lrr. stub	1	0.05	EA	\$720.00	\$36.00	1	0	100%	\$0.00	\$36.00
m	Fire Hydrant	11	0.55	EA	\$5,110.00	\$2,810.50	11	0	100%	\$0.00	\$2,810.50
4	SEWER										
a	8" sewer main	5199	519.9	LF	\$28.00	\$14,557.20	4,939	259.95	100%	\$727.86	\$14,557.20
b	Connect to existing	1	0.1	EA	\$650.00	\$65.00	1	0	100%	\$0.00	\$65.00
c	48" Sewer manholes	25	2.5	EA	\$3,800.00	\$9,500.00	25	0	100%	\$0.00	\$9,500.00
d	60" Sewer manholes	7	0.7	EA	\$5,650.00	\$3,955.00	7	0	100%	\$0.00	\$3,955.00
e	96" Sewer manholes	1	0.1	EA	\$14,125.00	\$1,412.50	1	0	100%	\$0.00	\$1,412.50
f	Sewer services	169	16.9	EA	\$1,000.00	\$16,900.00	169	0	100%	\$0.00	\$16,900.00
g	6" HDPE force main	591	59.1	LF	\$44.60	\$2,635.86	591	0	100%	\$0.00	\$2,635.86
h	Sewer lift station	1	0.1	EA	\$35,500.00	\$3,550.00	1	0.05	100%	\$177.50	\$3,550.00
5	STORM DRAIN										
a	15" ADS storm drain pipe	429	42.9	LF	\$35.00	\$1,501.50	429	0	100%	\$0.00	\$1,501.50
b	54" ADS storm drain pipe	1695	169.5	LF	\$168.00	\$28,476.00	1,695	0	100%	\$0.00	\$28,476.00
c	60" ADS storm drain pipe	1217	121.7	LF	\$197.00	\$23,974.90	1,217	0	100%	\$0.00	\$23,974.90
d	15" RCP storm drain pipe	2391	239.1	LF	\$42.65	\$10,197.62	2,391	0	100%	\$0.00	\$10,197.62
e	18" RCP storm drain pipe	180	18	LF	\$51.00	\$9,180.00	180	0	100%	\$0.00	\$9,180.00
f	24" RCP storm drain pipe	1129	112.9	LF	\$53.00	\$5,983.70	1,129	0	100%	\$0.00	\$5,983.70
g	30" RCP storm drain pipe	232	23.2	LF	\$94.50	\$2,192.40	232	0	100%	\$0.00	\$2,192.40
h	36" RCP storm drain pipe	141	14.1	LF	\$101.50	\$1,431.15	141	0	100%	\$0.00	\$1,431.15
i	Double inlet catch basin	2	0.2	EA	\$4,100.00	\$820.00	2	0	100%	\$0.00	\$820.00
j	Single inlet catch basin	7	0.7	EA	\$1,800.00	\$1,260.00	7	0	100%	\$0.00	\$1,260.00
k	Single inlet combo box	10	1	EA	\$1,800.00	\$1,800.00	10	0	100%	\$0.00	\$1,800.00
l	3'x3' storm drain box	1	0.1	EA	\$1,545.00	\$154.50	1	0	100%	\$0.00	\$154.50
m	25'x5' storm drain box	1	0.1	EA	\$40,040.00	\$4,040.00	1	0	100%	\$0.00	\$4,040.00
n	6'x5' storm drain box	1	0.1	EA	\$16,290.00	\$1,629.00	1	0	100%	\$0.00	\$1,629.00
o	6'x3' storm drain box	2	0.2	EA	\$6,565.00	\$1,313.00	2	0	100%	\$0.00	\$1,313.00
p	96" manhole	2	0.2	EA	\$8,200.00	\$1,640.00	2	0	100%	\$0.00	\$1,640.00
q	84" manhole	12	1.2	EA	\$8,750.00	\$10,500.00	12	0	100%	\$0.00	\$10,500.00
r	60" manhole	9	0.9	LF	\$4,420.00	\$3,978.00	9	0	100%	\$0.00	\$3,978.00
s	48" manhole	12	1.2	SF	\$2,125.00	\$2,550.00	12	0	100%	\$0.00	\$2,550.00
6	MISC.										
a	Street signs	10	10	EA	\$350.00	\$3,500.00	10	0	100%	\$0.00	\$3,500.00
b	Stop signs	8	8	EA	\$350.00	\$2,800.00	8	0	100%	\$0.00	\$2,800.00
TOTAL CONSTRUCTION COST						\$387,149.74					
Original 10% Bond Coverage						\$378,066.18					
TOTAL BOND AMOUNT:						\$765,215.92					
									Released this Period	\$18,618.73	

Robert Ballif
Engineering Tech.

12/21/22
Date

Marty Bahr
Eagle Mountain City Inspector
12/21/22
Date

CURVE TABLE					
CURVE	DELTA	RADIUS	LENGTH	TANGENT	CHORD
C1	90°00'47"	15.00'	23.57'	15.00'	21.22'
C2	89°59'13"	15.00'	23.56'	15.00'	21.21'
C3	7°00'45"	426.50'	52.20'	26.13'	52.17'
C4	91°57'58"	15.00'	24.08'	15.52'	21.57'
C5	0°43'08"	1026.50'	12.88'	6.44'	12.88'
C6	85°30'17"	15.00'	22.39'	13.87'	20.36'
C7	7°00'45"	400.00'	48.96'	24.51'	48.93'
C8	2°31'45"	400.00'	17.66'	8.83'	17.65'
C9	9°32'29"	373.50'	62.20'	31.17'	62.13'
C10	4°00'59"	373.50'	26.18'	13.10'	26.18'
C11	5°31'30"	373.50'	36.02'	18.02'	36.00'
C12	90°00'00"	15.00'	23.56'	15.00'	21.21'
C13	39°56'40"	15.00'	10.46'	5.45'	10.25'
C14	39°56'40"	15.00'	10.46'	5.45'	10.25'
C15	39°56'40"	15.00'	10.46'	5.45'	10.25'
C16	39°56'40"	15.00'	10.46'	5.45'	10.25'
C17	N/A				
C18	N/A				
C19	90°00'00"	15.00'	23.56'	15.00'	21.21'
C20	97°32'48"	15.00'	25.54'	17.12'	22.56'
C21	73°24'15"	373.50'	478.51'	278.42'	446.45'
C22	80°57'03"	400.00'	565.14'	341.33'	519.30'
C23	50°06'06"	426.50'	372.95'	199.34'	361.18'
C24	5°22'53"	426.50'	40.06'	20.04'	40.04'
C25	5°29'56"	426.50'	40.93'	20.48'	40.92'
C26	5°23'49"	426.50'	40.17'	20.10'	40.16'
C27	5°37'10"	426.50'	41.83'	20.93'	41.81'
C28	5°35'52"	426.50'	41.67'	20.85'	41.65'
C29	5°41'19"	426.50'	42.34'	21.19'	42.33'
C30	5°37'10"	426.50'	41.83'	20.93'	41.81'
C31	5°35'52"	426.50'	41.67'	20.85'	41.65'
C32	6°27'41"	426.50'	48.10'	24.07'	48.07'
C33	8°32'16"	426.50'	63.55'	31.84'	63.49'
C34	8°40'29"	426.50'	64.57'	32.35'	64.51'
C35	3°29'06"	426.50'	25.94'	12.98'	25.94'
C36	0°47'59"	400.00'	5.58'	2.79'	5.58'
C37	6°44'49"	400.00'	47.10'	23.58'	47.08'
C38	73°24'15"	400.00'	512.46'	298.17'	478.12'
C39	13°09'48"	373.50'	85.81'	43.09'	85.62'
C40	14°06'05"	373.50'	91.92'	46.20'	91.69'
C41	81°35'55"	373.50'	53.66'	26.88'	53.62'
C42	81°20'09"	373.50'	53.47'	26.78'	53.42'
C43	10°48'31"	373.50'	70.46'	35.33'	70.36'
C44	12°58'56"	373.50'	84.63'	42.50'	84.45'
C45	5°54'50"	373.50'	38.55'	19.29'	38.53'
C46	4°29'43"	1026.50'	80.54'	40.29'	80.52'
C47	2°21'15"	1026.50'	42.18'	21.09'	42.17'
C48	1°25'20"	1026.50'	25.48'	12.74'	25.48'
C49	31°08'42"	76.50'	41.58'	21.32'	41.07'
C50	79°49'41"	15.00'	20.90'	12.55'	19.25'
C51	41°31'20"	50.00'	36.23'	18.95'	35.45'
C52	35°46'31"	50.00'	31.22'	16.14'	30.72'
C53	49°45'02"	50.00'	43.42'	23.18'	42.06'
C54	35°23'37"	50.00'	30.89'	15.95'	30.40'
C55	35°48'28"	50.00'	31.25'	16.15'	30.74'
C56	34°31'49"	50.00'	30.13'	15.54'	29.68'
C57	94°05'48"	15.00'	24.63'	16.11'	21.96'
C58	232°46'47"	50.00'	203.14'	100.77'	89.58'
C59	4°29'43"	1000.00'	78.46'	39.25'	78.44'
C60	4°29'43"	973.50'	76.38'	38.21'	76.36'
C61	31°6'35"	973.50'	55.67'	27.84'	55.66'
C62	11°3'08"	973.50'	20.71'	10.35'	20.71'
C63	90°00'00"	23.50'	36.91'	23.50'	33.23'
C64	90°00'00"	50.00'	78.54'	50.00'	70.71'
C65	31°08'42"	50.00'	27.18'	13.93'	26.85'
C66	38°38'35"	50.00'	33.72'	17.53'	33.09'
C67	207°24'3"	50.00'	17.64'	8.91'	17.55'
C68	7°11'32"	76.50'	9.60'	4.81'	9.60'
C69	25°14'38"	76.50'	33.70'	17.13'	33.43'
C70	25°06'35"	76.50'	33.53'	17.04'	33.26'
C71	24°54'47"	76.50'	33.26'	16.90'	33.00'
C72	7°32'30"	76.50'	10.07'	5.04'	10.06'
C73	90°00'00"	50.00'	78.54'	50.00'	70.71'
C74	90°00'00"	23.50'	36.91'	23.50'	33.23'
C75	0°18'21"	948.00'	5.06'	2.53'	5.06'
C76	2°48'33"	948.00'	46.48'	23.24'	46.47'
C77	2°39'54"	948.00'	44.10'	22.05'	44.09'
C78	2°25'13"	948.00'	40.04'	20.02'	40.04'
C79	2°25'04"	948.00'	40.00'	20.00'	40.00'
C80	2°16'14"	948.00'	37.57'	18.79'	37.57'
C81	5°40'25"	948.00'	93.87'	46.98'	93.84'



LINE TABLE		
LINE	BEARING	LENGTH
L1	S 71°24'48" W	10.09'
L2	N 80°57'17" E	11.63'
L3	N 71°24'48" E	53.51'
L4	N 71°24'48" E	10.09'
L5	N 71°24'48" E	10.10'
L6	N 13°32'26" W	24.58'
L7	S 13°32'26" E	30.68'
L8	N 80°57'17" E	18.70'
L9	N 80°57'17" E	17.00'
L10	S 60°40'00" E	7.47'

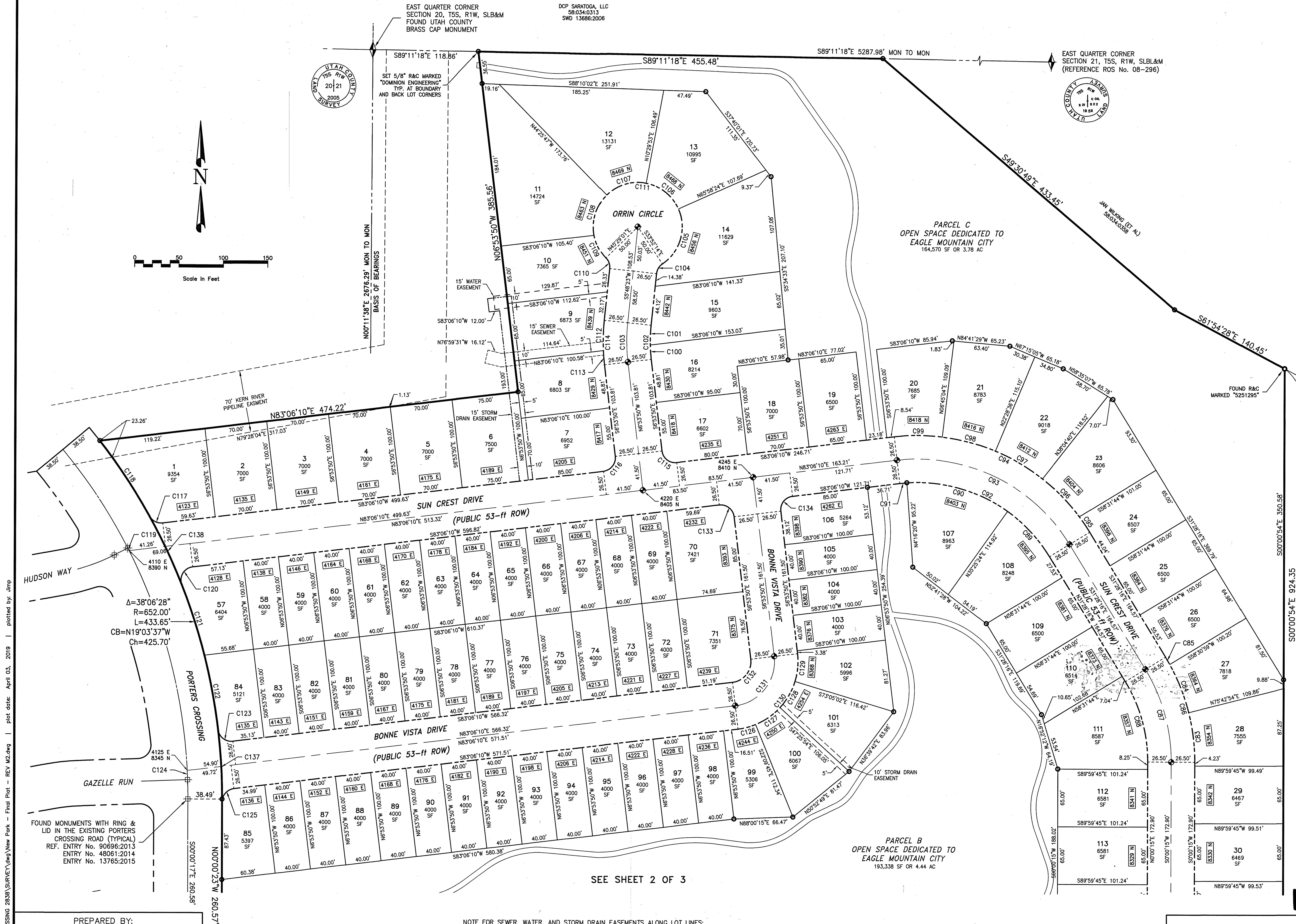
PREPARED BY:

Dominion
Engineering Associates, L.C.
5684 South Green Street
Murray, Utah 84123 801-713-3000

16883 SHEET 2 OF 3

SHEET 2 OF 3

NEW PARK AT PORTER'S CROSSING
LOCATED IN THE SOUTHEAST QUARTER OF SECTION 20 &
THE SOUTHWEST QUARTER OF SECTION 21,
TOWNSHIP 5 SOUTH, RANGE 1 WEST, SALT LAKE BASE & MERIDIAN
EAGLE MOUNTAIN CITY, UTAH COUNTY, UTAH

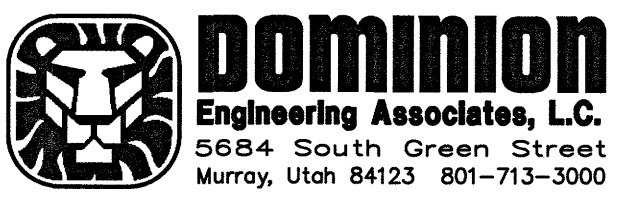


CURVE TABLE						
C82	0°01'53"	948.00'	0.52'	0.26'	0.52'	S0°01'19"E
C83	14°17'21"	226.50'	56.49'	28.39'	56.34'	N7°08'25"W
C84	14°47'18"	226.50'	58.46'	29.39'	58.30'	N21°40'44"W
C85	2°23'52"	226.50'	9.48'	4.74'	9.48'	N30°16'19"W
C86	31°28'31"	226.50'	124.43'	63.83'	122.87'	N15°44'00"W
C87	31°28'31"	200.00'	109.87'	56.36'	108.49'	N15°44'00"W
C88	31°28'31"	173.50'	95.31'	48.89'	94.12'	N15°44'00"W
C89	23°06'21"	173.50'	69.97'	35.47'	69.49'	N43°01'26"W
C90	39°41'44"	173.50'	120.20'	62.63'	117.81'	N74°25'28"W
C91	2°37'30"	173.50'	7.95'	3.97'	7.95'	S84°24'55"W
C92	65°25'34"	173.50'	198.12'	111.44'	187.53'	N64°11'03"W
C93	65°25'34"	200.00'	228.38'	128.46'	216.17'	N64°11'03"W
C94	65°25'34"	226.50'	258.64'	145.48'	244.82'	N64°11'03"W
C95	51°8'33"	226.50'	20.99'	10.50'	20.98'	N34°07'32"W
C96	15°08'32"	226.50'	59.86'	30.11'	59.69'	N44°21'04"W
C97	15°36'03"	226.50'	61.67'	31.03'	61.48'	N59°43'22"W
C98	15°43'33"	226.50'	62.17'	31.28'	61.97'	N75°23'10"W
C99	13°38'53"	226.50'	53.95'	27.10'	53.83'	S89°55'37"W
C100	52°11'19"	173.50'	16.22'	8.11'	16.21'	S41°31'0"E
C101	72°05'4"	173.50'	22.25'	11.14'	22.24'	S20°75'7"W
C102	12°42'13"	173.50'	38.47'	19.31'	38.39'	S0°32'43"E
C103	12°42'13"	200.00'	44.34'	22.26'	44.25'	S0°32'43"E
C104	50°19'22"	15.00'	13.17'	7.05'	12.76'	S30°58'05"W
C105	80°09'22"	50.00'	69.95'	42.07'	64.38'	N16°03'05"E
C106	55°28'31"	50.00'	48.41'	26.29'	46.54'	N51°45'52"W
C107	54°55'40"	50.00'	47.93'	25.99'	46.12'	S73°02'03"W
C108	56°39'49"	50.00'	49.45'	26.96'	47.46'	S171°41'8"W
C109	33°25'23"	50.00'	29.17'	15.01'	28.76'	S27°48'17"E
C110	50°19'22"	15.00'	13.17'	7.05'	12.76'	N19°21'18"W
C111	28°03'44"	50.00'	244.91'	41.48'	63.85'	N84°11'37"W
C112	8°36'14"	226.50'	34.01'	17.04'	33.98'	S1°30'16"W
C113	4°05'59"	226.50'	16.21'	8.11'	16.20'	S4°50'50"E
C114	12°42'13"	226.50'	50.22'	25.21'	50.12'	S0°32'43"E
C115	90°00'00"	15.00'	23.56'	15.00'	21.21'	S51°53'50"E
C116	90°00'00"	15.00'	23.56'	15.00'	21.21'	N38°06'10"E
C117	67°43'00"	15.00'	17.73'	10.06'	16.71'	S63°02'20"E
C118	8°56'01"	652.00'	101.66'	50.93'	101.56'	N33°38'50"W
C119	0°18'14"	613.50'	3.25'	1.63'	3.25'	N271°22'2"W
C120	104°45'32"	15.00'	27.43'	19.46'	23.76'	S304°32'5"W
C121	71°6'31"	652.00'	82.79'	41.45'	82.73'	N18°01'06"W
C122	72°29'26"	652.00'	85.24'	42.68'	85.18'	N10°38'08"W
C123	90°00'25"	15.00'	23.56'	15.00'	21.21'	S51°53'37"E
C124	0°58'30"	613.50'	10.44'	5.22'	10.44'	N231°21'W
C125	83°06'33"	15.00'	21.76'	13.30'	19.90'	S41°32'54"W
C126	15°15'56"	76.50'	20.38'	10.25'	20.32'	N75°28'13"E
C127	25°16'09"	76.50'	33.74'	17.15'	33.47'	N55°12'10"E
C128	25°39'08"	76.50'	34.25'	17.42'	33.96'	N29°44'32"E
C129	23°48'48"	76.50'	31.79'	16.13'	31.57'	N5°00'34"E
C130	90°00'00"	76.50'	120.17'	76.50'	108.19'	N38°06'10"E
C131	90°00'00"	50.00'	78.54'	50.00'	70.71'	N38°06'10"E
C132	90°00'00"	23.50'	36.91'	23.50'	33.23'	N38°06'10"E
C133	90°00'00"	15.00'	23.56'	15.00'	21.21'	N51°53'50"W
C134	90°00'00"	15.00'	23.56'	15.00'	21.21'	S38°06'10"W
C135	N/A					
C136	90°00'00"	15.00'	23.56'	15.00'	21.21'	S35°57'17"W
C137	6°53'02"	652.00'	78.33'	39.21'	78.29'	N3°26'54"W
C138	7°31'29"	652.00'	85.63'	42.87'	85.57'	N25°25'06"W

ENT 13364012019 Map # 16883
JEFFERY SMITH
UTAH COUNTY RECORDER
2019 Dec 17 4:15 pm FEE \$94.00 BY RA
RECORDED FOR EAGLE MOUNTAIN CITY

NOTE FOR SEWER, WATER, AND STORM DRAIN EASEMENTS ALONG LOT LINES:
PROPERTY OWNERS SHALL NOT CONSTRUCT ANY PERMANENT STRUCTURES OR IMPROVEMENTS, INCLUDING FENCES, SHEDS, PONDS OR PATIOS, AND SHALL NOT PLANT ANY TREES OR DEEP-ROOTED VEGETATION, WITHIN THE EASEMENT AREA. EAGLE MOUNTAIN CITY SHALL NOT BE RESPONSIBLE FOR DAMAGE TO OR REMOVAL OF ANY STRUCTURE, IMPROVEMENT OR LANDSCAPING WHICH IS NECESSARY TO ACCESS, REPAIR, PROTECT OR REPLACE ANY FACILITIES IN THE EASEMENT AREA.

NEW PARK AT PORTER'S CROSSING
LOCATED IN THE SOUTHEAST QUARTER OF SECTION 20 &
THE SOUTHWEST QUARTER OF SECTION 21,
TOWNSHIP 5 SOUTH, RANGE 1 WEST, SALT LAKE BASE & MERIDIAN
EAGLE MOUNTAIN CITY, UTAH COUNTY, UTAH



Path: P:\M2 PORTERS CROSSING 2838 SURVEY\dwg\New Park - Final Plot - REV M2.dwg | plot date: April 03, 2019 | plotted by: Jmp



Engineering Division
2565 North Pony Express Parkway
Eagle Mountain City, Utah 84005
(801) 789-6671

Wednesday, November 9, 2022

City Recorder's Office
Eagle Mountain City
1650 East Stage Coach Run
Eagle Mountain City, UT 84005

SUBJECT: Skyline Ridge phase 2 plat 6 into warranty Bond Release

City Recorder:

The above referenced subdivision has completed all the required improvements as of this date. With the approval of the installed infrastructure, we are recommending this subdivision begin the required one-year warranty period. A reduced bond letter has been generated, reducing all bond items which have been completed. A warranty bond for the remaining warranty amount must be issued and maintained until released from the warranty period by the city.

Please contact me should you have any comments, questions, or concerns. Thank you.

Sincerely,

Christopher T. Trusty, P.E.
Engineering Director
Eagle Mountain City

Cc: Fionnuala Kofoed, City Recorder



BOND RELEASE REQUEST LETTER
Skyline Ridge phase 2 plat 6 bond

Engineering Division
2565 North Pony Express Parkway
Eagle Mountain City, Utah 84005
(801) 789-6671

1st Bond Release	
Original Bond Amount:	\$ 1,447,733.45
Previous Release Amount:	\$ -
Amount to Release this Period:	\$ 1,316,121.32
Amount Remaining in Bond:	\$ 131,612.13

Bond Releases Summary	
#1	\$ 1,316,121.32
#2	\$ -
#3	\$ -
#4	\$ -
TOTAL	\$ 1,316,121.32

11/9/2022

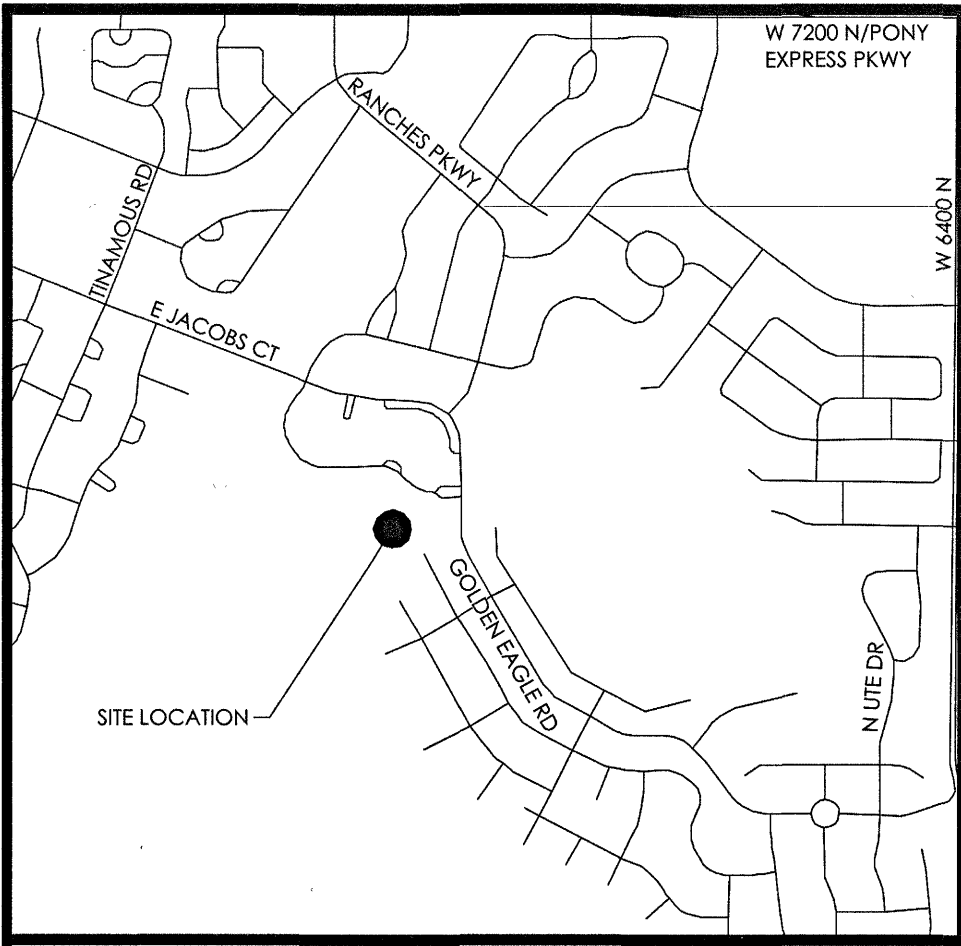
ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL	QUANTITIES COMPLETED			MONIES RELEASED	
						Previous Period	This Period	% to date	This Period	To Date
1	SITE PREP.									
a	Mobilization	1	LS	\$17,500.00	\$17,500.00	0	1	100%	\$17,500.00	\$17,500.00
b	SWPPP	1	LS	\$6,000.00	\$6,000.00	0	1	100%	\$6,000.00	\$6,000.00
c	Material testing	1	LS	\$7,250.00	\$7,250.00	0	1	100%	\$7,250.00	\$7,250.00
d	Survey/staking	1	LS	\$11,000.00	\$11,000.00	0	1	100%	\$11,000.00	\$11,000.00
e	Clear & haul off	1	LS	\$6,000.00	\$6,000.00	0	1	100%	\$6,000.00	\$6,000.00
f	Cut to fill lots	30000	CY	\$6.25	\$187,500.00	0	30000	100%	\$187,500.00	\$187,500.00
g	Subgrade prep site PUE	43979	SF	\$0.18	\$7,916.22	0	43979	100%	\$7,916.22	\$7,916.22
h	Haul off trench spoils	30000	CY	\$12.00	\$360,000.00	0	30000	100%	\$360,000.00	\$360,000.00
i	Cut swale back of lots	995	FT	\$11.20	\$11,144.00	0	995	100%	\$11,144.00	\$11,144.00
j	Rock wall install	9300	SF	\$15.50	\$144,150.00	0	9300	100%	\$144,150.00	\$144,150.00
k	Rock for wall	1	TON	\$70.00	\$70.00	0	1	100%	\$70.00	\$70.00
2	ROADWAY IMPROVEMENTS									
a	3" Asphalt	25900	SF	\$1.85	\$47,915.00	0	25900	100%	\$47,915.00	\$47,915.00
b	6" roadbase	29600	SF	\$1.15	\$34,040.00	0	29600	100%	\$34,040.00	\$34,040.00
c	9" e-fill	29600	SF	\$0.85	\$25,160.00	0	29600	100%	\$25,160.00	\$25,160.00
d	Raise & collar manhole	10	EA	\$600.00	\$6,000.00	0	10	100%	\$6,000.00	\$6,000.00
e	Raise & collar valves	5	EA	\$500.00	\$2,500.00	0	5	100%	\$2,500.00	\$2,500.00
f	30" curb & gutter w/base	1457	LF	\$37.00	\$53,909.00	0	1457	100%	\$53,909.00	\$53,909.00
g	Catch basin tie in	3	EA	\$750.00	\$2,250.00	0	3	100%	\$2,250.00	\$2,250.00
h	5' sidewalk w/4" of compacted base	7139	SF	\$5.75	\$41,049.25	0	7139	100%	\$41,049.25	\$41,049.25
i	Sidewalk base	260	TON	\$22.50	\$5,850.00	0	260	100%	\$5,850.00	\$5,850.00
j	ADA ramps	3	EA	\$2,075.00	\$6,225.00	0	3	100%	\$6,225.00	\$6,225.00
3	CULINARY WATER									
a	8" C-900 water line	738	LF	\$54.00	\$39,852.00	0	738	100%	\$39,852.00	\$39,852.00
b	Gate valve	3	EA	\$2,650.00	\$7,950.00	0	3	100%	\$7,950.00	\$7,950.00
c	Tee's & crosses w/thrust block	1	EA	\$1,650.00	\$1,650.00	0	1	100%	\$1,650.00	\$1,650.00
d	3/4" service lateral w/meter	16	EA	\$2,175.00	\$34,800.00	0	16	100%	\$34,800.00	\$34,800.00
e	Connect to existing water line	1	EA	\$2,600.00	\$2,600.00	0	1	100%	\$2,600.00	\$2,600.00
f	Connect w/const. valve	1	EA	\$5,250.00	\$5,250.00	0	1	100%	\$5,250.00	\$5,250.00
g	Fire Hydrant	2	EA	\$7,375.00	\$14,750.00	0	2	100%	\$14,750.00	\$14,750.00
h	Bends w/thrust block	5	EA	\$1,750.00	\$8,750.00	0	5	100%	\$8,750.00	\$8,750.00
i	Testing	1	LS	\$2,250.00	\$2,250.00	0	1	100%	\$2,250.00	\$2,250.00
j	Water backfill	390	CY	\$25.50	\$9,945.00	0	390	100%	\$9,945.00	\$9,945.00
4	SEWER									
a	Connect to existing sewer manhole	1	EA	\$1,950.00	\$1,950.00	0	1	100%	\$1,950.00	\$1,950.00
b	8" Sewer Pipe main (0'-8' deep)	395.43	LF	\$60.00	\$23,725.80	0	395.43	100%	\$23,725.80	\$23,725.80
c	8" Sewer Pipe main (9'-16' deep)	246.57	LF	\$65.00	\$16,027.05	0	246.57	100%	\$16,027.05	\$16,027.05
d	48" manhole w/collar	5	EA	\$5,350.00	\$26,750.00	0	5	100%	\$26,750.00	\$26,750.00
e	60" manhole w/collar	1	EA	\$6,150.00	\$6,150.00	0	1	100%	\$6,150.00	\$6,150.00
f	4" service lateral	16	EA	\$1,850.00	\$29,600.00	0	16	100%	\$29,600.00	\$29,600.00
g	Sewer backfill	1450	CY	\$25.50	\$36,975.00	0	1450	100%	\$36,975.00	\$36,975.00
5	STORM DRAIN									
a	Connect to existing storm drain	1	EA	\$2,250.00	\$2,250.00	0	1	100%	\$2,250.00	\$2,250.00
b	15" storm drain pipe	353	LF	\$50.00	\$17,650.00	0	353	100%	\$17,650.00	\$17,650.00
c	Catch basin	2	EA	\$3,200.00	\$6,400.00	0	2	100%	\$6,400.00	\$6,400.00
d	SD box	1	EA	\$4,000.00	\$4,000.00	0	1	100%	\$4,000.00	\$4,000.00
e	SD combo box	1	EA	\$6,650.00	\$6,650.00	0	1	100%	\$6,650.00	\$6,650.00
f	SD box	1	EA	\$3,700.00	\$3,700.00	0	1	100%	\$3,700.00	\$3,700.00
g	Storm drain manhole	3	EA	\$4,650.00	\$13,950.00	0	3	100%	\$13,950.00	\$13,950.00
h	Storm drain backfill	336	CY	\$25.50	\$8,568.00	0	336	100%	\$8,568.00	\$8,568.00
6	MISC.									
a	Street/stop sign	1	EA	\$550.00	\$550.00	0	1	100%	\$550.00	\$550.00
TOTAL CONSTRUCTION COST					\$1,316,121.32					
10% Bond Coverage					\$131,612.13	Released this Period \$1,316,121.32				
TOTAL BOND AMOUNT:					\$1,447,733.45					

Christopher T. Trusty P.E.
Engineering Director

11/14/22
Date

Robert Ballif
Engineering Tech. 1

11/9/22
Date



VICINITY MAP
N.T.S

NOTES:

- #5 REBAR AND CAP (FOCUS ENG) TO BE SET AT ALL LOT CORNERS. LEAD PLUGS TO BE SET IN THE TOP BACK OF CURB ON THE PROJECTION OF SIDE LOT LINES.
- M.U.E. = MUNICIPAL UTILITY EASEMENT
- ALL STREETS OR DRIVES TO SERVE AS PUBLIC UTILITY EASEMENTS.
- PARCEL A IS HEREBY DEDICATED TO EAGLE MOUNTAIN CITY.

Curve Table					
CURVE	RADIUS	DELTA	LENGTH	CHORD DIRECTION	CHORD LENGTH
C1	75.00	26°40'13"	35.04	S72°19'06"W	34.72
C2	275.00	10°10'49"	48.86	S80°36'48"W	48.80
C3	60.00	33°01'13"	34.58	S59°00'47"W	34.10
C4	60.00	59°07'45"	61.92	S12°56'18"W	59.21
C5	60.00	51°24'51"	53.84	S42°20'00"E	52.05
C6	225.00	14°49'06"	58.19	S22°38'21"E	58.03
C7	60.00	85°05'59"	89.12	N69°24'34"E	81.15
C8	15.00	137°59'01"	36.12	S84°08'55"E	28.01
C9	225.00	17°32'39"	68.90	S38°49'14"E	68.63
C10	225.00	0°38'50"	2.54	S47°54'58"E	2.54
C11	375.00	7°09'01"	46.80	S44°39'53"E	46.77
C12	375.00	10°01'23"	65.60	S36°04'41"E	65.52
C13	100.00	26°46'13"	46.72	N72°19'06"E	46.30
C14	425.00	3°41'51"	27.43	N32°54'56"W	27.42
C15	425.00	9°16'31"	68.80	N39°24'07"W	68.73
C16	425.00	4°12'01"	31.16	N46°08'23"W	31.15
C17	175.00	6°01'02"	18.38	N45°13'52"W	18.37
C18	175.00	22°24'22"	68.44	N31°01'11"W	68.00
C19	175.00	4°34'36"	13.98	N17°31'42"W	13.98
C20	15.00	100°51'37"	26.41	N35°16'24"E	23.13
C21	125.00	26°46'13"	58.40	N72°19'06"E	57.87
C22	400.00	17°10'23"	119.89	N39°39'12"W	119.44
C23	200.00	33°00'19"	115.21	N31°44'14"W	113.62
C24	250.00	10°10'49"	44.42	N80°36'48"E	44.36
C25	250.00	9°32'59"	41.67	N80°17'53"E	41.62
C26	250.00	0°37'51"	2.75	N85°23'17"E	2.75

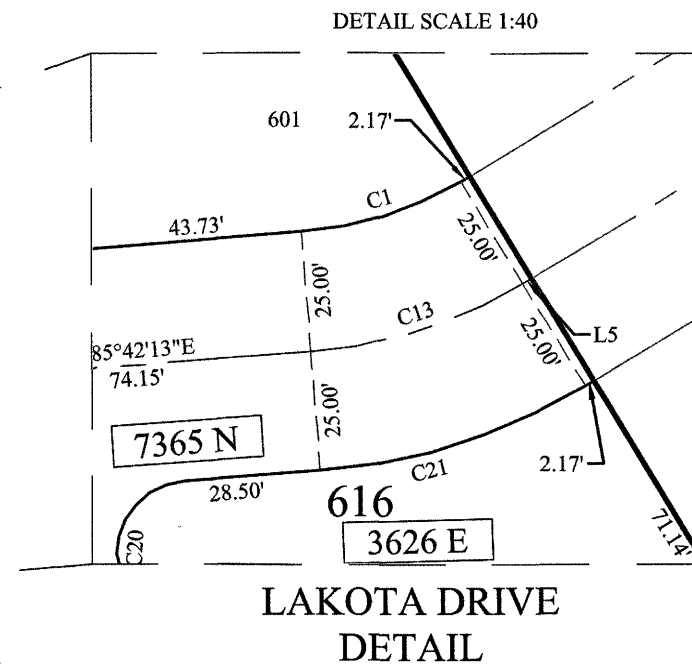
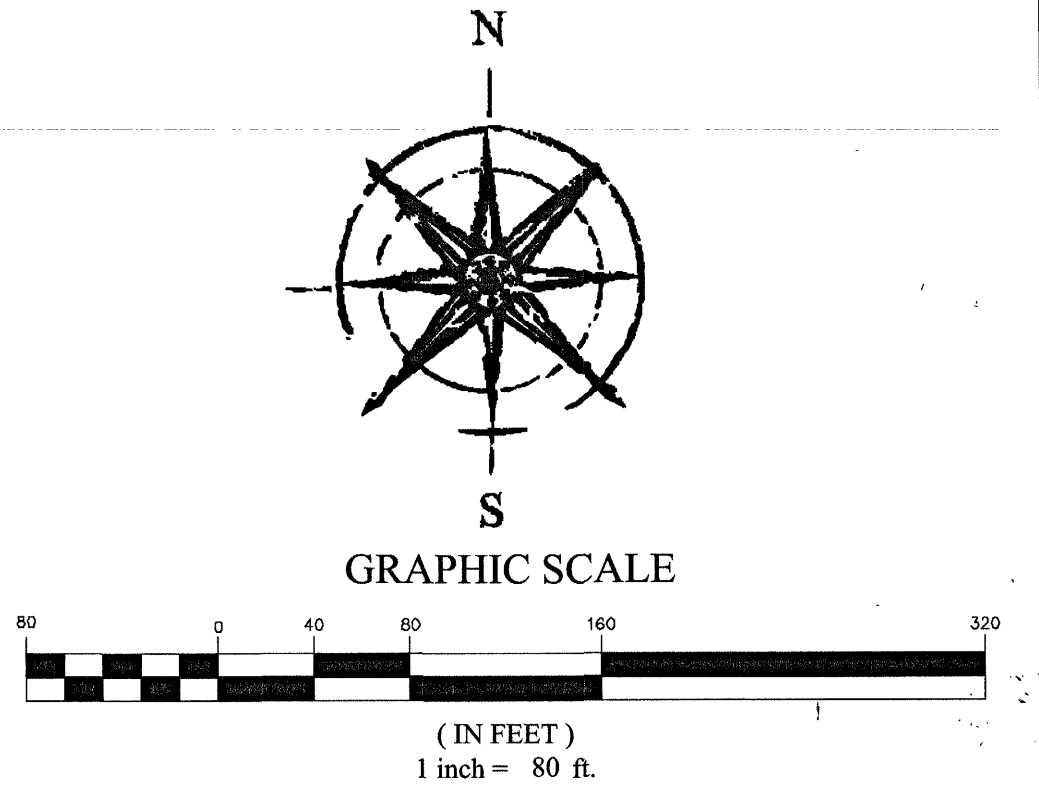
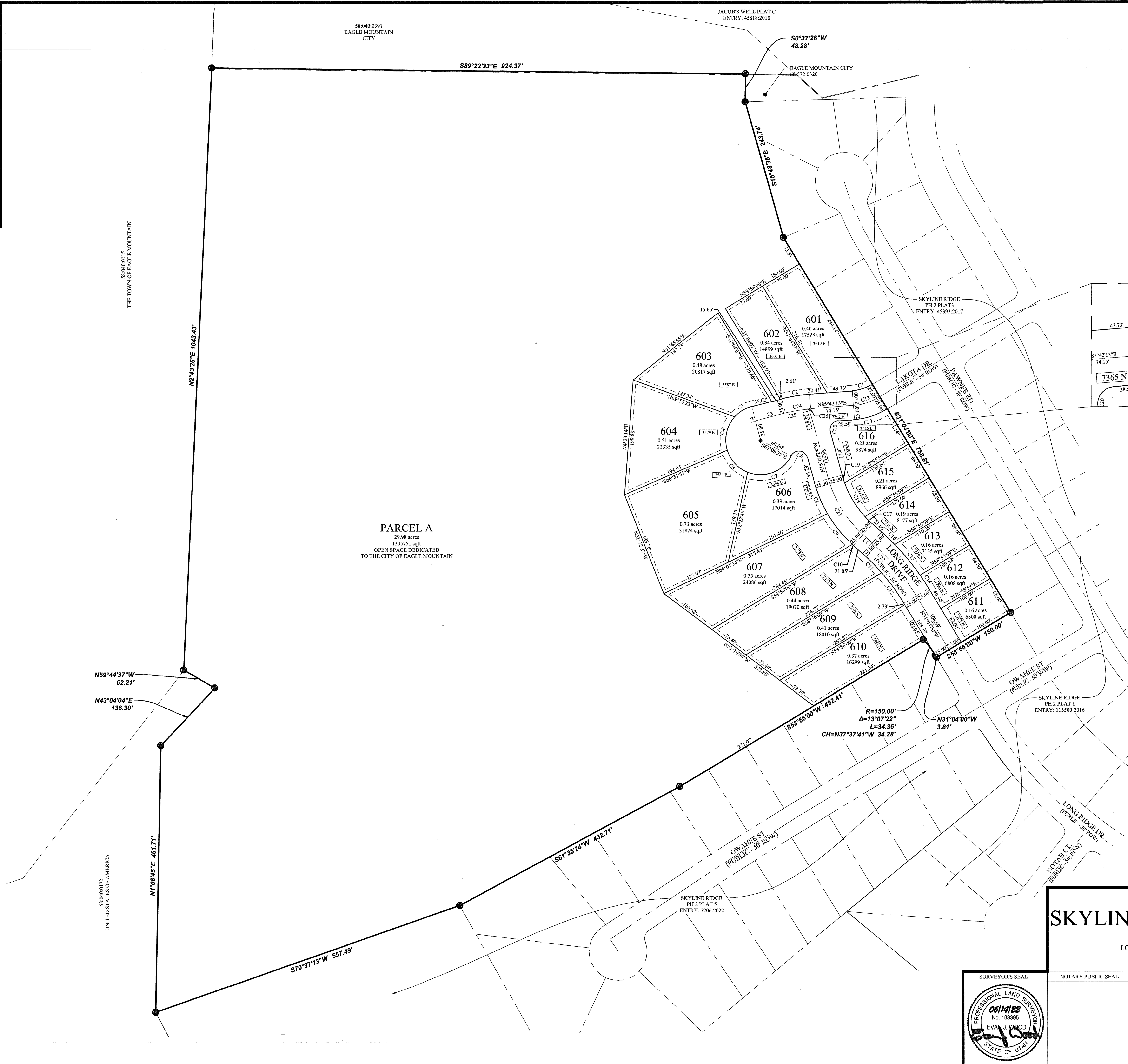
Line Table		
LINE	DIRECTION	LENGTH
L1	N48°14'23"W	21.05
L3	N75°31'23"E	53.88
L4	N14°28'37"W	60.00
L5	N58°56'00"E	2.17

LEGEND

- BOUNDARY
- SECTION LINE
- EASEMENT
- RIGHT-OF-WAY LINE
- CENTERLINE
- BUILDING SETBACK
- EXISTING PROPERTY LINE
- SECTION MONUMENT (FOUND)
- STREET MONUMENT (TO BE SET)
- BOUNDARY MARKERS

PREPARED BY
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ENGINEERING AND SURVEYING, LLC
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www.focusnh.com

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DRAPER, UTAH 84020
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18606
Sheet 2 of 2

SKYLINE RIDGE PHASE 2 PLAT 6

SUBDIVISION
LOCATED IN THE SW1/4 AND SE1/4 OF SECTION 29, T5S, R1W,
SALT LAKE BASE & MERIDIAN
EAGLE MOUNTAIN CITY, UTAH COUNTY, UTAH

SURVEYOR'S SEAL PROFESSIONAL LAND SURVEYOR 06/14/22 No. 183395 EVAN J. WOOD STATE OF UTAH	NOTARY PUBLIC SEAL	CITY-COUNTY ENGINEER SEAL LICENSED PROFESSIONAL ENGINEER No. 266052 CHRISTOPHER TOUB TRUSTY 8-9-22 STATE OF UTAH	COUNTY RECORDER SEAL ENT. 79012023 Map # 18606 ANDREA ALLEN UTAH COUNTY RECORDER 2023 JUN 05 11:42 AM FEE 134.00 BY NC RECORDED FOR EAGLE MOUNTAIN CITY
--	--------------------	--	--



Engineering Division
2565 North Pony Express Parkway
Eagle Mountain City, Utah 84005
(801) 789-6671

Wednesday, January 11, 2023

City Recorder's Office
Eagle Mountain City
1650 East Stage Coach Run
Eagle Mountain City, UT 84005

SUBJECT: Cedar Farms Subdivision out of warranty Bond Release

City Recorder:

The above referenced subdivision has completed the required one-year maintenance period as required in their development agreement. After performing a walkthrough of this subdivision, I would recommend that the city accepts the subdivision as complete and release all bonds placed by the developer and held by the city for this development.

Please contact me should you have any comments, questions, or concerns. Thank you.

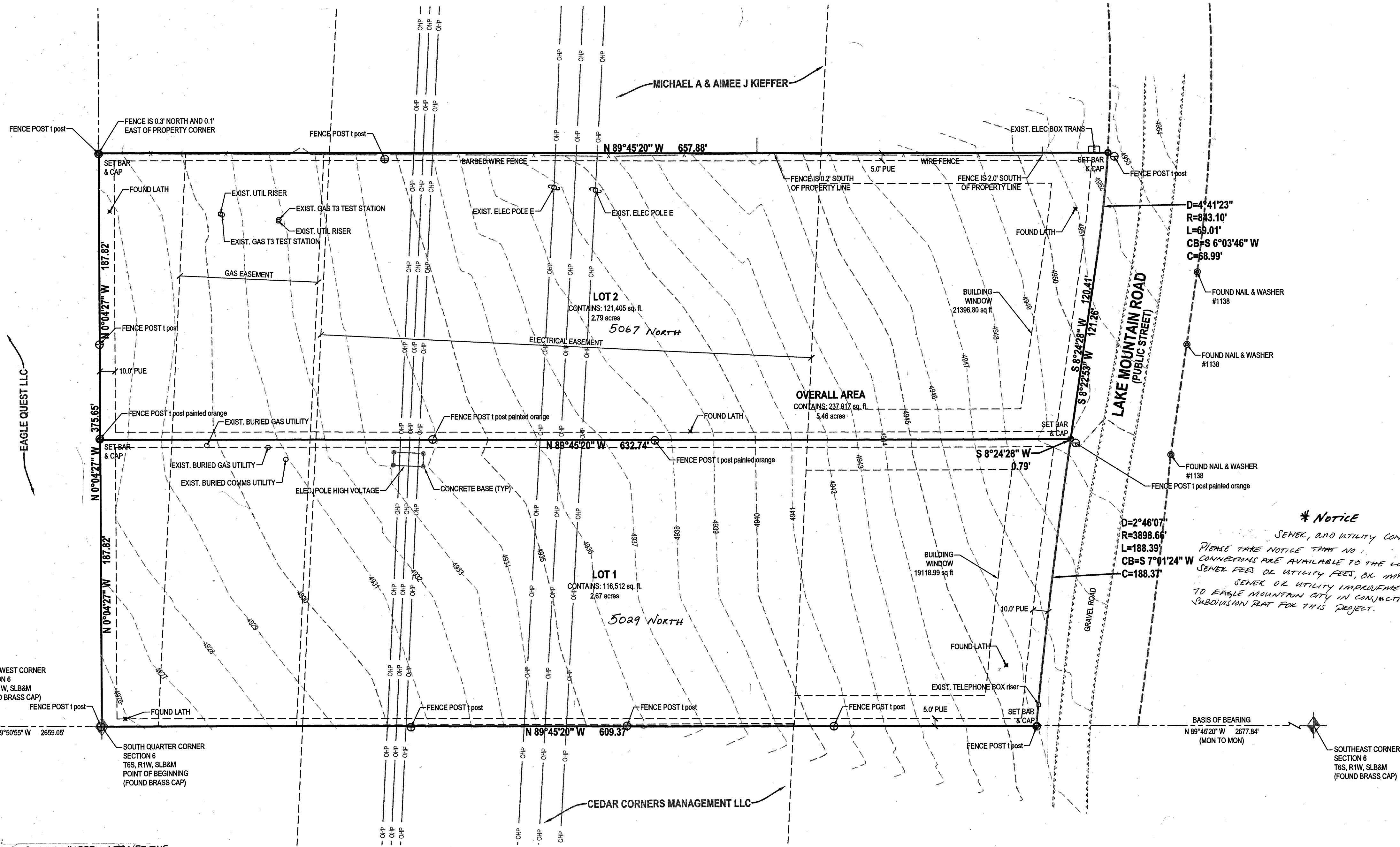
Sincerely,

Christopher T. Trusty, P.E.
Engineering Director
Eagle Mountain City

Cc: Fionnuala Kofoed, City Recorder

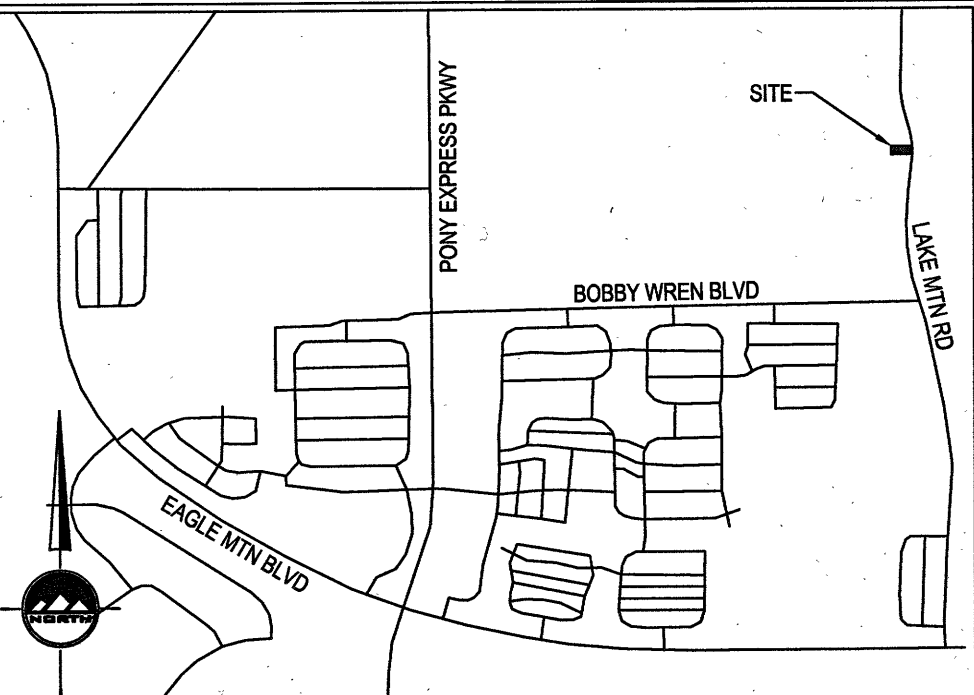
CEDAR FARM SUBDIVISION

LOCATED IN THE SOUTHEAST QUARTER OF SECTION 6,
TOWNSHIP 6 SOUTH, RANGE 1 WEST,
SALT LAKE BASE & MERIDIAN
EAGLE MOUNTAIN, UTAH COUNTY, UTAH



DOMINION ENERGY UTAH - NOTE:
QUESTIONS CONCERNING THE INFORMATION HEREON APPROVES THIS PLAT FOR THE PURPOSE OF APPROXIMATING THE LOCATION, COURSE AND DIMENSIONS OF THE RIGHTS-OF-WAY AND EASEMENTS AND EXISTING UNDERGROUND UTILITIES. INFORMATION SHALL BE CONTINUED TO THE PLAT OF THE PLAT FOR THE PURPOSE OF CONFIRMING THAT THE PLAT CONTAINS PUBLIC UTILITY EASEMENTS. DOMINION ENERGY UTAH MAY REQUIRE ADDITIONAL EASEMENTS IN ORDER TO SERVE THIS DEVELOPMENT. THIS APPROVAL DOES NOT CONSTITUTE A GUARANTEE OF THE LOCATION OF THE PUBLIC UTILITY EASEMENTS, BUT DOES NOT CONSTITUTE A GUARANTEE OF THE LOCATION OF THE PUBLIC UTILITY EASEMENTS. DOMINION ENERGY UTAH'S PLAT OF LAND DEPARTMENT OF 2003-2005.

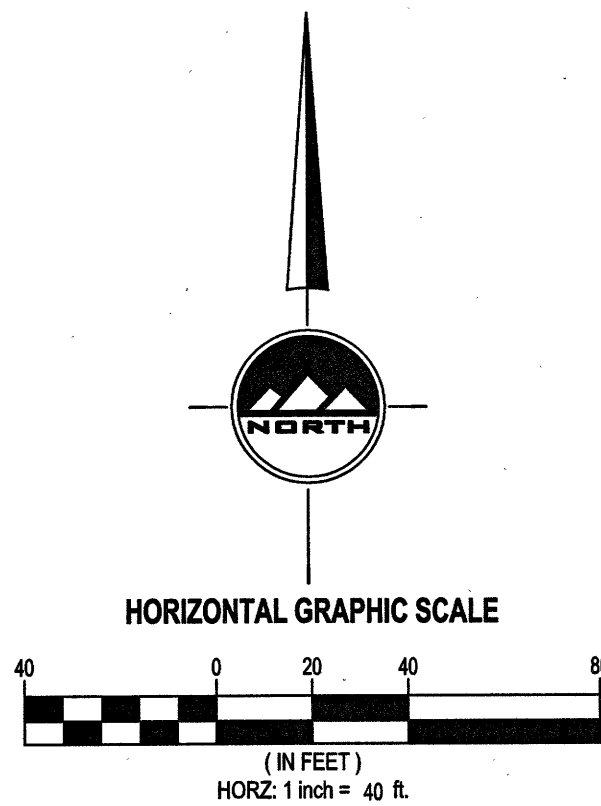
ROCKY MOUNTAIN POWER NOTES:
1. SUBJECT TO THE POWER OF THE CITY OF SALT LAKE CITY, THIS PLAT CONVEYS TO THE UNDERSIGNED OR CREATOR OF THE PUBLIC UTILITY EASEMENTS ALL THE RIGHTS AND INTERESTS THEREIN.
2. PURSUANT TO THE POWER OF THE CITY OF SALT LAKE CITY, THIS PLAT CONVEYS TO THE UNDERSIGNED OR CREATOR OF THE PUBLIC UTILITY EASEMENTS ALL THE RIGHTS AND INTERESTS THEREIN.
3. THE PLAT OF THE CITY OF SALT LAKE CITY, THIS PLAT CONVEYS TO THE UNDERSIGNED OR CREATOR OF THE PUBLIC UTILITY EASEMENTS ALL THE RIGHTS AND INTERESTS THEREIN.
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LOT	SQUARE FEET	ACRES	ADDRESS
LOT 1	116,512	2.67	5029 N Lake Mountain Road
LOT 2	121,405	2.79	5067 N Lake Mountain Road

LEGEND

- EXISTING STREET MONUMENT
- PROPOSED STREET MONUMENT
- SECTION CORNER
- SET 5/8" REBAR WITH YELLOW PLASTIC CAP, OR NAIL STAMPED "ENGIN ENG. & LAND SURV."
- BOUNDARY LINE
- SECTION LINE
- CENTER LINE
- EASEMENT LINE



SURVEYOR'S CERTIFICATE
I, Justin R. Jenkins, do hereby certify that I am a registered Land Surveyor, and that I hold a license, Certificate No. 5152644, in accordance with the Professional Engineers and Land Surveyors Licensing Act found in Title 58, Chapter 22 of the Utah Code. I further certify that by authority of the Owners, I have made a survey of the tract of land shown on this plat and described below, have subdivided said tract of land into lots, streets, and easements, have completed a survey of the property described on this plat in accordance with Utah Code Section 17-23-17, have verified all measurements, and have placed monuments as represented on the plat. I further certify that every existing right-of-way and easement grant of record for underground facilities, as defined in Utah Code Section 54-8a-2, and for other utility facilities, is accurately described on this plat, and that this plat is true and correct. I also certify that I have filed, or will file within 90 days of recordation of this plat, a map of survey I have completed with the Utah County Surveyor.

BOUNDARY DESCRIPTION
A parcel of land lying and situate in the Southeast Quarter of Section 6, Township 6 South, Range 1 West, Salt Lake Base and Meridian for which the Basis of Bearing is N89°45'20"W 2677.84' between the South Quarter Corner and the South East Corner of said Section 6. More particularly described as follows:
Beginning at the South quarter corner of Section 6, Township 6 South, Range 1 West, Salt Lake Base and Meridian, and running:
THENCE coincident with the West line of the Southeast Quarter of said Section 6, North 0°04'27" West 375.65 feet;
THENCE parallel with the South line of the Southeast Quarter of said Section 6, South 89°45'20" East 657.88 feet more or less to the Westerly Right-of-Way line of Lake Mountain Road;
THENCE coincident with said Westerly Right-of-Way line the following three (3) courses
1. Southerly 89.01 feet along the arc of a 843.10 foot radius non-tangent curve to the right (center bears North 89°16'58" West and the long chord bears South 0°03'46" West 68.99 feet through a central angle of 04°41'23");
2. THENCE South 08°24'28" West 121.20 feet;
3. THENCE Southerly 188.39 feet along the arc of a 3,898.66 feet radius tangent curve to the left (center bears South 81°35'32" East and the long chord bears South 07°01'24" West 188.37 feet through a central angle of 02°46'07") more or less to the South line of the Southeast Quarter of said Section 6;
THENCE coincident with the South line of the Southeast Quarter of said Section 6, North 89°45'20" West 609.37 feet, to the Point of Beginning.
Contains 237,917 square feet or 5.46 acres.
DATE 12-10-19
JUSTIN R. JENKINS
P.L.S. 5152644

OWNER'S DEDICATION
Know all men by these presents that we the two undersigned owner(s) of the above described tract of land having caused same to be subdivided into lots and streets to be hereafter known as
CEDAR FARM SUBDIVISION
do hereby dedicate for perpetual use of the public and/or City all parcels of land, easements, right-of-way, and public amenities shown on this plat as intended for public and/or City use. The owner(s) voluntarily defend, indemnify and save the City harmless against any easements or other encumbrance on a dedicated street which will interfere with the City's use, maintenance, and operation of the street. The owner(s) voluntarily defend, indemnify and hold harmless the City from any damage claimed by persons within or without this subdivision to have been caused by alterations of the ground surface, vegetation, drainage, or surface or sub-surface water flows with in the subdivision or by establishment or construction of the roads within this subdivision.
In witness whereof, the parties have hereunto set their hands and seals this 25 day of August, A.D., 20 20.
By: Jeff Scott
By: Karen Scott

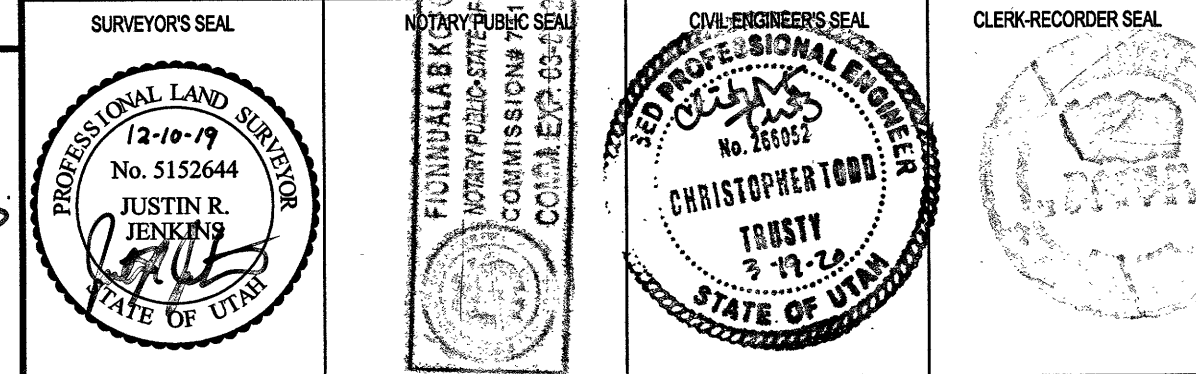
PERSONAL ACKNOWLEDGMENT
STATE OF UTAH, J.S.S.
County of Utah
On the 25 day of August, A.D., 20 20, Jeff Scott and, Karen Scott, personally appeared before me, the undersigned Notary Public, in and for said County of Utah.
MY COMMISSION EXPIRES: 3/09/2024
NOTARY PUBLIC
Commission #71066
RESIDING IN Utah, COUNTY.

LENDER'S CONSENT
The described tract of land herein is subject to a Deed of Trust in favor of _____ By the lender's signature below, the lender consents to dedication for perpetual use of the public all parcels of land shown on this plat as intended for public use and unconditionally waives, relinquishes and subordinates the lien or charge of the Deed of Trust in favor of the dedication of the land to public use.
By: _____
Its: _____
ENT 20174212820 Map # 17451
JEFFERY SMITH
UTAH COUNTY RECORDER
2020 Dec 27 4:41 PM FEE \$4.00 BY RA
RECORDED FOR EAGLE MOUNTAIN CITY

LENDER'S ACKNOWLEDGMENT
STATE OF UTAH, J.S.S.
COUNTY OF SALT LAKE
On this day of _____, 20 _____, personally appeared before me _____ of _____, and that the foregoing instrument was signed in behalf of said national banking association and he/she acknowledged to me that said national banking association executed the same.
NOTARY PUBLIC
My Commission Expires: _____
Residing in _____ County.

APPROVAL BY LEGISLATIVE BODY
THE CITY COUNCIL OF THE CITY OF EAGLE MOUNTAIN, COUNTY OF UTAH, APPROVES THIS SUBDIVISION SUBJECT TO THE CONDITIONS AND RESTRICTIONS HEREON, AND HEREBY ACCEPTS THE DEDICATION OF ALL STREETS, EASEMENTS AND OTHER PARCELS OF LAND INTENDED FOR PUBLIC PURPOSES FOR THE PERPETUAL USE OF THE PUBLIC.
THIS 25 DAY OF March, A.D. 20 20
CITY MAYOR
ATTEST: CITY RECORDER (SEE SEAL BELOW)

CEDAR FARM SUBDIVISION
LOCATED IN THE SOUTHEAST QUARTER OF SECTION 6,
TOWNSHIP 6 SOUTH, RANGE 1 WEST,
SALT LAKE BASE & MERIDIAN
EAGLE MOUNTAIN, UTAH COUNTY, UTAH



SHEET 1 OF 1
PROJECT NUMBER: 9478
MANAGER: J. JENKINS
DRAWN BY: M. BURT
CHECKED BY: J. JENKINS
DATE: 12/10/19



SALT LAKE CITY
45 W. 10000 S., Suite 500
Sandy, UT 84070
Phone: 801.255.0629
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LAYTON
Phone: 801.947.1100
TOOLE
Phone: 435.843.3900
CEDAR CITY
Phone: 435.845.1463
RICHFIELD
Phone: 435.880.0187
COLORADO SPRINGS
Phone: 719.478.0119

DIRECT COMMUNICATIONS
APPROVED THIS 31 DAY OF January, A.D. 2020
Maurice Clifford
DIRECT COMMUNICATIONS

DOMINION ENERGY
APPROVED THIS 5 DAY OF February, A.D. 2020
Brenda Eldridge
DOMINION ENERGY

ROCKY MOUNTAIN POWER
APPROVED THIS 31 DAY OF Jan., A.D. 2020
Del Edwards
ROCKY MOUNTAIN POWER

EAGLE MOUNTAIN ENGINEER APPROVAL
APPROVED BY THE CITY ENGINEER ON THIS 19 DAY OF March, A.D. 2020
Christopher T. Cook
CITY ENGINEER

EAGLE MOUNTAIN ATTORNEY
APPROVED BY EAGLE MOUNTAIN CITY ATTORNEY THIS 22 DAY OF January, A.D. 2020
EAGLE MOUNTAIN ATTORNEY



EAGLE MOUNTAIN CITY COUNCIL MEETING MINUTES

January 3, 2023, 4:00 p.m.
Eagle Mountain City Council Chambers
1650 East Stagecoach Run, Eagle Mountain, Utah 84005

4:00 P.M. WORK SESSION – CITY COUNCIL CHAMBERS

ELECTED OFFICIALS PRESENT: Mayor Tom Westmoreland, Councilmembers Donna Burnham, Colby Curtis, Carolyn Love, and Brett Wright. Councilmember Jared Gray was excused.

CITY STAFF PRESENT: Steve Mumford, Assistant City Administrator/Community Development Director; David Stroud, Senior Planner; Fionnuala Kofoed, Director of Administrative Services/City Recorder; Chris Trusty, City Engineer; Evan Berrett, Economic Development Director; Marcus Draper, City Attorney; Kimberly Ruesch, Finance Director; Brad Hickman, Parks and Recreation Director; Mack Straw, Public Utilities Manager; Zac Hilton, Streets and Storm Drain Manager; Tyler Maffitt, Communications Manager; Embret Fossum, Unified Fire Authority Battalion Chief; and B.J. Eccles, Sergeant.

CITY STAFF PRESENT ELECTRONICALLY: Elizabeth Fewkes, Recording Secretary; Jeff Weber, Fleet and Facilities/Operations Director; Angela Valenzuela, Human Resource Manager; and Chas Glenn, Administrative Assistant.

Mayor Westmoreland called the meeting to order at 4:11 p.m.

1. CITY ADMINISTRATOR INFORMATION ITEMS

1.A. UPDATE – City Administrator Items

Community Development Director/Assistant City Administrator Steve Mumford presented the City Administrator Items.

Streets

- Snow removal for the month of December totals are 313.5-man hours, 5,934 miles, and 850 tons of salt.
- Starting this afternoon, the City will focus on repairing potholes on Ranches Parkway and Pony Express Parkway.

Community Development

- The City issued 23 residential building permits in December – 8 in the north service area and 15 in the south.
- In December, one commercial building permit was issued for Crumbl, and certificates of occupancy or temporary certificates of occupancy were issued for Arbys, Jeppson Auto, Pony Express Dental/Lake Mountain Dental, and Stonebridge Montessori Preschool.

- Calendar Year Growth Summary for 2022: 944 new residential building permits with 366 (39%) in the north service area and 578 (61%) in the south, 40 commercial building permits, 444 basement permits, and 708 miscellaneous permits, including solar.
- Last year was the fourth highest year in growth, higher than 2017 and 2018, but lower than the past three years.

Public Utilities

- The water main break on Canyon Wash Drive was due to a saddle failure on a service line. No homes were flooded.
- The wastewater plant has seen high flows due to infiltration from the recent weather. Staff believes we have found the area of concern and have contacted the business in question.

Parks, Recreation, Events, and Cemetery

- Walden Park Observatory: Staff had a coordination meeting with Utah Valley University and the design firm to confirm the building has all the needed conduits and supply for fiber and communication lines. Additional funding will be needed for the project. Staff will propose options to the Council. Discussions with the other entities involved cost-saving measures and possible grant funding.
- Smith Ranch Community Park: Staff has reviewed the plans and is working to finalize engineering costs for the project. Staff has evaluated and understands the park will cost more than the original budget and is looking for ways to value engineer the project and get the bidding documents closer to the budget. A request for proposals (RFP) for the park will be posted in a couple of weeks. Also, it is anticipated that the bid award will be presented during the second City Council meeting in February.
- Pony Express Medians Project: Staff will put together a plan to finish the landscape medians south of Mid Valley Road on Pony Express Parkway. Staff will utilize the landscape plan and have the area match the existing medians to the north on the same section of the road. It is anticipated this project will be posted as an RFP before the end of January.
- Off-Street Trail Network: Currently, staff is fine-tuning the data to make sure all the information is understandable and complete. After the database is finalized, staff will hire interns to help evaluate and account for information in the field. This data will be extremely helpful in making future decisions about the bike, OHV, and equestrian trails in Eagle Mountain.

Engineering

- The City has budgeted for a water tank this year because the City will be deficient without an additional tank. DAI approached staff about increasing the size of a water tank they are planning on constructing within the Pole Canyon community. It seemed more efficient to increase the size of the DAI tank instead of building two separate tanks. Additionally, time will be saved in procuring land and offsite utilities for a second tank site and costs should be reduced with economies of scale by building a larger tank. Staff will be bringing a reimbursement agreement to the City Council hopefully at the next meeting.
- As part of the State Audit on the City's Storm Water permit, staff has been working on updates to the City's Storm Water Management Plan. These updates are intended to be presented to the City Council at the January 17th City Council meeting.

Communications

- The City's new Resident Portal is now operational. Residents should notice a new appearance where they can access their primary services and interact with the City more efficiently by tracking issues in real-time as City crews address them.
- EMMC 12.30.000 is being considered for amendment under Standards and Practices. Proposed code amendments are anticipated for consideration in the next month.

Facilities, Fleet, and Emergency Management

- The community development building mezzanine has been ordered and should be delivered and installed on February 16th.
- An RFP for the Well houses HVAC upgrades is out for bid.
- The Teen CERT program is in place, and classes are starting next week.
- Upgrades to the sewer building are going to be starting soon. The facilities department is going to be the general and is working on getting bids from contractors.

Economic Development

- Arby's is now open. A ribbon cutting is being arranged.
- Lake Mountain Dental is open, and the City trying to connect with them on a ribbon cutting.
- Inquisitive Minds Montessori Preschool has a ribbon cutting on Thursday, January 5 at 6:00 p.m.
- Jeppson Auto has been issued a temporary certificate of occupancy and will hopefully open in the next month.
- The District Area Plan RFP has been collected and will be reviewed this week.
- A Business Climate survey is slated to be sent out to Eagle Mountain businesses in the next week or two.

1.B. DISCUSSION – UFA Community Risk Assessment and Standards of Cover Review

Unified Fire Authority (UFA) Battalion Chief Embret Fossum provided an overview of the Community Risk Assessment and the Standards of Cover Review. The review was based on data from 2020 because of unreliable data in 2021 due to changing computer-aided dispatch (CAD) system software. The statistics from 2022 will soon be available. The Unified Fire Service Area (UFSA) Board recently approved a fourth staff position for Station 251, creating a four-handed apparatus, which will allow them to follow the OSHA regulations for firefighters to enter a structure in a team of two with two other firefighters outside unless a life is at risk.

Councilmember Wright thanked Battalion Chief Fossum and Fire Chief Burchett for their work and contributions. He is impressed with UFA fire response times compared to rural community standards and a four-handed apparatus will further decrease response times.

Discussion expressed appreciation to UFSA support of Eagle Mountain, the only Utah County member.

Battalion Chief Fossum explained that fire has a higher response time than emergency medical calls due to the approximate minute and a half to put on fire gear. UFA is chartered as emergency

response services for Salt Lake County. In Utah County, the Utah County Sheriff's Office provides emergency management services.

1.C. DISCUSSION – Transportation Master Plan

City Engineer Chris Trusty presented the suggested revisions to the Transportation Master Plan per discussions at previous meetings and with individual Councilmembers:

- Use Eagle Mountain coordinates for the Functional Classification Map, not the County's;
- Label the right-of-way classifications to match the current right-of-way widths;
- Include the possibility of bike lanes on select collector and arterial roadways;
- Include Utah Transit Authority (UTA) On Demand service as an alternate mode of transportation;
- Remove the Bicycle and Pedestrian section details and refer to the Bicycle and Pedestrian Master Plan; and
- Remove the section on the Complete Street Policy.

Councilmember Wright stated he would like to further explore UTA On Demand services. He supports the verbiage changes for consistency and accuracy, the recommendation to reference the Bicycle and Pedestrian Master Plan, and the removal of the Complete Street Policy to retain local control over the transportation network that is in harmony with the community's characteristics and needs.

Councilmember Burnham advocated for the inclusion of bike lanes. A cyclist in the City contacted her with safety concerns. Striping the emergency lane as a bike lane causes motorists to be mindful of and watch for cyclists. She thinks the minor cost of additional paint is worth protecting cyclists and potentially saving lives. UTA has determined to offer additional bus routes in Eagle Mountain. The UTA On Demand service is only available in areas that have a grant for that purpose. She supports the idea of offering the program but thinks it is unlikely to be implemented within the next five years. She recognized the concern about having a national organization dictating practices in the City and suggested adopting the applicable and desirable aspects of the Complete Street Policy independent of the document.

Mr. Trusty suggested adding the intent to seek grants for On Demand services to the Master Transportation Plan.

Councilmember Curtis expressed concern about government competing with private sector companies but would be amenable to having UTA On Demand if other options are unavailable to residents. He objects to the implementation of social initiatives and agendas in the Complete Street Policy that are outside the scope of transportation.

Councilmember Love stated that she has seen aspects of the Complete Street Policy implemented in other cities that work well there but would be inappropriate for Eagle Mountain. She feels the routes for pedestrians and cyclists can be provided through trails and other areas rather than converting streets because the City has options not available in more developed urban areas. She is concerned about being passed over for funding if the bike lanes are only included in the fine

print and not on the maps and graphics in the plan, especially where the only difference between an emergency and a bike lane is the way it is painted.

Councilmember Wright clarified that he is open to identifying roadways appropriate for bike lanes in the plan balanced with roads excluding bike lanes. Councilmember Curtis agreed.

Utah Department of Transportation (UDOT) Region 3 Director Rob Clayton explained they use the City's Master Transportation Plan as the base assumption in determining how to best assist with the implementation of the plan with State roads. He has noticed the high demand usage of the City's trail system. Demand for alternate transportation modes has increased and UDOT is working to provide services for all types of users.

UDOT Region 3 Planning Manager Eric Rasband presented an update on funding sources available to local governments.

Councilmember Wright requested Mr. Trusty and UDOT evaluate the stoplight at Mount Airy Drive and Wride Memorial Highway to determine why a flashing, yellow left-turn arrow is not available.

Discussion ensued regarding the location and alignment of the future freeway and Old Airport Road.

Mr. Clayton stated that pedestrian accommodation will be considered for future funding and inclusion of such items in a detailed plan will benefit the City. A well-thought-out plan that accommodates all users and meets funding criteria will put the City in a better position to qualify for available funding.

Mr. Rasband offered to provide the City with a list of the criteria used in awarding funding.

Mr. Trusty said he is working with Horrocks Engineers on alignment options for Old Airport Road and the Cedar Valley Freeway.

2. AGENDA REVIEW

9.A. Retail Strategy Development & Recruitment Services – The Retail Coach Services Contract

Economic Development Director Evan Berrett explained that the company has a strong presence in Utah and is well-connected with local and national companies operating in the state. He intends to focus on quality over quantity and be proactive in targeted recruitment efforts to attract the businesses desired by residents. The service will assist with recruiting and recommending businesses for consideration that they feel would be beneficial to the City.

Councilmember Wright stated that he is in favor of the program and being proactive rather than reactive in economic development.

Councilmember Love stated that she feels the partnership will improve the City's understanding of and participation in economic development.

Councilmember Curtis inquired about the public process aspect to receive resident input.

Mr. Berrett explained that public input will be received during the drafting process of the Economic Development Master Plan. The consultants plan to study the local economy and retail in-depth and he will work with the consultants to determine the best way to facilitate resident involvement. At the end of the one-year contract, the City can evaluate if the services will continue to be beneficial or to move forward independently.

12.A. December 6, 2022 Minutes – Regular City Council Meeting

Councilmember Wright requested that staff evaluate the amended motion for change order #5 for the Wastewater Treatment Plant on page 11 to ensure the intention to pay up to the full invoice amount was clear and would not be interpreted to be in addition to the amount previously approved.

13.A. PRELIMINARY PLAT – Ranches Crossing Plat A

Councilmember Wright requested further review of the item to clarify what is being approved with the preliminary plat and to address setbacks, accesses, and landscape buffering to consider possible standard exemptions, impacts, and hazards created by this approval.

Senior Planner David Stroud confirmed that approval of the access onto Ranches Parkway and the southeast Clear Rock Road access are included as the right-of-way improvements for this application. Compliance to EMMC 17.100.050 regarding access distance from an intersection depends on whether the measurement is taken from the curb line or the centerline.

Discussion ensued clarifying measurements and that the proposal adheres to plans that received Council support in previous meetings.

Mr. Stroud said other sites with recent approvals have the drive aisle right up to the property line. He recommended clarifying the setbacks and buffering standards in Municipal Code for aesthetic and safety considerations.

Councilmember Love stated that the access onto Clear Rock Road is shown as a right-out only. She would prefer to also allow a right-in to provide more access options.

Applicant representative Brian Haskell said in their view, based upon measurement standards for intersections in Municipal Code, the Clear Rock Road access meets spacing standards. He explained that the access is planned as a right-out only for the drive-through lane to exit the site. Signage and an island are planned to prevent vehicles from entering. The landscape buffer will be addressed with the site plan application. He identified ambiguities in the landscape requirements. They interpret the requirements to allow the buffer to be located on either property. They would use berms or hedges to meet the headlight screening standards. The restaurants will have dedicated

parking and additional shared parking. The Applebee's restaurant would have a window and designated parking spots for preordered-meal pickup but not a standard drive-through.

Discussion verified the location of various accesses, traffic flow patterns, and turn lanes in and out of this plat and the overall project.

Councilmember Burnham spoke in favor of allowing the proposed layout to provide sufficient parking.

Councilmember Wright stated he would like to see the site plan shifted to the north and east to accommodate the setbacks.

Discussion clarified that other businesses have been permitted to build their parking lot in the right-of-way and that shifting the project would reduce parking, make the adjacent site unviable for commercial development, and likely result in Applebee's withdrawing their interest in the location.

Councilmember Curtis noted that the City has allowed several other businesses to utilize the right-of-way along Pony Express Parkway. Due to the benefit of commercial uses, he would be in support of approving the plan despite the challenging circumstances and potential issues.

The Council requested that areas of ambiguity in Municipal Code identified during this review are addressed and brought to the Council as an amendment.

14.A. RESOLUTION – A Resolution of Eagle Mountain City, Utah, Appointing a Member Representative to the Timpanogos Special Service District Administrative Board.

Director of Administrative Services/City Recorder Fionnuala Kofoed explained that recent changes require the annual appointment or reappointment of an individual to the board. Public Utilities Manager Mack Straw will continue to serve as the City representative.

3. ADJOURN TO A CLOSED EXECUTIVE SESSION

No closed session was held. Mayor Westmoreland adjourned the work session at 6:12 p.m.

7:00 P.M. POLICY SESSION – CITY COUNCIL CHAMBERS

ELECTED OFFICIALS PRESENT: Mayor Tom Westmoreland, Councilmembers Donna Burnham, Colby Curtis, Carolyn Love, and Brett Wright. Councilmember Jared Gray was excused.

CITY STAFF PRESENT: Steve Mumford, Assistant City Administrator/Community Development Director; David Stroud, Senior Planner; Fionnuala Kofoed, Director of Administrative Services/City Recorder; Chris Trusty, City Engineer; Marcus Draper, City Attorney; Embret Fossum, Unified Fire Authority Battalion Chief; and B.J. Eccles, Sergeant.

CITY STAFF PRESENT ELECTRONICALLY: Evan Berrett, Economic Development Director; Brad Hickman, Parks and Recreation Director; Zac Hilton, Streets and Storm Drain Manager; Tyler Maffitt, Communications Manager; and Elizabeth Fewkes, Recording Secretary.

4. CALL TO ORDER

Mayor Westmoreland called the policy session to order at 7:05 p.m.

5. PLEDGE OF ALLEGIANCE

Councilmember Curtis led the Pledge of Allegiance.

6. INFORMATION ITEMS/UPCOMING EVENTS

- Eagle Mountain City would like to welcome in 2023 and hope residents had a safe and happy New Year.
- Residents are encouraged to avoid on-street parking through March 15 of this year during snowstorms. This helps City crews clear local roadways of snow and helps prevent unnecessary accidents during winter storms.
- Eagle Mountain City would like to highlight upgrades to the new Resident Portal. This enhanced service allows residents to submit issues and follow them through to completion from their mobile devices. Try the new Resident Portal today.
- Eagle Mountain residents are encouraged to download the new City App now available on the App Store and Google Play. Use this device to stay in touch with happenings in the City.

To receive City notifications, including emergency info, news events, and traffic alerts, sign up at emcity.org/notifyme.

7. PUBLIC COMMENTS

Mayor Westmoreland opened public comment at 7:07 p.m. As there were no comments, he closed public comment.

8. CITY COUNCIL/MAYOR'S ITEMS

Councilmember Wright

Councilmember Wright welcomed the first responders, staff, and meeting participants. He expressed gratitude for the snow and to the Streets Department for their snow removal efforts.

Councilmember Love

Councilmember Love wished everyone a happy New Year and looks forward to the great things the City will be able to accomplish this year. She expressed appreciation for the snow and applauded the Streets Department's excellent work.

Councilmember Burnham

Councilmember Burnham agreed with the high-quality snow removal service provided in Eagle Mountain. She wished everyone a happy New Year. She appreciates the high-water content snow but cautioned residents participating in outdoor activities to be careful due to the increased avalanche dangers.

Councilmember Curtis

Councilmember Curtis said happy New Year and that it is good to be back after the holidays. He thanked the meeting participants.

CONSENT AGENDA

9. AGREEMENTS

9.A. Retail Strategy Development & Recruitment Services – The Retail Coach

10. BOND RELEASES

10.A. Pony Express Estates Plat 1 – Into Warranty

10.B. SilverLake Plat 28 – Out of Warranty

11. CHANGE ORDERS

11.A. Transportation Master Plan Drafting Change Order #2 – Horrocks Engineers

12. MINUTES

12.A. December 6, 2022 Minutes – Regular City Council Meeting

13. PRELIMINARY PLATS

13.A. PRELIMINARY PLAT – Ranches Crossing Plat A

14. RESOLUTION

14.A. RESOLUTION – A Resolution of Eagle Mountain City, Utah, Appointing a Member Representative to the Timpanogos Special Service District Administrative Board.

MOTION: *Councilmember Curtis moved to approve the consent agenda with the changes to the minutes as discussed during work session. Councilmember Love seconded the motion.*

Those Voting Yes

☒ **Donna Burnham**

Those Voting No

☐ **Donna Burnham**

Those Abstaining

☐ **Donna Burnham**

Those Absent

☐ **Donna Burnham**

☒ Colby Curtis	☐ Colby Curtis	☐ Colby Curtis	☐ Colby Curtis
☐ Jared Gray	☐ Jared Gray	☐ Jared Gray	☒ Jared Gray
☒ Carolyn Love	☐ Carolyn Love	☐ Carolyn Love	☐ Carolyn Love
☒ Brett Wright	☐ Brett Wright	☐ Brett Wright	☐ Brett Wright

The motion passed with a unanimous vote.

SCHEDULED ITEMS

15. ORDINANCE/PUBLIC HEARING

15.A. ORDINANCE/PUBLIC HEARING – An Ordinance of Eagle Mountain City, Utah, Amending the Eagle Mountain City General Plan, Chapter 9 Moderate Income Housing.

Assistant City Administrator/Community Development Director Steve Mumford reviewed the timeline of the previous discussions and presented the proposed amendments to Chapter 9 of the City's General Plan. He explained that staff modified the existing objectives in the chapter and presented them to the Planning Commission for review and recommendation.

Councilmember Love suggested creating incentives for residents to register their accessory dwelling units (ADUs). Mr. Mumford said some cities waive the fees for basement permits. Fee reductions and other incentives could be considered. If a basement is finished without a permit, an inspection and permit are required prior to receiving an ADU permit.

Councilmember Love concurred with a Planning Commissioner's concern that the implementation date of January 1, 2026, could reduce the likelihood of implementing the strategy. She suggested creating benchmarks for each implementation step.

Councilmembers Curtis and Wright requested for Strategy 4, *Create a program to transfer development rights for moderate income housing*, be implemented as soon as possible for the program to encourage vested units to be developed in the most appropriate locations.

Mayor Westmoreland recommended contracting consultant services to assist with expediting Strategy 4.

Discussion explored the desired usage, results, and benefits of the transferring of development rights, contracting with a consultant, and setting an implementation date not overly burdensome to staff.

Councilmember Curtis stated that he would like the objectives to better reflect the overarching goals the Council desires to achieve such as using existing development rights and prioritizing home ownership.

Mr. Mumford shared with the Council concerns expressed by Commissioner Pengra based upon his work experience in economic development. Commissioner Pengra feels the City has an

opportunity to make a real difference by allowing people to afford to live in the community where they work and that Strategy 3, *Eliminate impact fees for any accessory dwelling unit that is not an internal accessory dwelling unit as defined in Section 10-9a-530*, would have an insignificant impact. After consideration, the Commission determined that the current recommendation was an adequate starting point and that more impactful adjustments and additions can be made in the future if merited.

Councilmember Curtis said that it is not in the interest of the City to have the most affordable product in the state because it would hasten growth and reduce quality. He advocated for a measured and effective plan that guards against detriment. Although density transfer makes him uncomfortable, he feels it can be accomplished in a way mutually beneficial to the City and developers.

Councilmember Love spoke in favor of selecting a mix of challenging and simple strategies that can be added to and adjusted as needed.

Discussion ensued regarding the following:

- The difficulties in implementing some of the strategies and the ability to adjust plans as needed;
- Focusing on creating homeownership rather than enriching large corporations;
- Concerns with the objectives not aligning with the City's vision;
- Product type proportionality and whether the City has insufficient affordable housing options;
- The lack of apartments and the higher cost of ADU rentals in the City compared to other areas;
- Incentivizing builders with vested rights to build condos or apartments rather than approving additional density;
- Potentially tabling the item and making an assignment to address the concerns in the proposed verbiage to be reviewed at the next meeting;
- Varying interpretations of the wording used in the proposed objectives; and
- The desire to clarify the verbiage in the objectives.

Councilmember Burnham noted that she had not been provided with Councilmember Curtis' draft edits referenced by Councilmember Love during the discussion and had not had the opportunity to review and consider his suggestions.

Councilmembers inquired if the State requires the plan to include objectives.

Mr. Mumford said that the State provided guidance documents on best practices for creating an Affordable Housing Plan. He will review the documents to determine if objectives are required.

Councilmember Curtis suggested encouraging home ownership, creating rent opportunities, and using existing development rights, when possible, as potential objectives agreed upon by the Council.

Councilmember Love recommended creating the objectives in correlation with the review of the Affordable Housing Plan once the consultants have completed it and adding benefits of ADUs in providing the least expensive rentals and helping with home ownership as an objective.

Discussion ensued regarding the area median income in relation to the current housing market and possible methods to assist with housing affordability such as grants, restricted deeds, or interest rates buydowns while recognizing that the City can assist some residents and have a positive impact but lacks the means and power to resolve the housing crisis.

The Council determined to retain a modified chapter goal and remove the objective and the moderate income housing goal table from the approval and to discuss and approve objectives at the next meeting if staff finds they are required by the State to be a part of the plan submission.

Mayor Westmoreland opened the public hearing at 8:32 p.m. As there were no comments, he closed the hearing.

MOTION: *Councilmember Curtis moved to approve an ordinance of Eagle Mountain City, Utah, amending the Eagle Mountain City General Plan, Chapter 9 Moderate Income Housing with the following changes:*

- 1. Remove the five plan objectives in Section 9.3;*
 - 2. Amend the Overall Moderate Income Housing Goal in Section 9.3 to “Maintain and facilitate opportunities for moderate affordability and diverse housing sizes and products throughout the city with an emphasis on accessory dwelling units, homeownership, and promoting the use of existing development rights; and*
 - 3. Eliminate the Moderate Income Housing Goal table.*
- Councilmember Love seconded the motion.*

Discussion ensued.

AMENDED MOTION: *Councilmember Curtis moved to approve an ordinance of Eagle Mountain City, Utah, amending the Eagle Mountain City General Plan, Chapter 9 Moderate Income Housing with the following changes:*

- 1. Remove the five plan objectives in Section 9.3;*
- 2. Amend the Overall Moderate Income Housing Goal in Chapter in Section 9.3 to “Maintain and facilitate opportunities for moderate affordability and diverse housing sizes and products throughout the city with an emphasis on accessory dwelling units, homeownership, and promoting the use of existing development rights;*
- 3. Eliminate the Moderate Income Housing Goal table; and*
- 4. Amend Goal and Objectives in 9.3 to “The following overall goal and action strategies represent Eagle Mountain’s planned approach for addressing the issues and opportunities related to the City’s Moderate Income Housing needs,” to remove the reference to the objectives.*

Councilmember Love seconded the motion.

<i>Those Voting Yes</i>	<i>Those Voting No</i>	<i>Those Abstaining</i>	<i>Those Absent</i>
☒ <i>Donna Burnham</i>	☐ <i>Donna Burnham</i>	☐ <i>Donna Burnham</i>	☐ <i>Donna Burnham</i>
☒ <i>Colby Curtis</i>	☐ <i>Colby Curtis</i>	☐ <i>Colby Curtis</i>	☐ <i>Colby Curtis</i>
☐ <i>Jared Gray</i>	☐ <i>Jared Gray</i>	☐ <i>Jared Gray</i>	☒ <i>Jared Gray</i>
☒ <i>Carolyn Love</i>	☐ <i>Carolyn Love</i>	☐ <i>Carolyn Love</i>	☐ <i>Carolyn Love</i>
☒ <i>Brett Wright</i>	☐ <i>Brett Wright</i>	☐ <i>Brett Wright</i>	☐ <i>Brett Wright</i>

The motion passed with a unanimous vote.

16. MOTION

16.A. MOTION – Appointment of a City Councilmember as Mayor Pro Tempore.

Mayor Westmoreland stated he has selected Councilmember Wright to serve as Mayor Pro Tempore for 2023.

MOTION: *Councilmember Curtis moved appoint Councilmember Wright as Mayor Pro Tempore for 2023. Councilmember Love seconded the motion.*

<i>Those Voting Yes</i>	<i>Those Voting No</i>	<i>Those Abstaining</i>	<i>Those Absent</i>
☐ <i>Donna Burnham</i>	☐ <i>Donna Burnham</i>	☒ <i>Donna Burnham</i>	☐ <i>Donna Burnham</i>
☒ <i>Colby Curtis</i>	☐ <i>Colby Curtis</i>	☐ <i>Colby Curtis</i>	☐ <i>Colby Curtis</i>
☐ <i>Jared Gray</i>	☐ <i>Jared Gray</i>	☐ <i>Jared Gray</i>	☒ <i>Jared Gray</i>
☒ <i>Carolyn Love</i>	☐ <i>Carolyn Love</i>	☐ <i>Carolyn Love</i>	☐ <i>Carolyn Love</i>
☒ <i>Brett Wright</i>	☐ <i>Brett Wright</i>	☐ <i>Brett Wright</i>	☐ <i>Brett Wright</i>

The motion passed with a vote of 3:0.

17. CITY COUNCIL/MAYOR'S BUSINESS

Mayor Westmoreland announced the 2023 liaison assignments:

- Councilmember Burnham – Youth Council and Development Review Committee
- Councilmember Curtis – Cemetery Advisory Board, Eagle Mountain Arts Alliance, and Pony Express Events
- Councilmember Gray – Economic Development Board and Planning Commission
- Councilmember Love – Parks and Recreation Advisory Board and Library Advisory Board
- Councilmember Wright – Senior Citizen Advisory Council and Utah League of Cities and Towns

18. CITY COUNCIL BOARD LIAISON REPORTS

Councilmember Curtis

Councilmember Curtis said the Senior Citizen Advisory Council has requested for the backdoor light at the center to be repaired, a horseshoe pit on the east side of the building, a path from the City trail to the door of the center, and new middle light in the front of the walkway.

Councilmember Burnham

Councilmember Burnham said Chamber representatives would like to meet with the Mayor and Events staff to discuss their participation in City Events. On Saturday, January 7, from 9:00 to 10:30 a.m. Lakeview Academy in Saratoga Springs will host Pastries and Politics, a pre-season legislative town hall, with State, elected representatives. Eagle Mountain and Saratoga Springs will hold a State of the City on Thursday, January 12 to discuss economic development.

Councilmember Love

Councilmember Love clarified her comment at the previous meeting supporting scheduling a discussion item to consider areas of Municipal Code the Council would like to have reviewed by the Planning Commission. The December 30 Blood Drive sponsored by the American Legion was the best one yet and timely due to blood supply shortages. The Legion has a Blood Drive scheduled for March 31 and is sponsoring a QPR Suicide Prevention Training on January 23 from 6:00 to 9:00 p.m. at City Hall. Registration is full but a waitlist is available.

Councilmember Wright

Councilmember Wright stated the Youth Council will participate in Elected Officials Day on January 18. He is planning on attending and will coordinate attendance with Councilmember Burnham, the recently assigned Youth Council liaison. The Parks and Recreation Board is working on the assignment they received at the previous Council meeting. They are excited about the opportunity to serve and appreciate the Council's feedback.

19. COMMUNICATION ITEMS

19.A. Financial Report

19.B. Upcoming Planning Items

20. ADJOURNMENT

MOTION: *Councilmember Curtis moved to adjourn at 8:53 p.m. Councilmember Wright seconded the motion.*

<i>Those Voting Yes</i>	<i>Those Voting No</i>	<i>Those Abstaining</i>	<i>Those Absent</i>
☒ Donna Burnham	☐ Donna Burnham	☐ Donna Burnham	☐ Donna Burnham
☒ Colby Curtis	☐ Colby Curtis	☐ Colby Curtis	☐ Colby Curtis
☐ Jared Gray	☐ Jared Gray	☐ Jared Gray	☒ Jared Gray
☒ Carolyn Love	☐ Carolyn Love	☐ Carolyn Love	☐ Carolyn Love
☒ Brett Wright	☐ Brett Wright	☐ Brett Wright	☐ Brett Wright

The motion passed with a unanimous vote.

The meeting was adjourned at 8:53 p.m.

Approved by the City Council on January 17, 2023.

Fionnuala B. Kofoed, MMC
City Recorder



**EAGLE MOUNTAIN CITY
CITY COUNCIL MEETING
JANUARY 17, 2023**

TITLE:	PRELIMINARY PLAT - Lone Tree Phase F, Plat 3		
ITEM TYPE:	Preliminary Plat		
FISCAL IMPACT:	None		
APPLICANT:	Brian Haskell		
GENERAL PLAN DESIGNATION Neighborhood Residential One	CURRENT ZONE Residential	ACREAGE 11.46	COMMUNITY Town Center

PUBLIC HEARING:

No

PREPARED BY:

David Stroud, Planning

PRESENTED BY:

David Stroud

RECOMMENDATION:

BACKGROUND:

The proposed F-3 plat is a continuation of the existing Lone Tree plats. F-1 contains 21 lots and F-2 contains 18 lots and the detention basin/open space lot. The subject property was considered with 17 lots at a previous preliminary plat approval but was subsequently removed from approval subject to approval at a later date. From the May 17, 2019, City Council preliminary plat approval "*during the review of the project the applicant volunteered to remove the 17 lots within the "300 series" of lots (current F-3 location) from the preliminary plat, with the understanding that by doing so they would lose vesting and he would need to come back through the preliminary platting process if he desired to build the lots.*"

The current proposal contains 22 lots. The open space now falls short 0.09 acres (3,920 square feet) and 8 amenity points. The applicant will provide fee in lieu of the shortfall calculated as follows:

1.74 acre detention basin/open space in Phase F-2. Open space credit on detention basin acreage is calculated at 75% which equals 1.31 credited acres with 1.40 acres required. This is a shortfall of 0.09 acres. 1.40 acres of required open space requires 140 amenity points. The proposed and agreed upon amenity schedule is 132 points and the F-3 plat combined with the F-1 and F-2 plats falls short 8 points.

EMMC 16.35.105 Park and Improved Open Space Requirements:

$$(0.09 \times 43,560) (\$3.75) = \$14,701.50$$

$$3,920 \text{ (sf)} \times \$0.92 = \$3,606.40$$

$$\text{Total fee in lieu} = \$18,307.90$$

The completion of Rosewood Drive to Eagle Mountain Holdings (EMH: Scot Hazard and Circle 5 Ranch) will be completed when the EMH property is developed. The applicant has discussed the road alignment with EMH but at this time, the design of the EMH property is not solidified since a final plat has not been recorded. Unexpired preliminary plat approval was granted in 2007, however. EMH needs the access that Rosewood Drive will provide.

Staff initially worked with the applicant to secure by easement or the preferred alternative of dedication, a portion of the rear of Lots 313 and 314 for a widened wildlife corridor. Based upon evidence found by the City's Wildlife Biologist, deer use a portion of this property and a natural drainage channel as a migration corridor. An easement was included in the early submittals but has since been removed. The latest plat submitted for approval does not contain any property proposed for wildlife preservation.

ITEMS FOR CONSIDERATION:

Average lot size is 19,345 square feet (meets R3 zone standards) with the largest lot at 41,555 square feet. The smallest lot is 6,550 square feet (meets R1 zone standards). Overall density is 1.92 lots per acre. The smaller sized lots (301 at 7,059 s.f. and 302 at 6,550 s.f.) are adjacent to the Lone Tree F-1 lots that are 5,418 and 5,445 square feet, providing a logical acreage transition. Lone Tree F plats have been reviewed as Tier II zoning.

Reduction or elimination of fee in lieu if property is designated or deeded to the City for the express purpose of wildlife corridor preservation.

There was a small discussion regarding the property and potential blasting. The applicant indicated this is not likely to occur. EMMC 15.30.060 details blasting requirements, as shown below.

Blasting will not be allowed except by permission from the city engineer or his/her designee as directed by the fire chief. The contractor shall comply with all laws, ordinances, and applicable safety code requirements and regulations relative to the handling, storage, and use of explosives and protection of life and property. He/she shall be fully responsible for all damage attributable to his/her blasting operations.

Excessive blasting or overshooting will not be permitted and any material outside the authorized cross-section which may be shattered or loosened by blasting shall be removed by the contractor.

REQUIRED FINDINGS:

Plat approval is based upon compliance with City code requirements and requirements of any applicable Development Agreement(s). Approval criteria of preliminary plat approval requests are contained in EMMC §16.20. Any entitlement related land use conditions (e.g., that stem from a Master Development Agreement in force and of effect against the Property) should also be considered when reviewing a plat application. Plats are to be approved if all required elements and proper design are provided in the drawings.

PLANNING COMMISSION ACTION/RECOMMENDATION:

The Planning Commission recommends 4-0 to the City Council approval of the Lone Tree F-3 preliminary plat with the following conditions:

1. Correction of any outstanding redlines, if any.

ATTACHMENTS:

[Lone Tree F-3 Civil Drawings](#)

[Lone Tree F-3 Open Space Appraisal](#)

[Lone Tree Open Space Worksheet](#)

[Approved Circle 5 Preliminary Plat](#)

[Lone Tree Park Completion Plan](#)

D Strooud 12.22.22 Final plat comment

LONE TREE AT CIRCLE FIVE RANCH

PHASE F-PLAT 3

SUBDIVISION

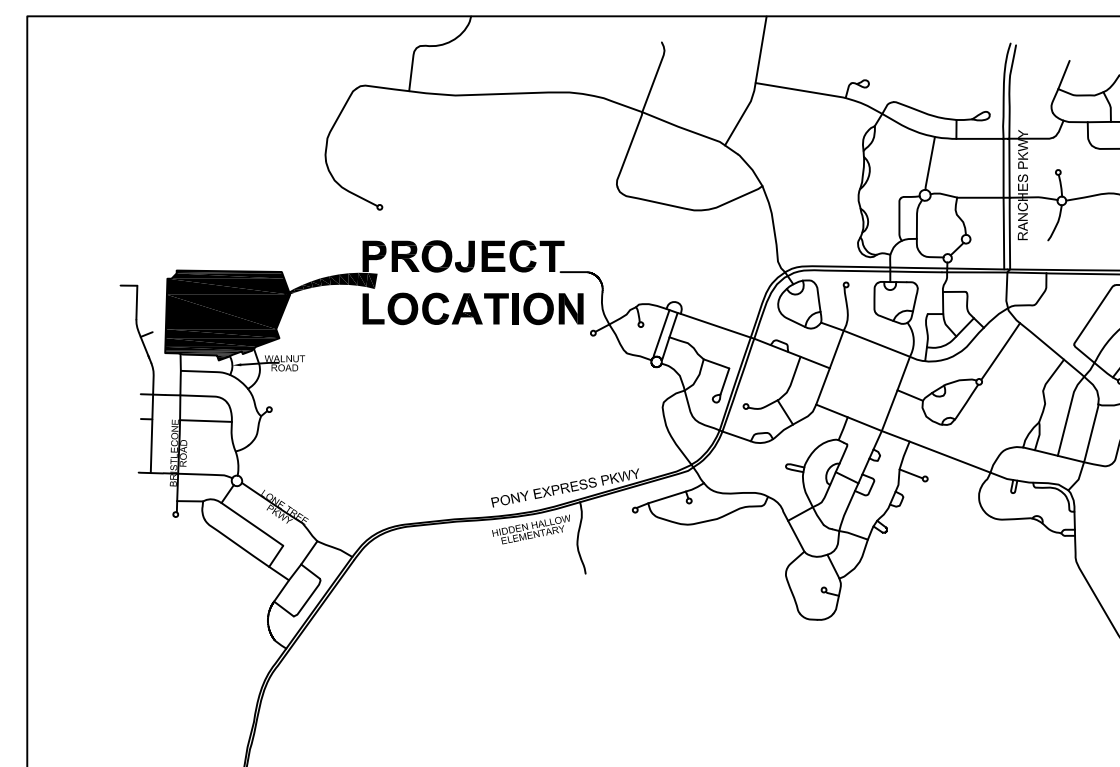
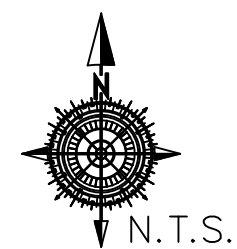
David Stroud, 801-789-6615 dstroud@emcity.org
Chris Trusty, 801-789-6671, ctrusty@emcity.org
Mack Straw, 801-789-6678, mstraw@emcity.org
Hickman, 801-789-6664 bhickman@emcity.org
Legend, 801-742-7222 ddeveaud@unifiedfire.org

Planning, David Stroud, 801-789-6615 dstroud@emcity.org
Engineering, Chris Trusty, 801-789-6671, ctrusty@emcity.org
Public Works, Mack Straw, 801-789-6678, mstraw@emcity.org
Parks, Brad Hickman, 801-789-6664 bhickman@emcity.org
Fire, Dan DeVoogd, 801-743-7232 ddevoogd@unifiedfire.org

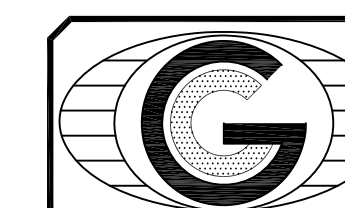
LOCATION
NORTHEAST QUARTER OF THE
NORTHEAST QUARTER OF SECTION 25
TOWNSHIP 5 SOUTH, RANGE 2 WEST,
SALT LAKE BASE AND MERIDIAN

PRELIMINARY

DEC 13, 2022

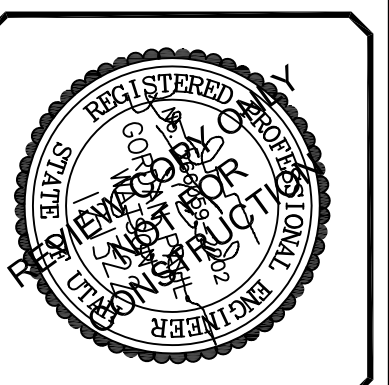


REVISIONS			
#	DESCRIPTION	DATE	SHEETS AFFECTED

[illegible]

paul@gatewayconsultingllc.com

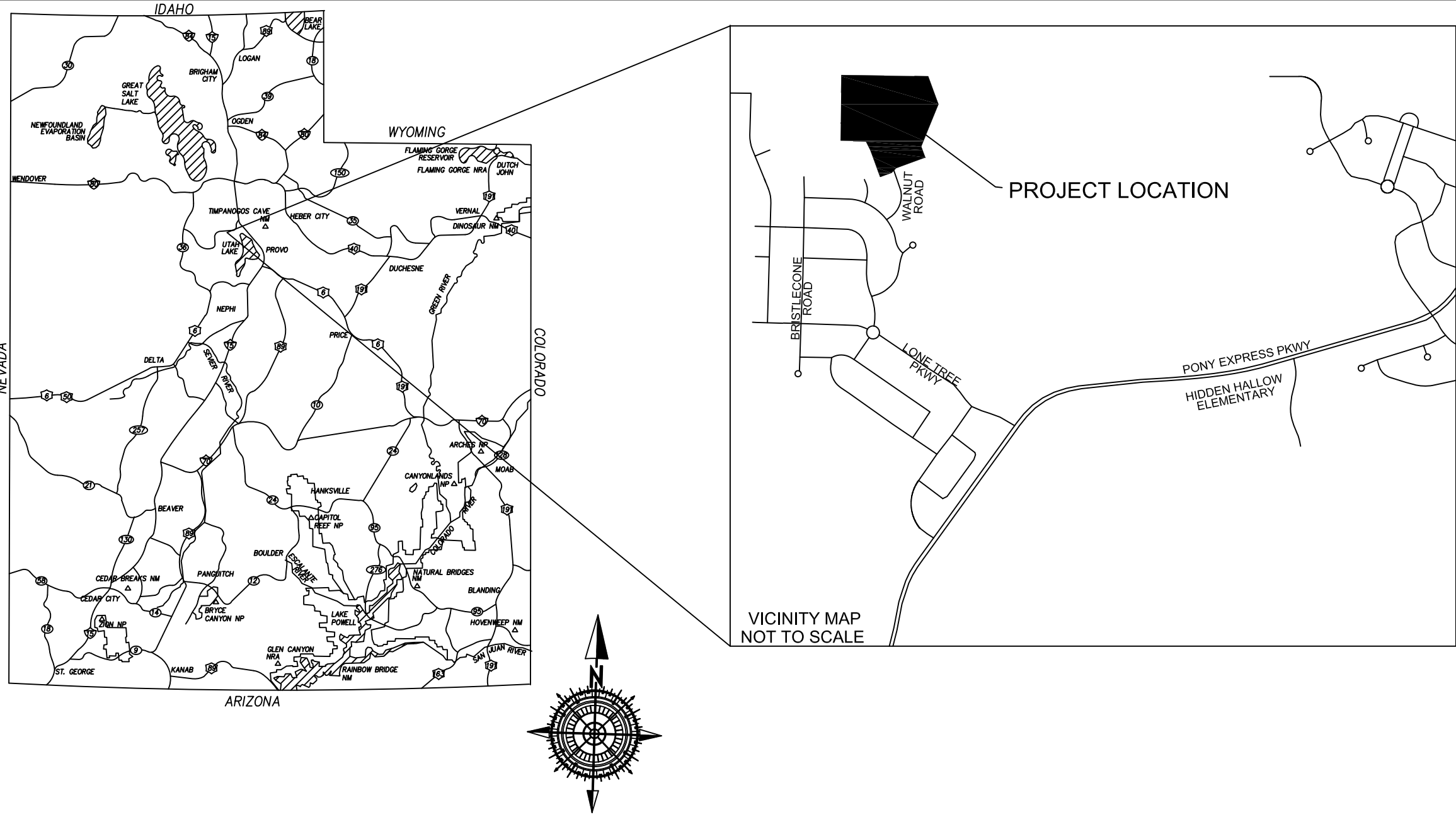
CIVIL ENGINEERING • CONSULTING • LAND PLANNING
CONSTRUCTION MANAGEMENT



SHEET NO. 1

LONE TREE AT CIRCLE FIVE RANCH PHASE F-PLAT 3

LOCATED IN THE NORTHEAST QUARTER OF SECTION 25,
TOWNSHIP 5 SOUTH, RANGE 2 WEST
SALT LAKE BASE AND MERIDIAN.
EAGLE MOUNTAIN CITY, UTAH COUNTY, UTAH



SURVEYOR'S CERTIFICATE

I, AARON D. THOMAS, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR, AND THAT I HOLD CERTIFICATE NO. 6418780 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH, I FURTHER CERTIFY BY AUTHORITY OF THE OWNERS, I HAVE MADE A SURVEY OF THE TRACT OF LAND SHOWN ON THIS PLAT AND DESCRIBED BELOW, AND HAVE SUBDIVIDED SAID TRACT OF LAND IN LOTS, BLOCKS, STREETS, AND EASEMENTS AND THE SAME HAS BEEN CORRECTLY SURVEYED AND STAKED ON THE GROUND AS SHOWN ON THIS PLAN AND THAT THIS PLAT IS TRUE AND CORRECT.

DATE _____ AARON D. THOMAS (SEE SEAL BELOW)

BOUNDARY DESCRIPTION

BEGINNING AT A POINT THAT IS NORTH 89°15'07" WEST, 303.58 FEET ALONG THE NORTH SECTION LINE OF SECTION 25, TOWNSHIP 5 SOUTH, RANGE 2 WEST SALT LAKE BASE AND MERIDIAN AND COMMENCING THENCE SOUTH 20°02'20" EAST, 246.26 FEET; THENCE SOUTH 22°05'49" WEST, 377.38 FEET; THENCE SOUTH 20°02'20" EAST, 96.44 FEET; THENCE SOUTH 69°57'40" WEST, 254.80 FEET; THENCE SOUTH 44°19'12" WEST, 55.46 FEET; THENCE SOUTH 69°57'40" WEST, 100.00 FEET; THENCE NORTH 20°02'20" WEST, 237.00 FEET; THENCE NORTH 27°06'03" WEST, 78.89 FEET; THENCE NORTH 88°12'55" WEST, 210.86 FEET; THENCE NORTH 0°44'53" EAST, 542.82 FEET TO A POINT ON THE NORTH SECTION LINE OF SECTION 25, TOWNSHIP 5 SOUTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN; THENCE ALONG SAID NORTH SECTION LINE SOUTH 89°15'07" EAST, 717.49 FEET BACK TO THE POINT OF BEGINNING.
PARCEL CONTAINS 11.46 ACRES AND 22 LOTS

EAGLE MOUNTAIN CITY PLAT DEDICATION

We, the undersigned owners of all the real property depicted on this plat and described in the surveyors certificate on this plat, have caused the land described on this plat to be divided into lots, streets, parks, open spaces, easements and other public uses as designated on the plat and now do hereby dedicate under the provisions of 10-9a-607, Utah Code, without condition, restriction or reservation to Eagle Mountain City, Utah, all streets, water, sewer and other utility easements and improvements, open spaces shown as public open spaces, parks and all other places of public use and enjoyment to Eagle Mountain City, Utah, together with all improvements required by the Development Agreement between the undersigned and Eagle Mountain City for the benefit of the City and the inhabitants thereof.

OWNER(S):
PRINTED NAME OF OWNER(S)

AUTHORIZED SIGNATURE(S)

EAGLE MOUNTAIN DEVELOPER PLAT DEDICATION

We, the undersigned owners of all the real property depicted on this plat and described in the surveyors certificate on this plat, have caused the land described on this plat to be divided into lots, streets, parks, open spaces, easements and other public uses as designated on the plat and now do hereby dedicate under the provisions of 10-9a-607, Utah Code, without condition, restriction or reservation to Eagle Mountain City, Utah, all streets, water, sewer and other utility easements and improvements, open spaces shown as public open spaces, parks and all other places of public use and enjoyment to Eagle Mountain City, Utah, together with all improvements required by the Development Agreement between the undersigned and Eagle Mountain City for the benefit of the City and the inhabitants thereof.

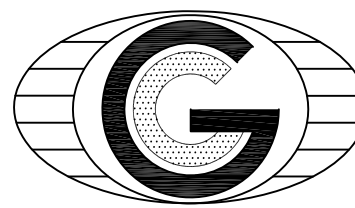
OWNER(S):
PRINTED NAME OF OWNER(S)

AUTHORIZED SIGNATURE(S)

PROJECT SURVEYOR

SURVEY LOGO HERE

PROJECT ENGINEER:



GATEWAY CONSULTING, inc.

P.O. BOX 951005 SOUTH JORDAN, UT 84095

PH: (801) 694-5848

paul@gatewayconsultingllc.com

CIVIL ENGINEERING • CONSULTING • LAND PLANNING
CONSTRUCTION MANAGEMENT

LONE TREE AT CIRCLE FIVE RANCH PHASE F-PLAT 3 SUBDIVISION

LOCATED IN THE NORTHEAST QUARTER OF SECTION 25,
TOWNSHIP 5 SOUTH, RANGE 2 WEST
SALT LAKE BASE AND MERIDIAN.

EAGLE MOUNTAIN CITY, UTAH COUNTY, UTAH

PLAT NOTES:

1. ALL PUBLIC OPEN SPACE IS DEDICATED TO EAGLE MOUNTAIN CITY AND MAINTAINED BY THE CITY.

2. SETBACKS: FRONT= 15' REAR=20' CORNER=15' SIDE=15' TOTAL (5' SIDE AND 10' ON GARAGE SIDE) SIDE STREET CORNER=15' GARAGE=25'

3. ALL FRONT FACING GARAGES MUST BE 25' FROM PROPERTY LINE.

FUTURE CONSTRUCTION:

WHEN ROAD BETWEEN LOTS 314 AND 315 IS COMPLETED THE SIDEWALK AND ROAD ELEVATION WILL BE A FUNCTION OF EXISTING LOT GRADE AND FENCING.

FIRE NOTE:

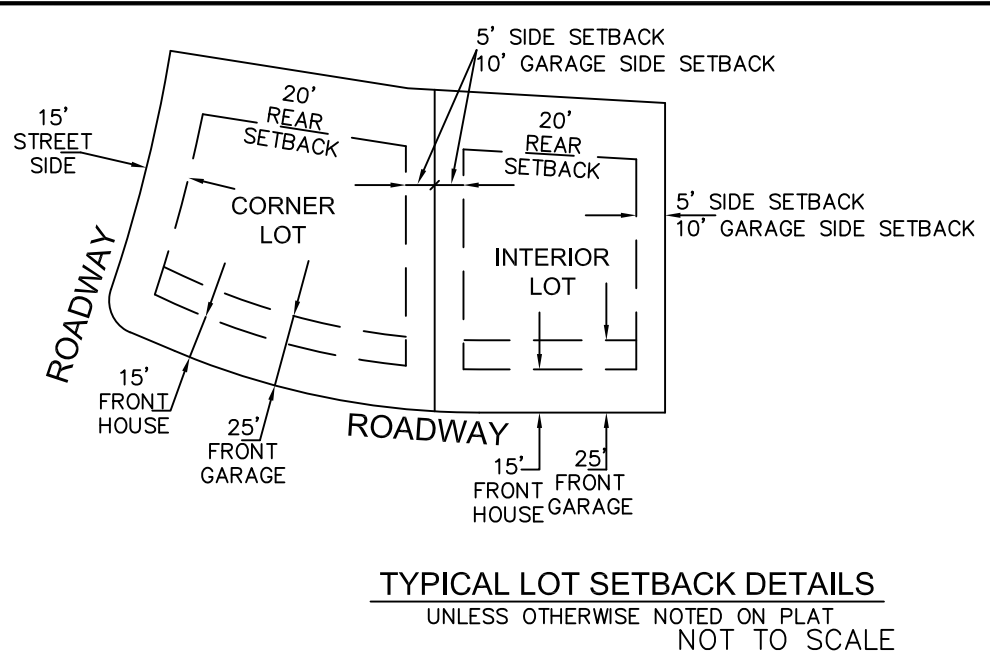
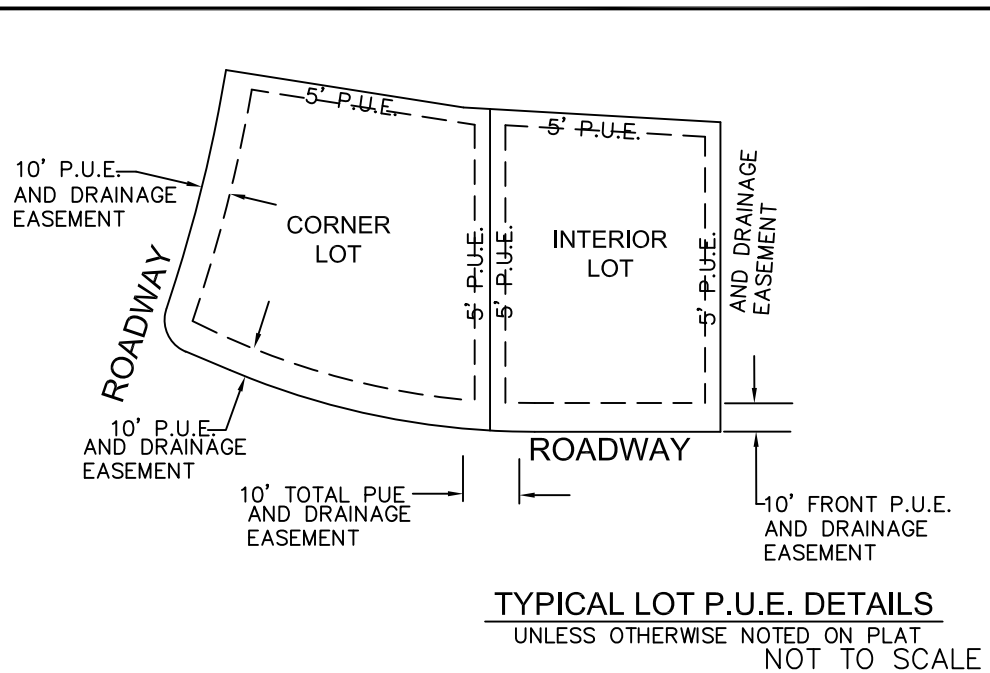
THREE (3) FIRE HYDRANTS MEET IFC REQUIREMENTS.
NO COMBUSTIBLE CONSTRUCTION UNTIL FIRE HYDRANTS ARE IN PLACE

PHASE F - PLAT 3 CALCULATIONS

TOTAL ACREAGE: 11.46 ACRES
BUILDABLE ACREAGE: 9.77 ACRES
TOTAL ACREAGE IN LOTS: 1.70 ACRES
RIGHT OF WAY AREA: 0.0 ACRES
TOTAL IMPROVED OPEN SPACE: 0.0 ACRES
AVERAGE LOT SIZE: 19345 SF/0.444 ACRES
LARGEST LOT SIZE: 41555 SF/0.95 ACRES
SMALLEST LOT SIZE: 6550 SF/0.15 ACRES
OVERALL DENSITY: 1.92 LOTS / ACRE
TOTAL NUMBER OF LOTS: 22 LOTS

BASIS OF BEARING

THE PROJECT BASIS OF BEARINGS IS N 89°15'07" W 2667.40 FEET ALONG THE SECTION LINE BETWEEN THE EAST QUARTER CORNER AND NORTHEAST SECTION CORNER OF SECTION 25, TOWNSHIP 5 SOUTH, RANGE 2 WEST, SALT LAKE BASE & MERIDIAN.



DOMINION ENERGY QUESTAR CORPORATION

DOMINION ENERGY QUESTAR CORPORATION APPROVES THIS PLAT SOLELY FOR THE PURPOSE OF CONFIRMING THAT THE PLAT CONTAINS PUBLIC UTILITY EASEMENTS. DOMINION ENERGY QUESTAR CORPORATION MAY REQUIRE OTHER EASEMENTS IN ORDER TO SERVE THIS DEVELOPMENT. THIS APPROVAL DOES NOT CONSTITUTE ABROGATION OR WAIVER OF ANY OTHER EXISTING RIGHTS, OBLIGATIONS OR LIABILITIES PROVIDED BY LAW OR EQUITY. THIS APPROVAL DOES NOT CONSTITUTE ACCEPTANCE, APPROVAL OR ACKNOWLEDGEMENT OF ANY TERMS CONTAINED IN THE PLAT, INCLUDING THOSE SET FORTH IN THE OWNERS DEDICATION AND THE NOTES AND DOES NOT CONSTITUTE A GUARANTEE OF PARTICULAR TERMS OF NATURAL GAS SERVICE. FOR FURTHER INFORMATION PLEASE CONTACT DOMINION ENERGY QUESTAR CORPORATION'S RIGHT-OF-WAY DEPARTMENT AT 800-366-8532.
Approved this _____ day of _____ 20____
QUESTAR GAS COMPANY

By: _____

Title: _____

ROCKY MOUNTAIN POWER

1. PURSUANT TO UTAH CODE ANN. 54-3-27 THIS PLAT CONVEYS TO THE OWNER(S) OR OPERATORS OF UTILITY FACILITIES A PUBLIC UTILITY EASEMENT ALONG WITH ALL THE RIGHTS AND DUTIES DESCRIBED THEREIN.
2. PURSUANT TO EAGLE MOUNTAIN CODE ANN. 10-9A-603 ROCKY MOUNTAIN POWER ACCEPTS DELIVERY OF THE PUE AS DESCRIBED IN THIS PLAT AND APPROVES THIS PLAT SOLELY FOR THE PURPOSE OF CONFIRMING THAT THE PLAT CONTAINS PUBLIC UTILITY EASEMENTS AND APPROXIMATES THE LOCATION OF THE PUBLIC UTILITY EASEMENTS, BUT DOES NOT WARRANT THEIR PRECISE LOCATION. ROCKY MOUNTAIN POWER MAY REQUIRE OTHER EASEMENTS IN ORDER TO SERVE THIS DEVELOPMENT. THIS APPROVAL DOES NOT AFFECT ANY RIGHT THAT ROCKY MOUNTAIN POWER HAS UNDER:
a. A RECORDED EASEMENT OR RIGHT-OF-WAY
b. THE LAW APPLICABLE TO PRESCRIPTIVE RIGHTS
c. TITLE 54, CHAPTER 8a, DAMAGE TO UNDERGROUND UTILITY FACILITIES OR
d. ANY OTHER PROVISION OF LAW
Approved this _____ day of _____ 20____
ROCKY MOUNTAIN POWER

By: _____

Title: _____

DIRECT COMMUNICATIONS

DIRECT COMMUNICATIONS CEDAR VALLEY, LLC CERTIFIES THAT WILL PROVIDE TELECOMMUNICATIONS TO THE SUBDIVISION UTILIZING TRENCHES PROVIDED BY THE DEVELOPER AS PER DIRECT COMMUNICATIONS CEDAR VALLEY P.S.C UTAH NO. 1 TARIFF.

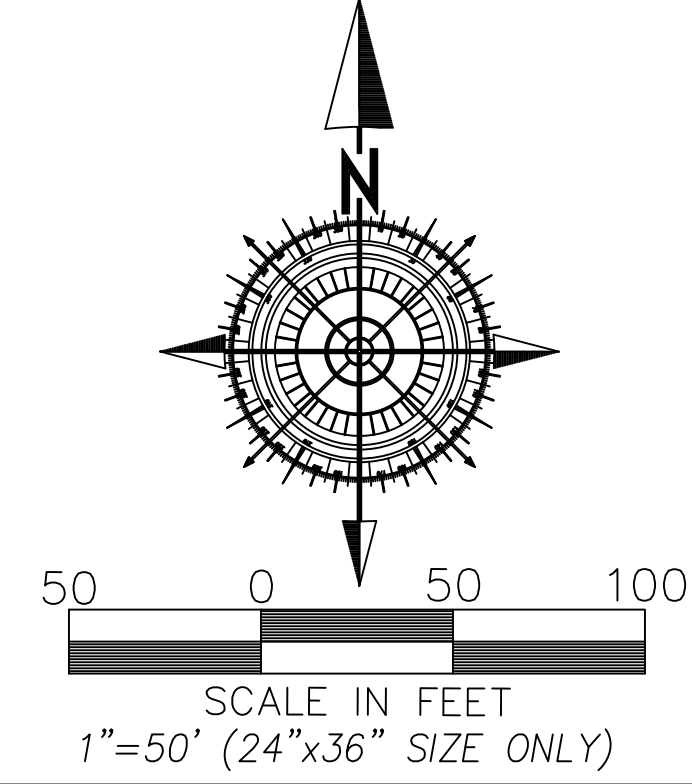
DIRECT COMMUNICATIONS

DATE _____

LONE TREE AT CIRCLE FIVE RANCH PHASE F-PLAT 3
LOCATED IN THE NORTHEAST QUARTER OF
SECTION 25, TOWNSHIP 5 SOUTH, RANGE 2 WEST
SALT LAKE BASE AND MERIDIAN.



LOT	ADDRESS
301	XXXX NORTH WALNUT DR
302	XXXX NORTH WALNUT DR
303	XXXX NORTH WALNUT DR
304	XXXX NORTH WALNUT DR
305	XXXX NORTH WALNUT DR
306	XXXX NORTH WALNUT DR
307	XXXX NORTH WALNUT DR
308	XXXX NORTH WALNUT DR
309	XXXX NORTH WALNUT DR
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317	XXXX NORTH WALNUT DR
318	XXXX NORTH WALNUT DR
319	XXXX NORTH WALNUT DR
320	XXXX NORTH WALNUT DR
321	XXXX NORTH WALNUT DR
322	XXXX NORTH WALNUT DR



CURVE TABLE					
CURVE	LENGTH	RADIUS	CHORD DIST.	CHORD BRG.	DELTA
C1	58.36'	473.50'	58.32'	N23°34'12"W	70°3'43"
C2	61.63'	500.00'	61.59'	S23°34'12"E	70°3'43"
C3	64.89'	526.48'	64.85'	N23°34'12"W	70°3'44"
C4	53.02'	526.47'	53.00'	N22°55'27"W	5°46'14"
C5	11.87'	526.50'	11.87'	S26°27'18"E	1°17'30"
C6	50.99'	526.50'	50.97'	N24°19'36"W	5°32'55"
C7	85.19'	526.50'	85.10'	N16°55'01"W	9°16'15"
C8	141.98'	473.50'	141.45'	S18°30'39"E	17°10'49"
C9	261.69'	526.50'	259.00'	N12°51'43"W	28°28'40"
C10	248.51'	500.00'	245.96'	S12°51'43"E	28°28'40"
C11	235.34'	473.50'	232.93'	N12°51'43"W	28°28'40"
C12	85.09'	526.50'	85.00'	N7°39'08"W	9°15'36"
C13	93.36'	473.50'	93.21'	S4°16'19"E	1°17'51"
C14	40.42'	526.50'	40.41'	N0°49'20"W	4°23'53"
C15	25.82'	103.00'	25.75'	N8°33'30"E	14°21'46"
C16	85.00'	103.00'	82.81'	N39°22'52"E	47°16'59"
C17	183.05'	103.00'	159.90'	N52°17'25"E	101°49'37"
C18	135.96'	76.50'	118.76'	S52°17'25"W	101°49'37"
C19	88.86'	50.00'	77.62'	S52°17'25"W	101°49'37"
C20	72.23'	103.00'	70.76'	N8°30'6"E	40°10'52"
C21	20.33'	25.00'	19.77'	N79°54'42"E	46°35'03"
C22	25.47'	25.00'	24.38'	N47°36'46"W	58°22'01"
C23	61.60'	60.00'	58.93'	N86°01'51"E	58°49'23"
C24	130.41'	60.00'	106.21'	S61°06'52"E	124°31'56"
C25	115.33'	200.00'	113.74'	S60°16'34"E	33°02'26"
C26	88.64'	60.00'	80.79'	N60°45'00"W	84°38'29"
C27	62.78'	60.00'	59.96'	N48°24'19"W	59°57'07"
C28	191.74'	200.00'	184.48'	N49°19'54"W	54°55'46"
C29	53.15'	60.00'	51.43'	S39°10'54"E	50°45'06"
C30	25.85'	60.00'	25.66'	S89°16'26"W	2°41'22"
C31	28.09'	25.00'	26.63'	N70°53'04"W	64°22'22"
C32	15.66'	60.00'	15.62'	S61°9'38"E	14°57'27"
C33	19.59'	25.00'	19.10'	S21°18'08"E	44°54'26"
C34	86.53'	226.50'	86.01'	S32°48'41"E	21°53'20"
C35	76.41'	200.00'	75.94'	S32°48'41"E	21°53'20"
C36	58.75'	200.00'	58.54'	S30°16'57"E	16°49'51"
C37	50.97'	173.50'	50.78'	N30°16'57"W	16°49'51"
C38	75.98'	98.50'	74.11'	S43°57'51"E	44°11'40"
C39	96.42'	125.00'	94.05'	N43°57'51"W	44°11'40"
C40	116.86'	151.50'	113.98'	N43°57'51"W	44°11'40"

LEGEND

- PHASE BOUNDARY LINE
- - - SECTION LINE
- CENTER LINE
- - - 10.0' P.U.E. LINE
- LOT SETBACK
- SET REBAR AND PEPG 9679988 CAP. SURVEY MONUMENT TO BE SET AT ALL LOT CORNERS.
- C1 CURVE (SEE CURVE TABLE)
- ⊕ MONUMENT

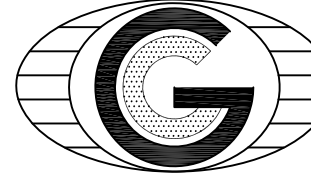
**LONE TREE AT
CIRCLE FIVE RANCH
PHASE F-PLAT 3**

LOCATED IN THE NORTHEAST QUARTER OF
SECTION 25, TOWNSHIP 5 SOUTH, RANGE 2 WEST
SALT LAKE BASE AND MERIDIAN.

SURVEYOR OF RECORD:

SURVEY LOGO HERE

PROJECT ENGINEER:



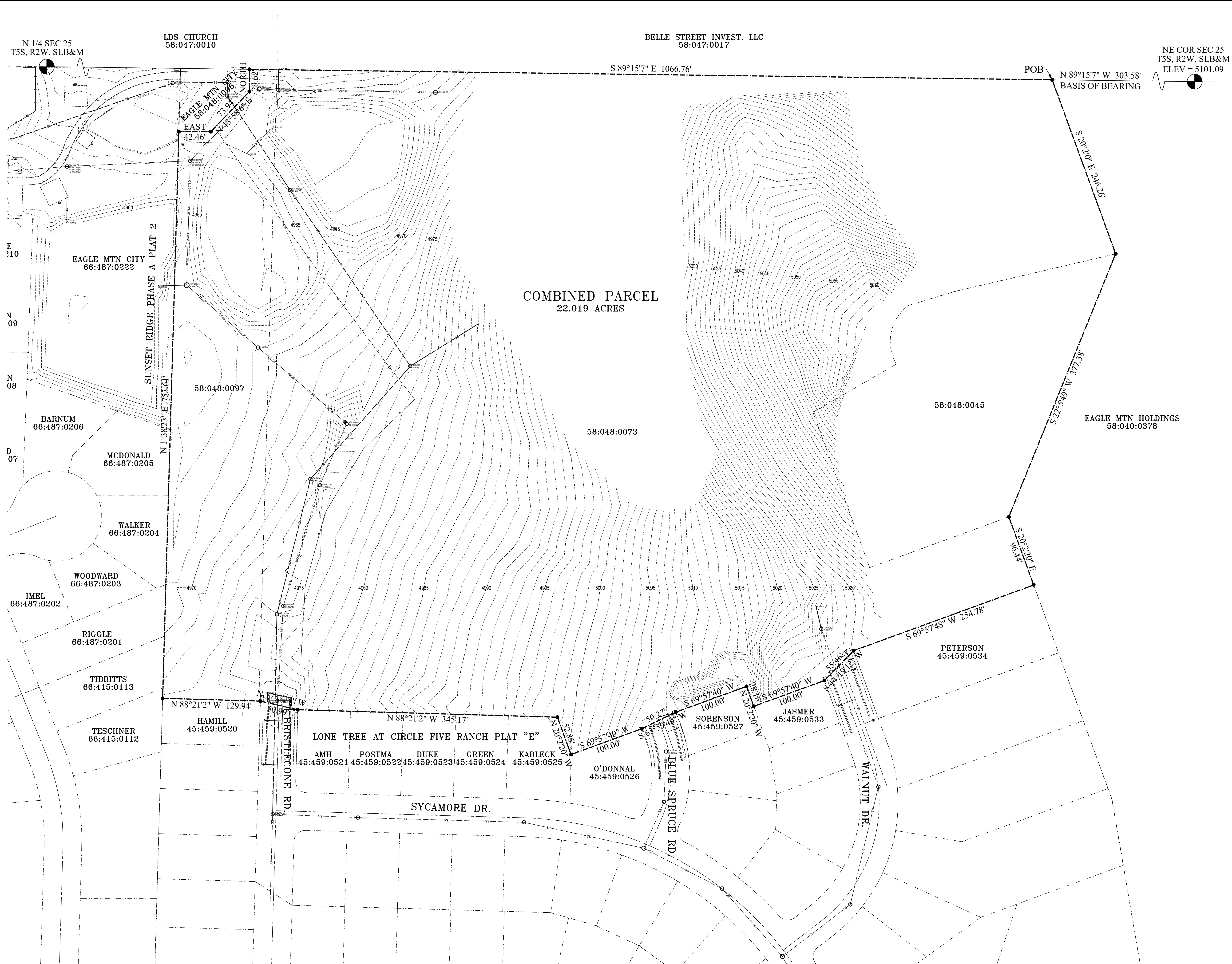
GATEWAY CONSULTING, inc.
P.O. BOX 951005 SOUTH JORDAN, UT 84095
PH: (801) 694-5848
paul@gatewayconsultingllc.com

CIVIL ENGINEERING • CONSULTING • LAND PLANNING
CONSTRUCTION MANAGEMENT

SHEET NO

2

2



COMBINED DESCRIPTION

Beginning at a point located North 89°15'07" West along section line 303.58 feet from the Northeast Corner of Section 25, Township 5 South, Range 2 West, Salt Lake Base and Meridian; thence South 20°02'00" East 246.26 feet; thence South 22°05'49" West 377.38 feet; thence South 20°02'20" East 96.44 feet; thence along the northerly boundary of Lone Tree at Circle Five Ranch Plat "E" the following eleven courses and distances: 1) South 69°57'48" West 254.78 feet, 2) South 44°19'12" West 55.46 feet, 3) South 69°57'40" West 100.00 feet, 4) North 20°02'20" West 28.16 feet, 5) South 69°57'40" West 100.00 feet, 6) South 63°59'40" West 50.27 feet, 7) South 69°57'40" West 100.00 feet, 8) North 20°02'20" West 52.85 feet, 9) North 88°21'02" West 345.17 feet, 10) North 77°02'27" West 50.99 feet, and 11) North 88°21'02" West 129.94 feet; thence North 1°38'23" East along the easterly boundary of Sunset Ridge Phase A Plats 1 and 2 a distance of 753.61 feet; thence East 42.46 feet; thence North 43°58'06" East 73.94 feet; thence North 29.62 feet; thence South 89°15'07" East along section line 1066.76 feet to the point of beginning.
Area = 22.019 Acres

NARRATIVE

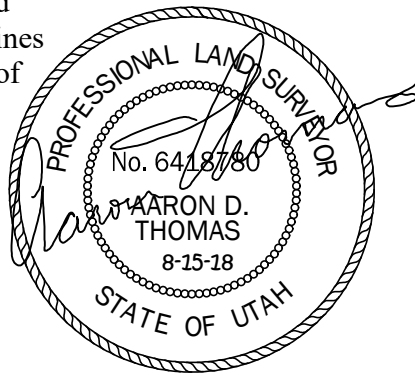
The Basis of Bearing for this survey is North 89°15'07" West along Section Line from the Northeast Corner of Section 25, Township 5 South, Range 2 West, Salt Lake Base and Meridian to the North Quarter Corner of said Section 25. Both monuments were located as shown on county tie sheets. The purpose of this survey was to determine an overall boundary and locate existing improvements to facilitate the design of future improvements. Final boundary markers are to be set with construction of the future development.

SURVEYOR'S CERTIFICATION

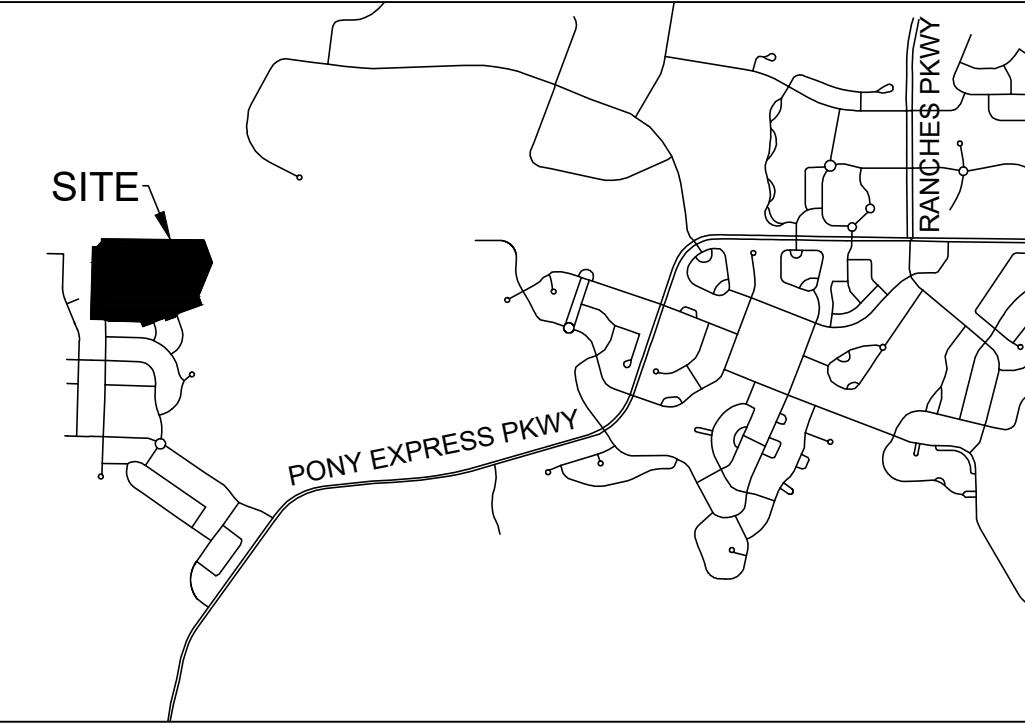
I Aaron D. Thomas, do hereby certify that I am a Registered Land Surveyor, licensed to practice in the State of Utah, holding license number 6418780, and that in August 2018, I made a survey of the property described on this plat.

This survey was made in conformity with generally accepted local surveying practices. It does not guarantee title to the lines set, nor purport to show all easements of record nor is it proof of ownership.

Aaron D. Thomas
AARON D. THOMAS - PLS NO. 6418780

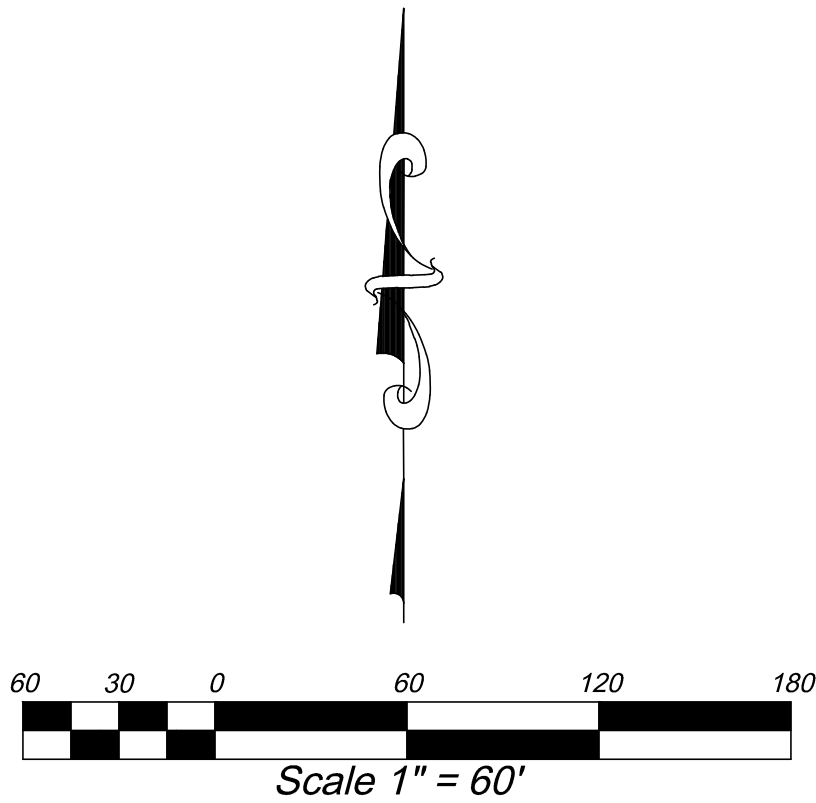


VICINITY MAP

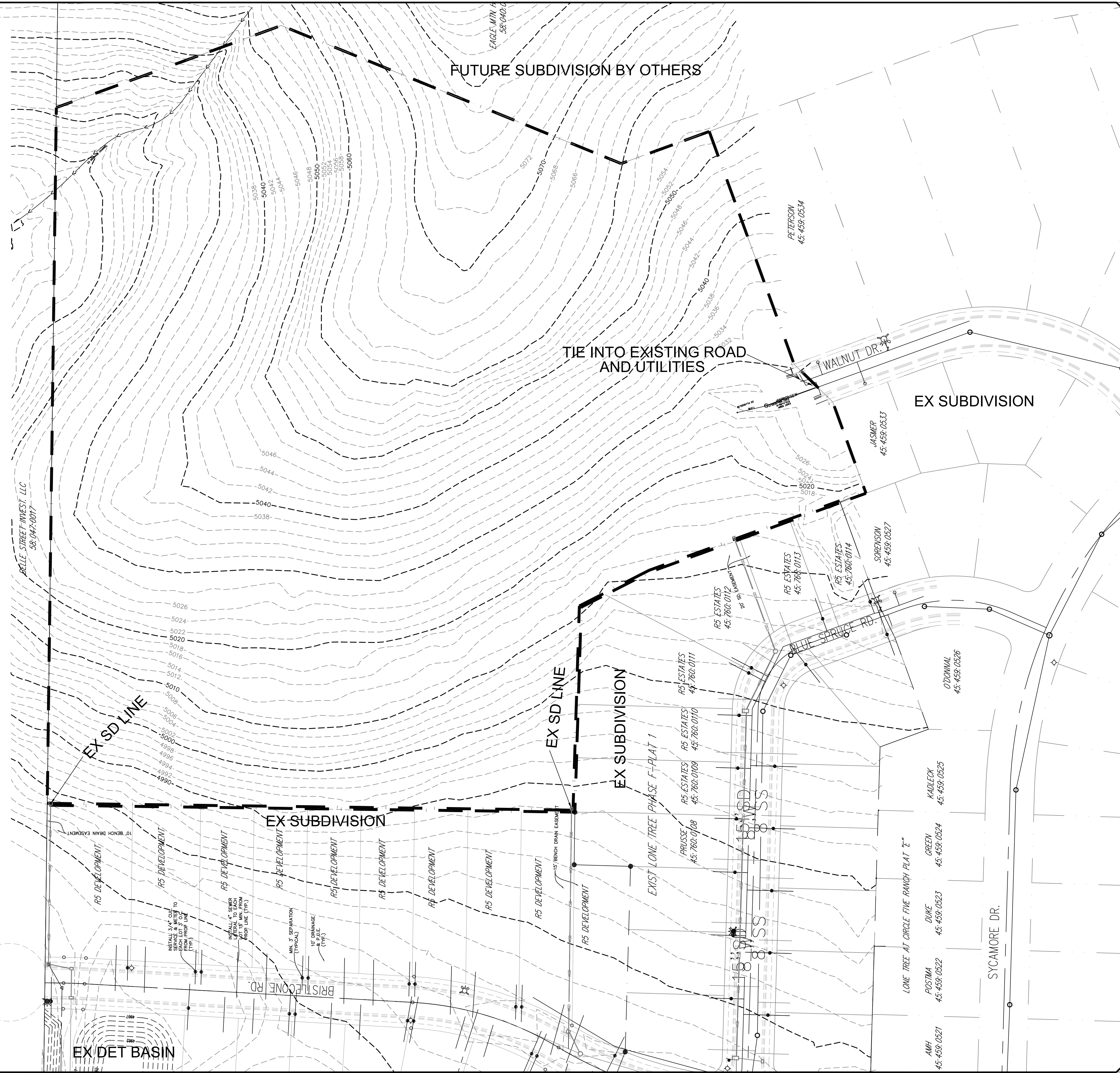


PLAT LEGEND

---	PARCEL BOUNDARIES
---	NEIGHBOR TITLES
---	ASPHALT
---	CENTERLINE ROAD
---	CONCRETE
---	FENCE LINE
---	SANITARY SEWER
---	STORM DRAIN
---	WATER LINE
---	POWER LINE
---	PHONE / FIBER OPTIC
---	GAS LINE
---	CONTOUR LINE



SURVEY TYPE: BOUNDARY & TOPOGRAPHIC SURVEY		LAND SURVEYOR: AZTEC ENGINEERING INC. 491 N. 450 W. OREM, UT. 84057 (801) 224-7308		CIVIL ENGINEER: EXCEL ENGINEERING David W. Peterson, P.E., License #270993 12 West 100 North, Suite 201, American Fork, UT 84003 P: (801) 756-4504; F: (801) 756-4511		LONE TREE LOCATED IN THE NORTHEAST QUARTER OF SECTION 25, TOWNSHIP 5 SOUTH, RANGE 2 WEST, SLB&M		SHEET 1 OF 1	
ADDRESS +/- 7900 NORTH 2000 EAST		CITY: EAGLE MOUNTAIN		COUNTY: UTAH		STATE: UTAH		DATE: AUG. 15, 2018	1"=60'
								DRAFTED BY: A.D.T.	

[illegible]

ORIG. DATE:	4-1-22
SURVEY BY:	
DRAWN BY :	GPW
DESIGNED BY :	GPW
CHECKED BY :	GPW
SCALE :	1"=50'

 **GATEWAY CONSULTING, Inc.**
P.O. BOX 951005 SOUTH JORDAN, UT 84095
PH: (801) 694-5848
paul@gatewayconsultingllc.com

**CIVIL ENGINEERING * CONSULTING * LAND PLANNING
CONSTRUCTION MANAGEMENT**

LONG TREE AT CIRCLE FIVE RANCH
PHASE F- PLAT 3 SUBDIVISION

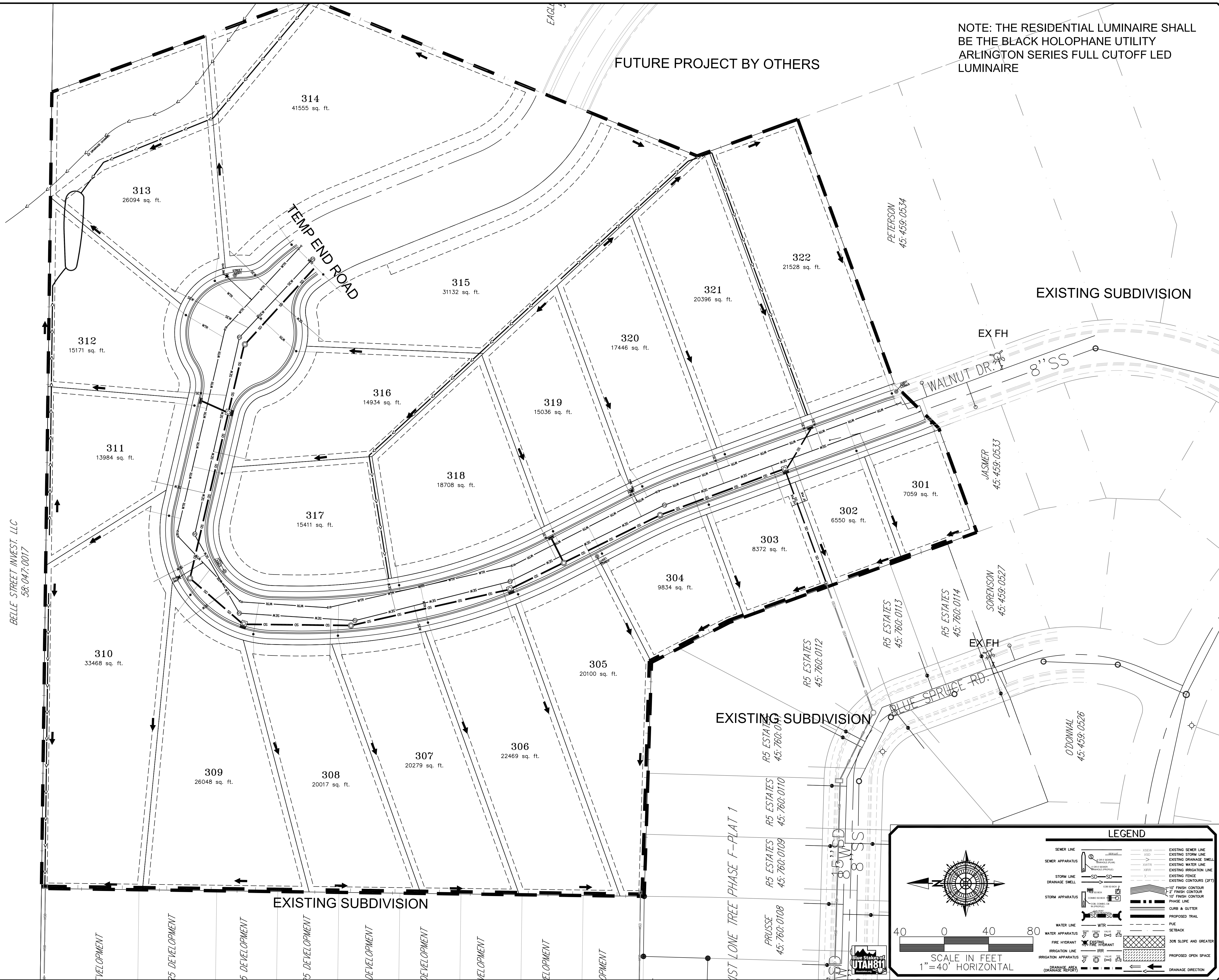
EXISTING CONDITIONS
AND DEMOLITION SHEET

PRINT DATE: 12-13-2022

EAGLE MTN
CITY

REGISTERED PROFESSIONAL ENGINEER
STATE OF UTAH
EXPIRATION DATE 12/31/2017
NO. 123456789

SHEET NO. 2



NOTE: THE RESIDENTIAL LUMINAIRE SHALL BE THE BLACK HOLOPHANE UTILITY ARLINGTON SERIES FULL CUTOFF LED LUMINAIRE

FUTURE PROJECT BY OTHERS

EXISTING SUBDIVISION

EXISTING SUBDIVISION

EXISTING SUBDIVISION

DATE: 4-1-22

SURVEY BY: GPM

DRAWN BY: GPM

DESIGNED BY: GPM

CHECKED BY: GPM

SCALE: 1"=40'

NO.

DESCRIPTION

DATE

APP'D

GATEWAY CONSULTING, Inc.

P.O. BOX 951005 SOUTH JORDAN, UT 84095

PH: (801) 694-5848

paul@gatewayconsultingllc.com

CIVIL ENGINEERING * CONSULTING * LAND PLANNING

CONSTRUCTION MANAGEMENT

LONE TREE AT CIRCLE FIVE RANCH

PHASE F- PLAT 3 SUBDIVISION

SITE PLAN

PRINT DATE: 12-13-2022

EAGLE MTN CITY

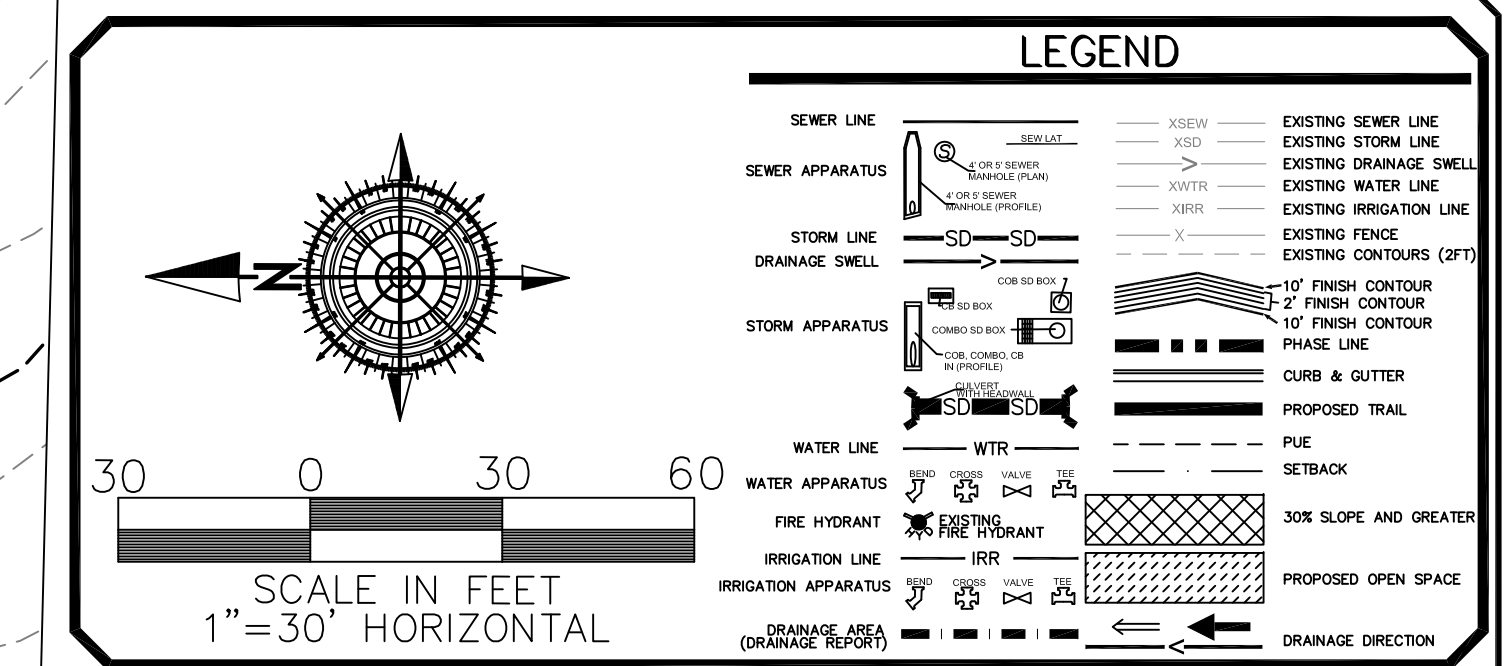
PROFESSIONAL ENGINEER

STATE OF UTAH

12100

SHEET NO. 3

NOTE: Lots 312-316 driveway shall meet Eagle Mountain City Code section 17.25.050.D unless otherwise approved by the building official.

[illegible]

ORIG. DATE:	4-1-22
SURVEY BY:	
DRAWN BY :	GPW
DESIGNED BY :	GPW
CHECKED BY :	GPW
SCALE :	1"=40'



GATEWAY CONSULTING, Inc.
P.O. BOX 951005 SOUTH JORDAN, UT 84095
PH: (801) 694-5848
paul@gatewayconsultingllc.com

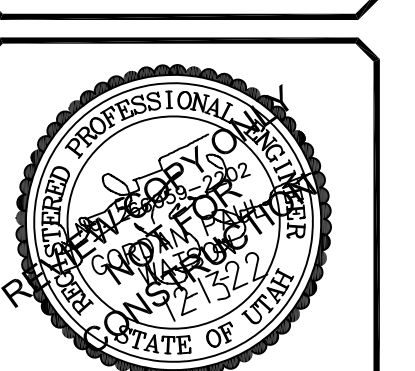
CIVIL ENGINEERING * LAND PLANNING
CONSTRUCTION MANAGEMENT

LONE TREE AT CIRCLE FIVE RANCH
PHASE F- PLAT 3 SUBDIVISION

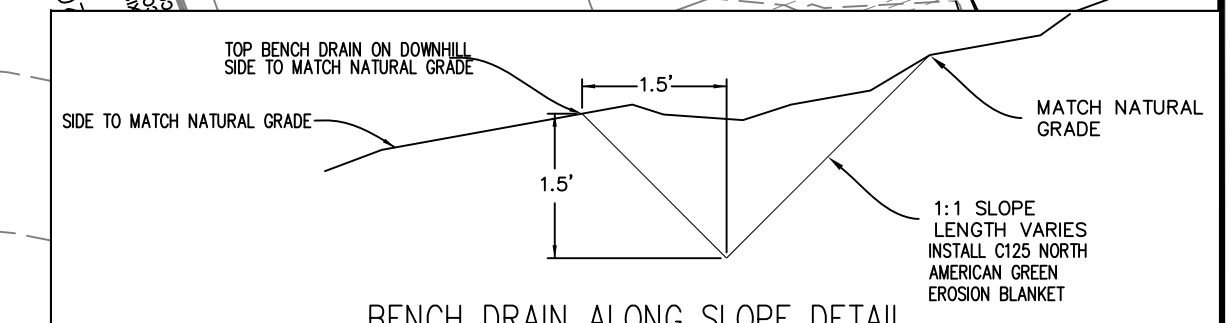
SITE GRADING

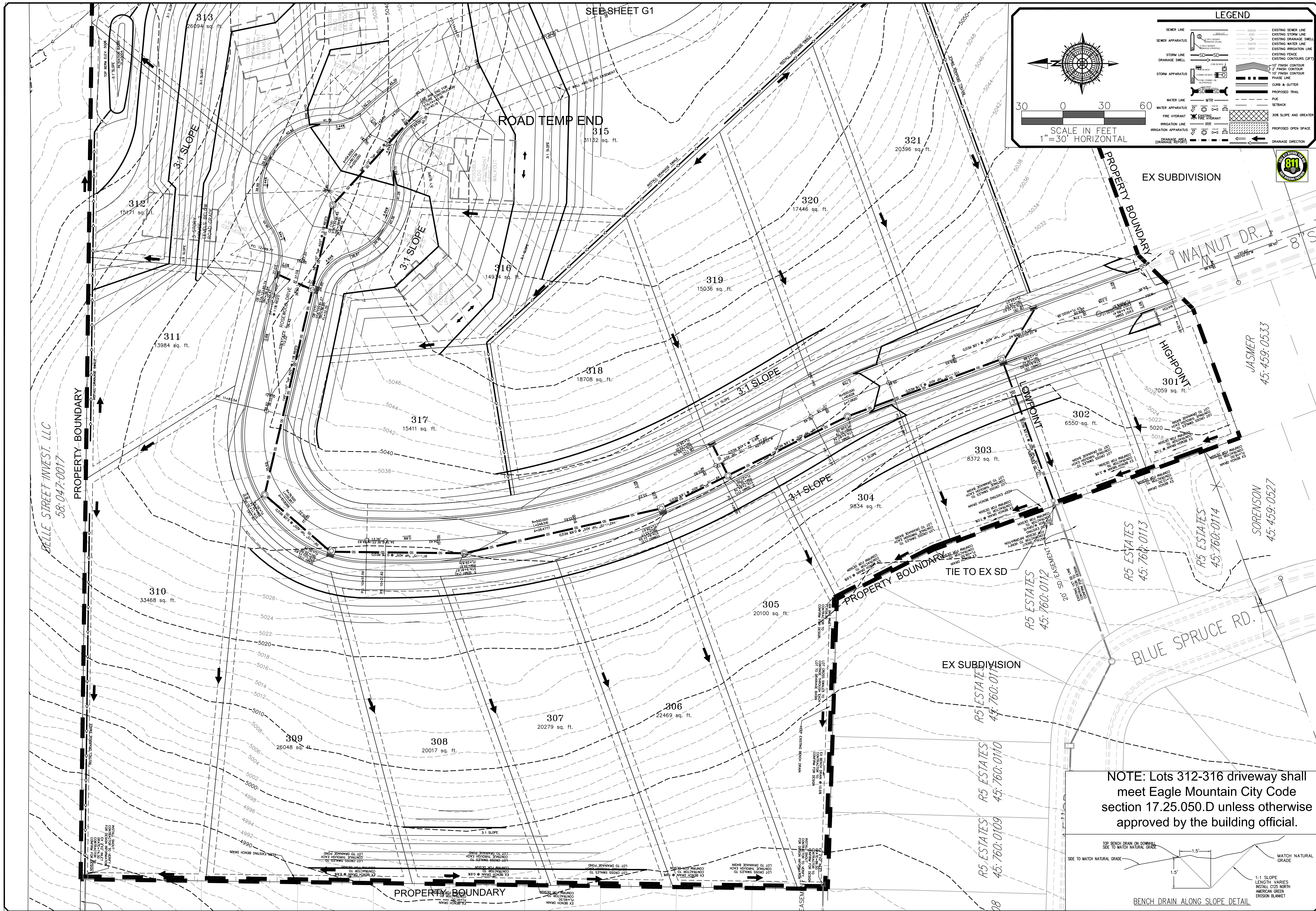
PRINT DATE: 12-13-2022

EAGLE MTN
CITY



SHEET NO. G1





LEGEND

SEWER LINE	EXISTING SEWER LINE
SEWER APPARATUS	EXISTING STORM LINE
STORM LINE	EXISTING DRAINAGE SWELL
DRAINAGE SWELL	EXISTING WATER LINE
STORM APPARATUS	EXISTING IRRIGATION LINE
WATER LINE	EXISTING FENCE
WATER APPARATUS	EXISTING CONTOURS (2 FT)
FIRE HYDRANT	10' FINISH CONTOUR
IRRIGATION APPARATUS	10' FINISH CONTOUR
DRAINAGE AREA (DRAINAGE REPORT)	PHASE LINE
	CURB & GUTTER
	PROPOSED TRAIL
	POLE
	SETBACK
	JOSE SLOPE AND GREATER
	PROPOSED OPEN SPACE
	DRAINAGE DIRECTION

SCALE IN FEET
1"=30' HORIZONTAL

NO.	DESCRIPTION	DATE	APP'D

ORIG. DATE:	4-1-22
SURVEY BY:	GPW
DRAWN BY:	GPW
DESIGNED BY:	GPW
CHECKED BY:	GPW
SCALE:	1"=40'

GATEWAY CONSULTING, Inc.
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paul@gatewayconsultingllc.com

CIVIL ENGINEERING * CONSULTING * LAND PLANNING
CONSTRUCTION MANAGEMENT

**LONE TREE AT CIRCLE FIVE RANCH
PHASE F- PLAT 3 SUBDIVISION**

SITE GRADING

PRINT DATE: 12-13-2022

EAGLE MTN CITY

PROFESSIONAL SEAL
PAUL J. GATEWAY
REGISTERED PROFESSIONAL ENGINEER
STATE OF UTAH
No. 12345

SHEET NO. **G2**

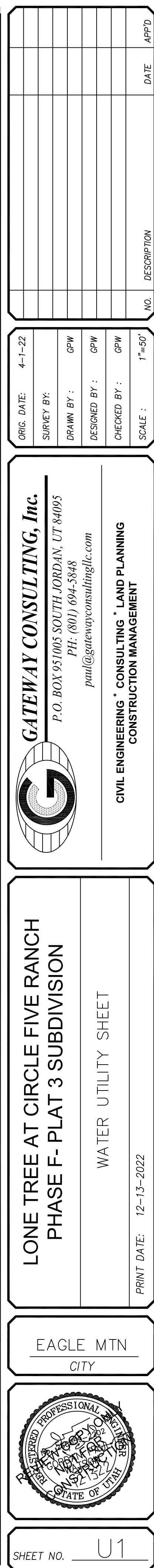
NOTE: Lots 312-316 driveway shall meet Eagle Mountain City Code section 17.25.050.D unless otherwise approved by the building official.

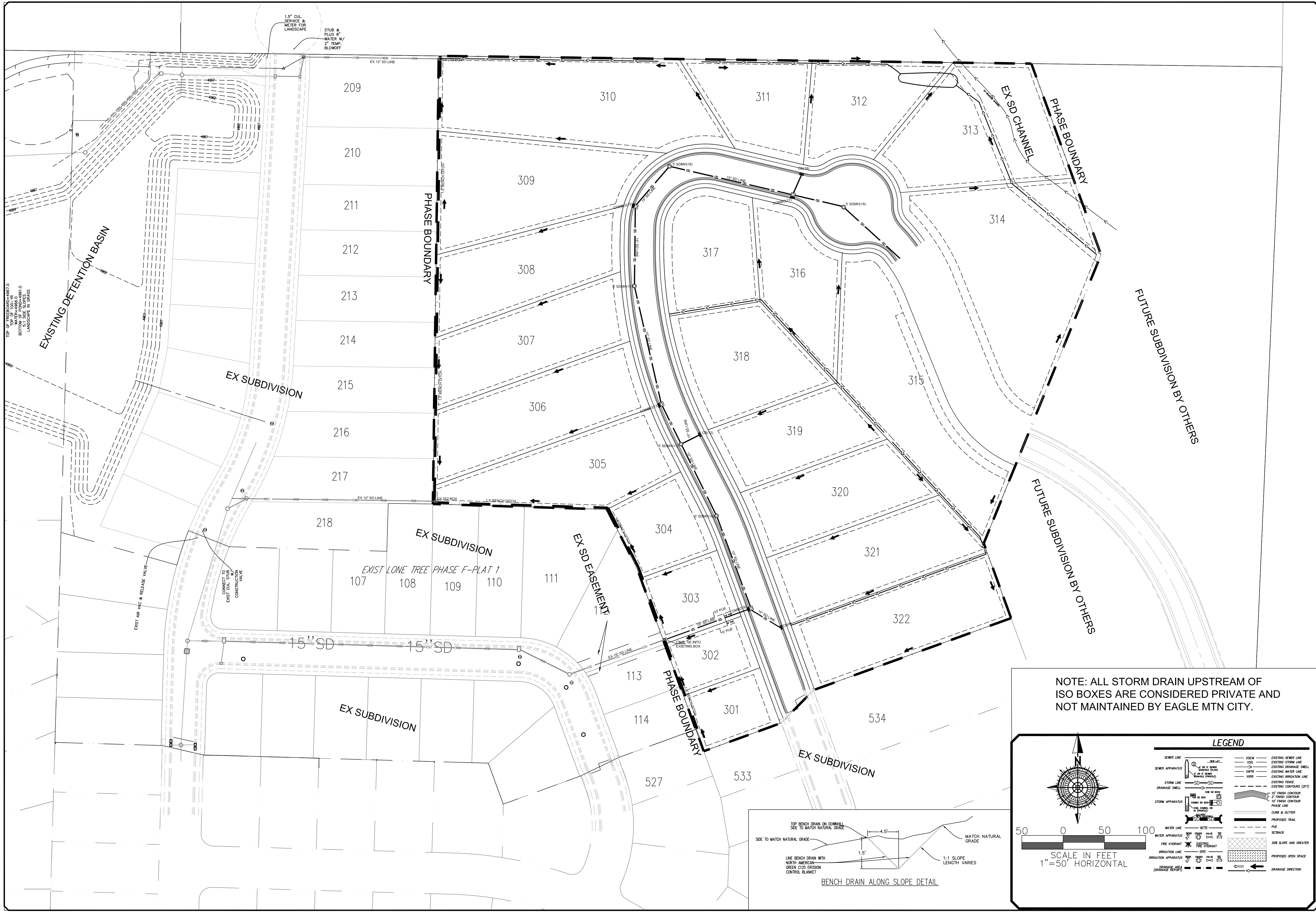
BENCH DRAIN ALONG SLOPE DETAIL

TOP BENCH DRAIN ON DOWNHILL SIDE TO MATCH NATURAL GRADE

1:1 SLOPE LENGTH VARIES INSTALL C125 NORTH AMERICAN GREEN EROSION BLANKET

MATCH NATURAL GRADE



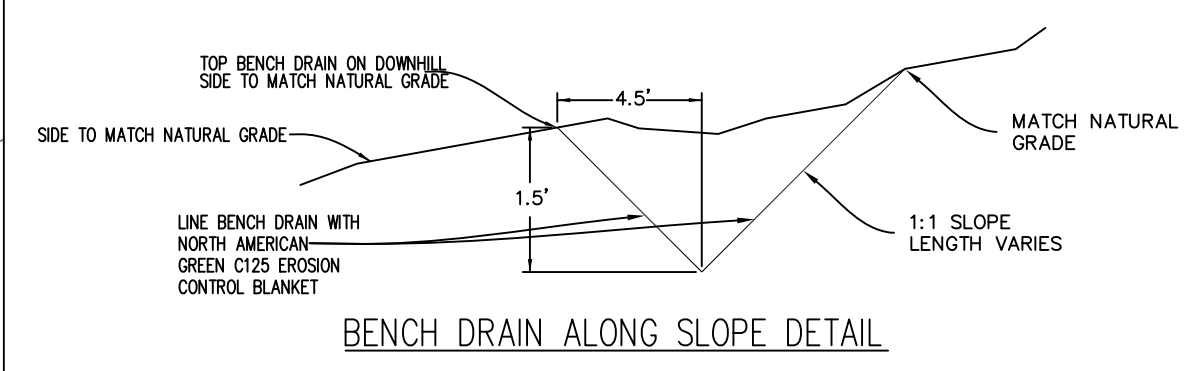


NOTE: ALL STORM DRAIN UPSTREAM OF ISO BOXES ARE CONSIDERED PRIVATE AND NOT MAINTAINED BY EAGLE MTN CITY.

50 0 50 100
SCALE IN FEET
1"=50' HORIZONTAL

LEGEND

SEWER LINE	SEWER APPARATUS	STORM LINE	STORM APPARATUS	WATER LINE	WATER APPARATUS	IRIGATION APPARATUS
SD	ISO BOX	SD	ISO BOX	W	VALVE	IRR
EXISTING SEWER LINE	EXISTING STORM LINE	EXISTING DRAINAGE SWELL	EXISTING WATER LINE	EXISTING IRRIGATION LINE	EXISTING FENCE	EXISTING CONTOURS (2 FT)
10' FINISH CONTOUR	2' FINISH CONTOUR	10' FINISH CONTOUR	PHASE LINE	CURB & GUTTER	PROPOSED TRAIL	FIRE SETBACK
SIDE SLOPE AND GREATER	PROPOSED OPEN SPACE	DRAINAGE DIRECTION				



NO.	DESCRIPTION	DATE	APP'D

ORIG. DATE:	4-1-22
SURVEY BY:	GPW
DRAWN BY:	GPW
DESIGNED BY:	GPW
CHECKED BY:	GPW
SCALE:	1"=35'

GATEWAY CONSULTING, Inc.
P.O. BOX 951005 SOUTH JORDAN, UT 84095
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paul@gatewayconsultingllc.com

CIVIL ENGINEERING * CONSULTING * LAND PLANNING
CONSTRUCTION MANAGEMENT

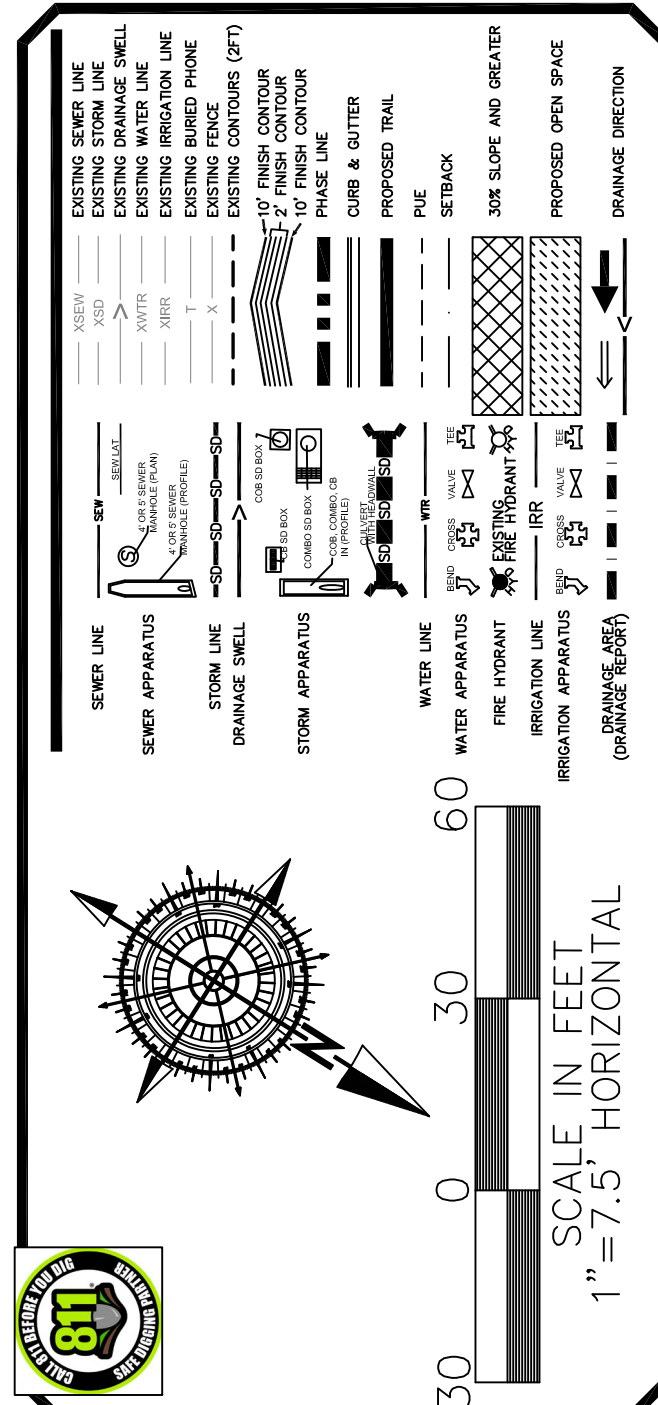
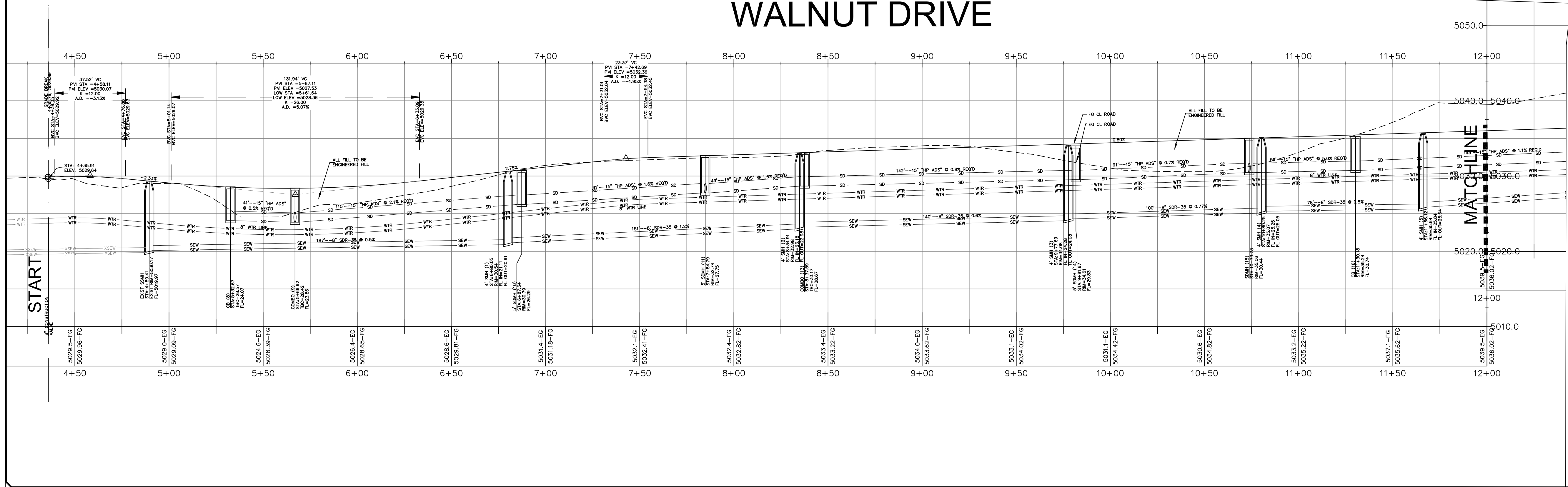
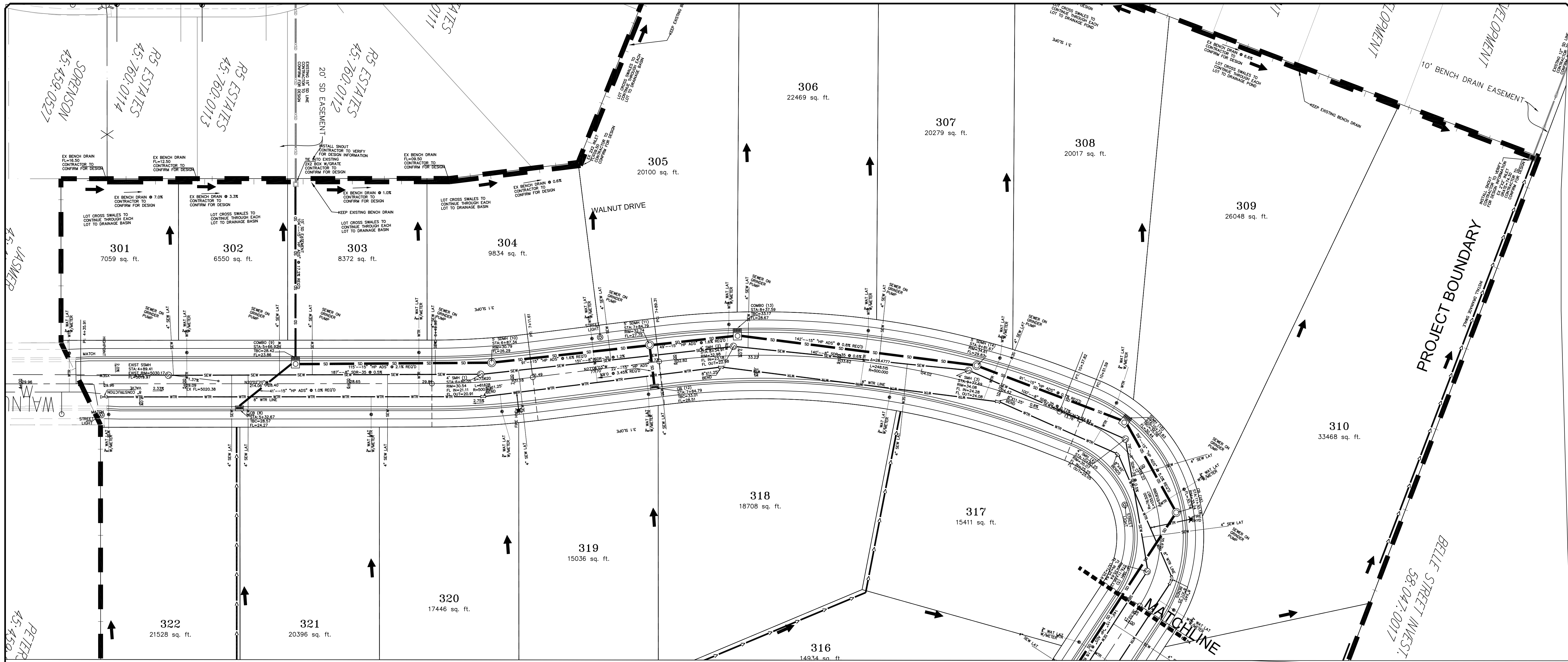
LONE TREE AT CIRCLE FIVE RANCH
PHASE F- PLAT 3 SUBDIVISION

STORM DRAIN UTILITY SHEET

PRINT DATE: 12-13-2022

EAGLE MTN
CITY

SHEET NO. **U3**



NO.	DESCRIPTION	DATE	APP'D

ORIG. DATE:	4-1-22
SURVEY BY:	GPW
DRAWN BY:	GPW
DESIGNED BY:	GPW
CHECKED BY:	GPW
SCALE:	1"=30'

GATEWAY CONSULTING, Inc.
P.O. BOX 951005 SOUTH JORDAN, UT 84095
PH: (801) 694-5848 FAX: (801) 432-7050
paul@gatewayconsultingllc.com

CIVIL ENGINEERING * CONSULTING * LAND PLANNING
CONSTRUCTION MANAGEMENT

**LONE TREE AT CIRCLE FIVE RANCH
PHASE F- PLAT 3 SUBDIVISION**

PLAN AND PROFILE
STA: 4+00 TO 12+00

PRINT DATE: 12-13-2022

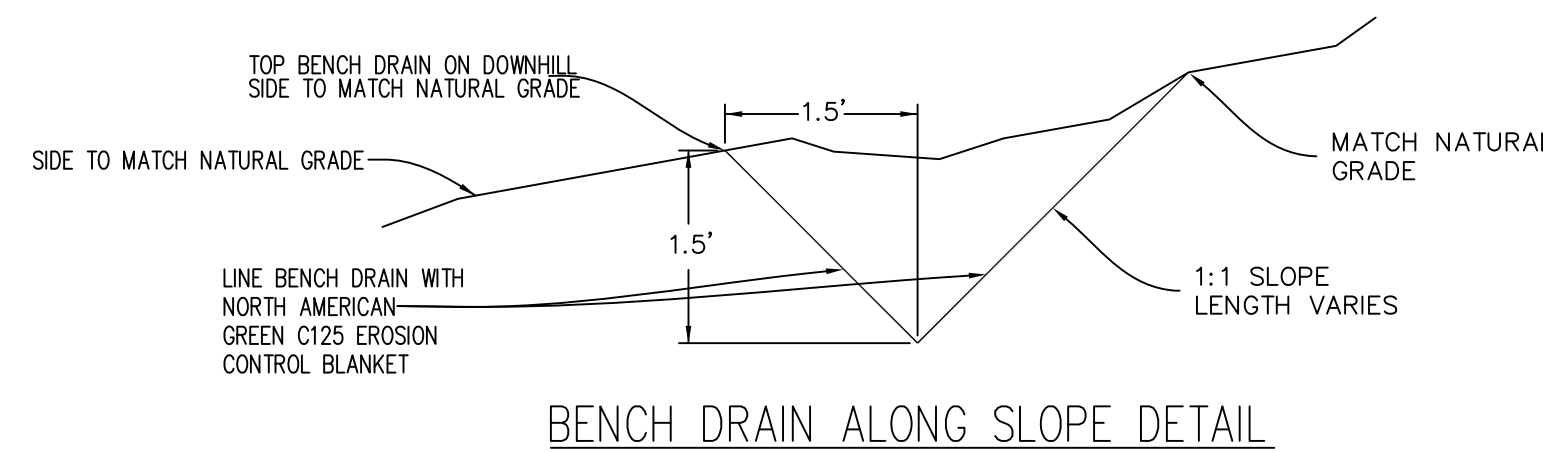
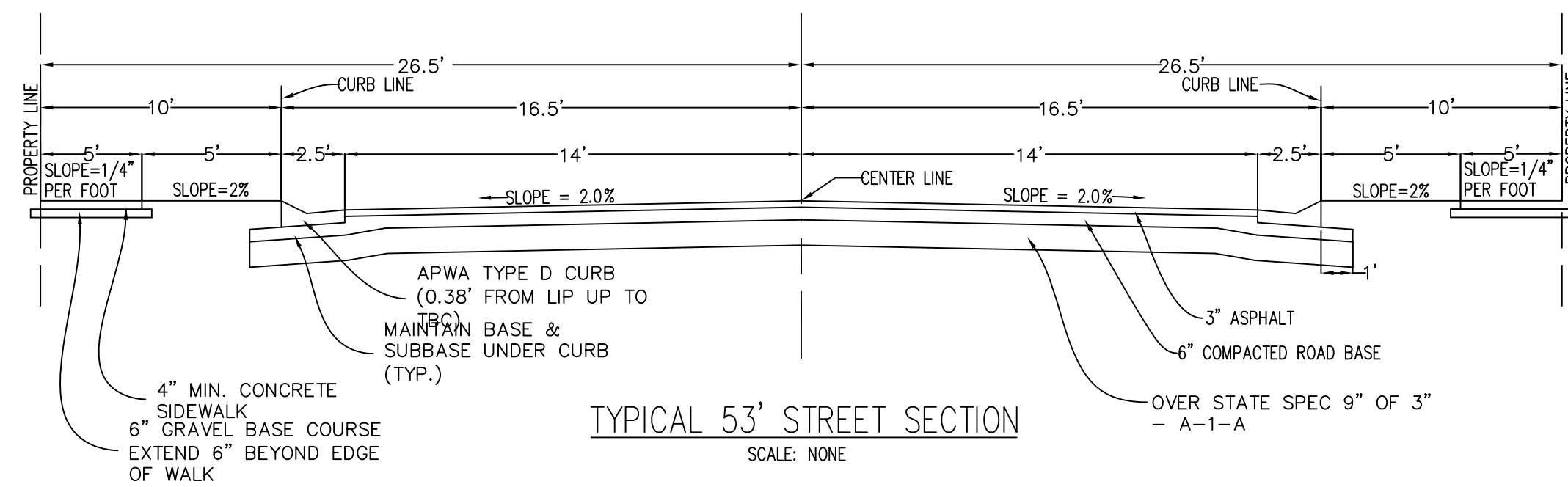
EAGLE MTN
CITY

PROFESSIONAL
LAND PLANNING
STATE OF UTAH

SHEET NO. PP1

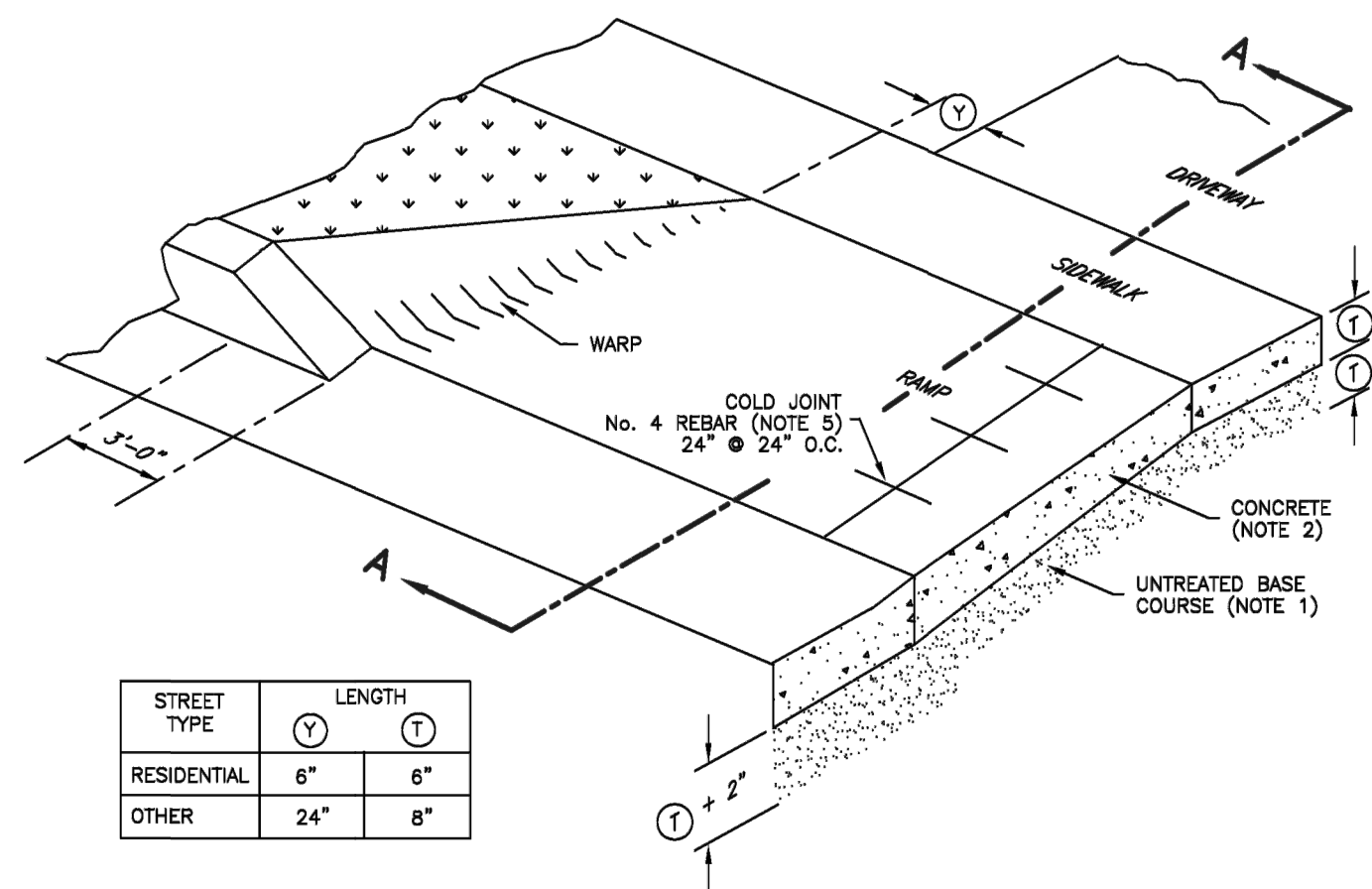
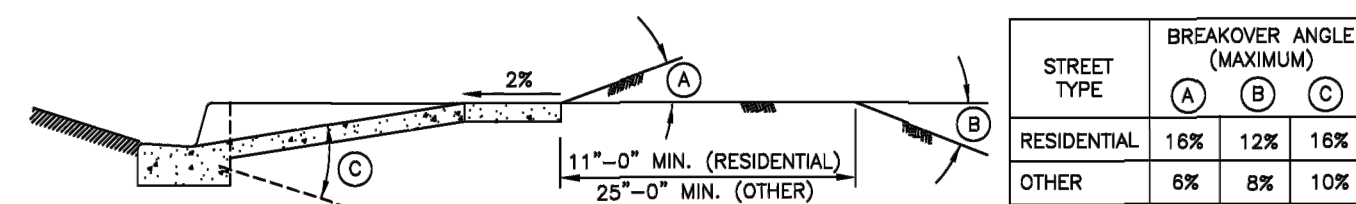
SHEET NO. SWPPP

ALL WORK WITHIN CITY ROW TO FOLLOW CITY SPECS

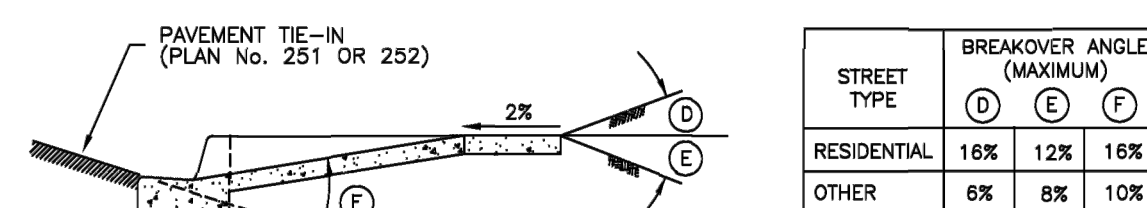


Flare driveway approach – type A

1. **UNTREATED BASE COURSE:** Provide material specified in APWA Section 32 11 23.
 - A. Do not use gravel as a substitute for untreated base course without ENGINEER's permission.
 - B. Place material per APWA Section 32 05 10.
 - C. Compact per APWA Section 31 23 26 to a modified proctor density of 95 percent or greater. Maximum lift thickness before compaction is 8 inches when using riding compaction equipment or 6 inches when using hand held compaction equipment.
2. **CONCRETE:** Class 4000 per APWA Section 03 30 04.
 - A. If necessary, provide concrete that achieves design strength in less than 7 days. Use caution; however, as concrete crazing (spider cracks) may develop if air temperature exceeds 90 degrees F.
 - B. Place concrete per APWA Section 03 30 10.
 - C. Provide 1/2 inch radius on concrete edges exposed to public view.
 - D. Cure concrete per APWA Section 03 39 00 with type ID Class A or B (clear with fugitive dye) membrane forming compound unless specified otherwise.
3. **EXPANSION JOINT:** Make expansion joints vertical, full depth, 1/2 inch wide with type F1 joint filler material per APWA Section 32 13 73. Set top of filler flush with surface of concrete.
4. **CONTRACTION JOINT:** Make contraction joints vertical.
 - A. 1/8 inch wide and 1 inch deep or 1/4 slab thickness if slab is greater than 4 inches thick.
 - B. Maximum length to width ratio for non-square panels is 1.5 to 1.
 - C. Maximum panel length (in feet) is 2.5 times the slab thickness (in inches) to a maximum of 15 feet.
5. **REINFORCEMENT:** ASTM A 615, grade 60, galvanized or epoxy coated deformed steel. See APWA Section 03 20 00 requirements. Not required if driveway ramp is constructed without a cold joint.
6. **FIELD CHANGES TO SLOPE REQUIREMENTS:** The following design parameters are to be used as a guide. Specific uses or site conditions may require profile design submittal for review and acceptance.
 - A. As a rule, driveway grades may have a 6 percent change in slope over a 11 feet wheel base run for both crest or sag vertical curves.
 - B. Where heavy truck use and fire truck access applies, or to improve design speed, design grades should be cut in half.
7. **FINISH:** Broomed.
8. **PROTECTION AND REPAIR:**
 - A. Fill flow-line with water. Repair construction that doesn't drain.
 - B. Protect concrete from deicing chemicals during cure period.

OBLIQUE

SECTION A-A – APPROACH REQUIRING SERVICE TRUCK ACCESS



SECTION A-A - TYPICAL DRIVEWAY APPROACH

Flare driveway approach - type A

Plan No.
221
Drawing 1 of 2

Curb and gutter

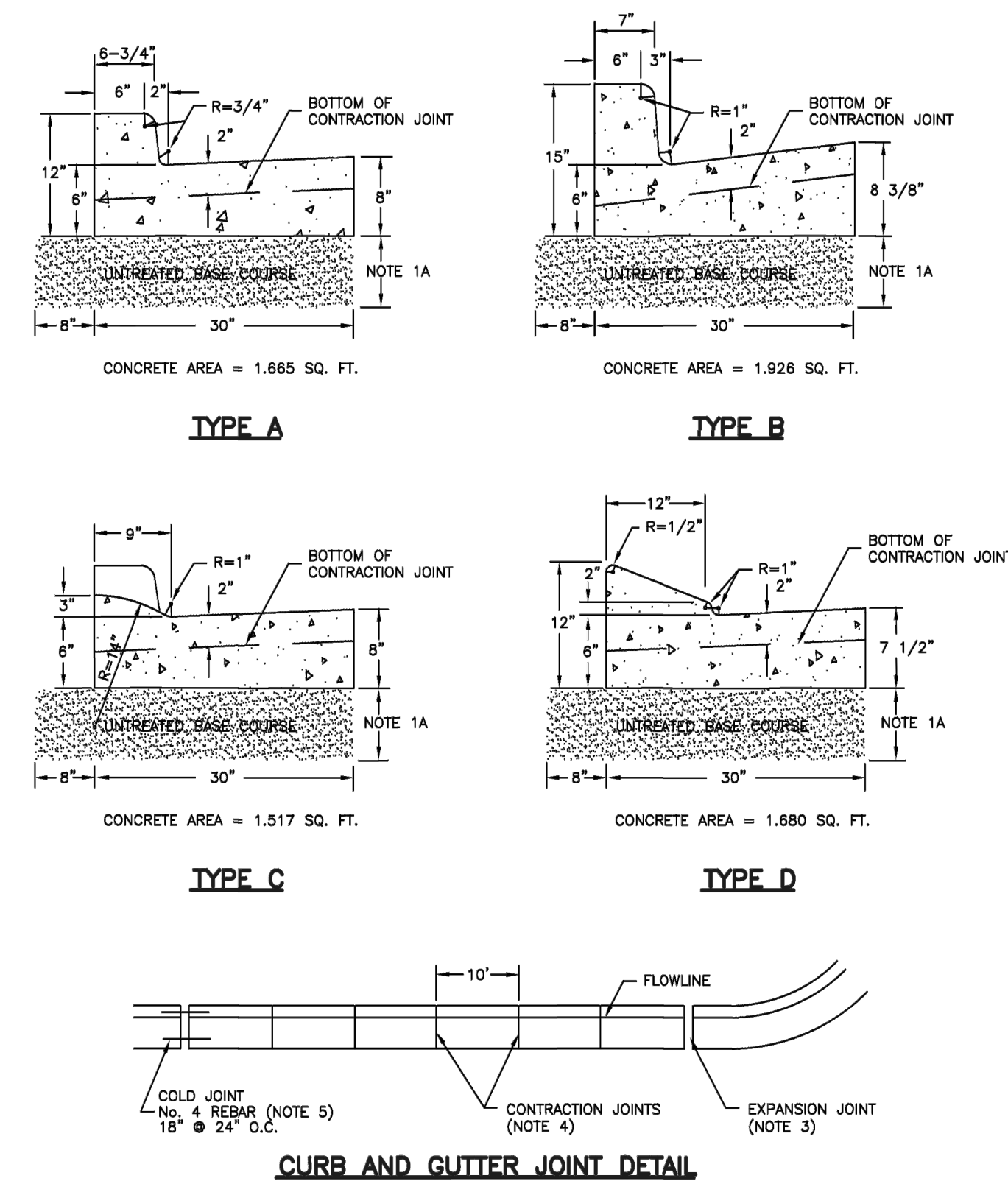
1. **UNTREATED BASE COURSE:** Provide material specified in APWA Section 32 11 23.
 - A. Do not use gravel as a substitute for untreated base course without ENGINEER's permission.
 - B. If flow line grade is greater than 0.5 percent ($s=0.005$), provide 6 inches uncompacted thickness. If less, provide 8 inches uncompacted thickness.
 - C. Place material per APWA Section 32 05 10.
 - D. Compact per APWA Section 31 23 26 to a modified proctor density of 95 percent or greater. Maximum fill thickness before compaction is 8 inches when using riding compaction equipment or 6 inches when using hand held compaction equipment.
2. **CONCRETE:** Class 4000 per APWA Section 03 30 04.
 - A. If necessary, provide concrete that achieves design strength in less than 7 days. Caution; concrete crazing (spider cracks) may develop if air temperature exceeds 90 degrees F.
 - B. Place concrete per APWA Section 03 30 10.
 - C. Provide 1/2 inch radius on concrete edges exposed to public view.
 - D. Cure concrete per APWA Section 03 39 00 with type I D Class A or B (clear with fugitive dye) membrane forming compound unless specified otherwise.
3. **EXPANSION JOINT:** Make expansion joints vertical, full depth, 1/2 inch wide with type F1 joint filler material per APWA Section 32 13 73.
 - A. Set top of filler flush with surface of concrete.
 - B. Expansion joints are required at the start or end of a street intersection curb return.
 - C. Expansion joints are not required in slip form work.
4. **CONTRACTION JOINT:** Make contraction joints vertical.
 - A. 1/8 inch wide and 2 inch deep or 1/4 slab thickness if slab is greater than 8 inches thick.
 - B. If necessary, match location of contraction joints in portland cement concrete roadway pavements.
5. **REINFORCEMENT:** ASTM A 615, grade 60, galvanized or epoxy coated deformed steel. See APWA Section 03 20 00 requirements.
6. **FINISH:** Broomed.
7. **PROTECTION AND REPAIR:**
 - A. Fill flow-line with water. Repair construction that does not drain.
 - B. Protect concrete from deicing chemicals during cure.

24

Concrete sidewalk

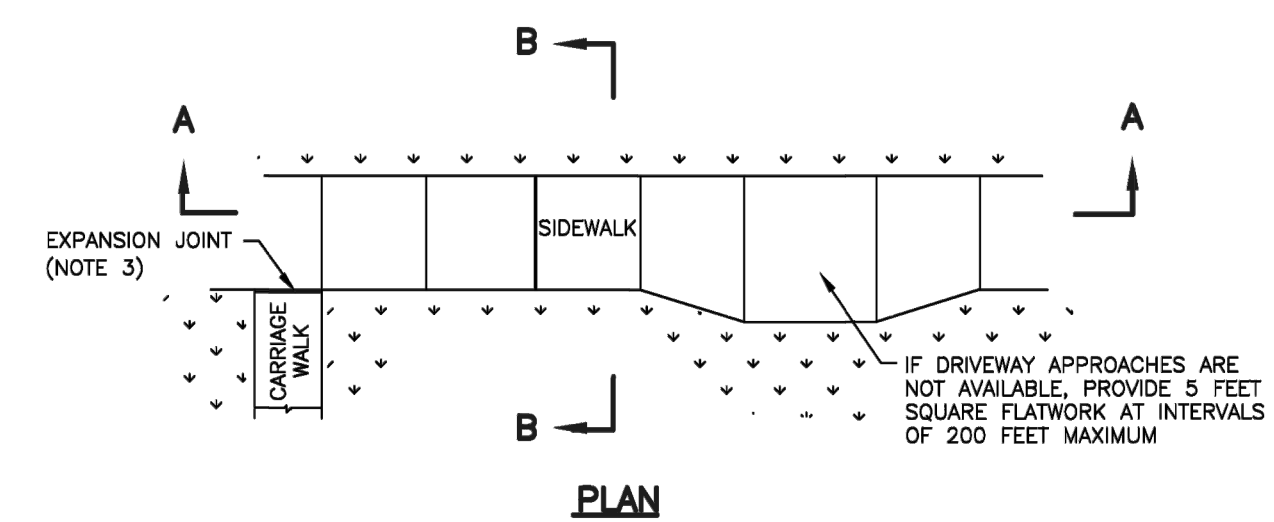
1. **UNTREATED BASE COURSE:** Provide material specified in APWA Section 32 11 23.
 - A. Do not use gravel as a substitute for untreated base course without ENGINEER's permission.
 - B. Place material per APWA Section 32 05 10.
 - C. Compact per APWA Section 31 23 26 to a modified proctor density of 95 percent, or greater. Maximum lift thickness before compaction is 8 inches when using riding compaction equipment or 6 inches when using hand held compaction equipment.
2. **CONCRETE:** Class 4000 per APWA Section 03 30 04.
 - A. If necessary, provide concrete that achieves design strength in less than 7 days. Caution; concrete crazing (spider cracks) may develop if air temperature exceeds 90 degrees F.
 - B. Place concrete per APWA Section 03 30 10.
 - C. Provide 1/2 inch radius on concrete edges exposed to public view
 - D. Cure concrete per APWA Section 03 39 00 with type ID Class A or B (clear with fugitive dye) membrane forming compound unless specified otherwise.
3. **EXPANSION JOINT:** Make expansion joints vertical, full depth, 1/2 inch wide with type F1 joint filler material per APWA Section 32 13 73.
 - A. Set top of filler flush with surface of concrete.
 - B. Expansion joints are not required in slip formwork except at the start or end of the installation activity.
4. **CONTRACTION JOINT:** Make contraction joints vertical.
 - A. 1/8 inch wide and 1 inch deep or 1/4 slab thickness if slab is greater than 4 inches thick.
 - B. Maximum length to width ratio for non-square panels is 1.5 to 1.
5. **FINISH:** Broomed.

50

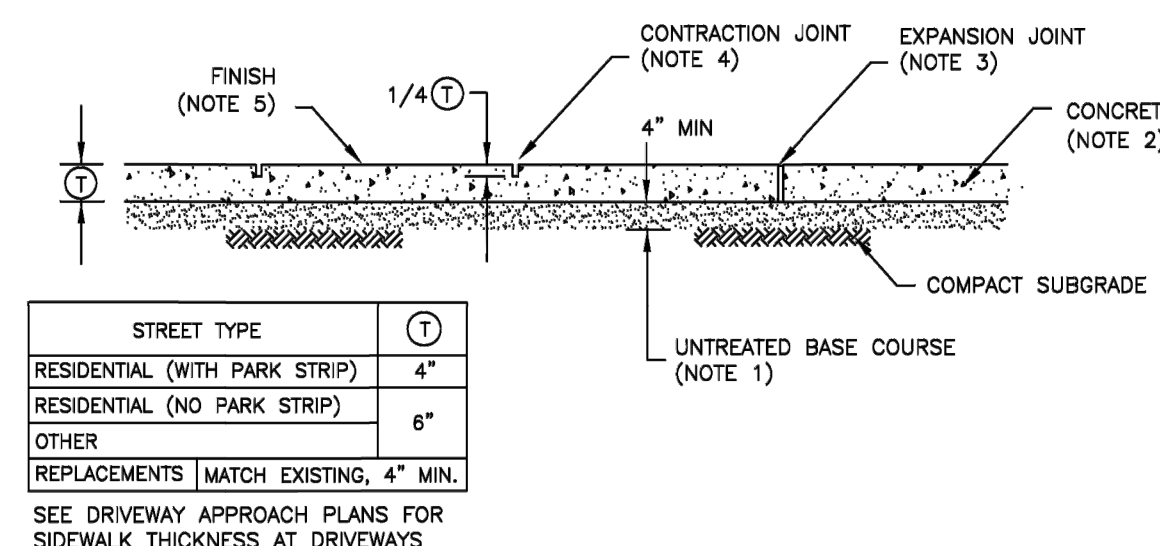


Curb and gutter

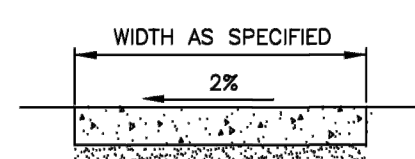
Plan No.
205
Drawing 1 of 2



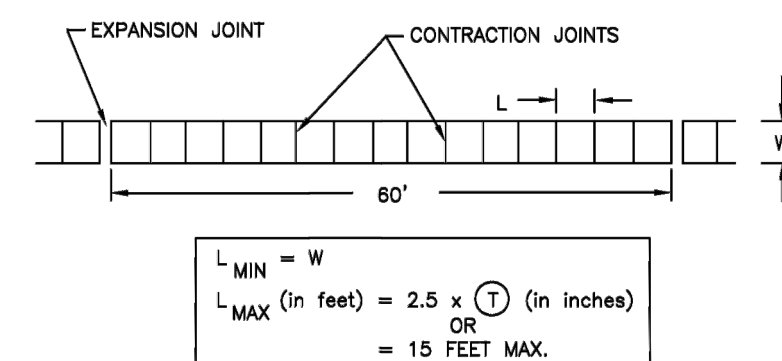
PLAN



SECTION A-A



SECTION B-B



SIDEWALK JOINT DETAIL

Concrete sidewalk

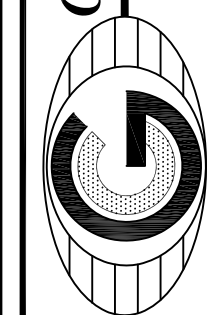
December 2005

51

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ORIG. DATE:	6-1-16
SURVEY BY:	
DRAWN BY :	GPW
DESIGNED BY :	GPW
CHECKED BY :	GPW
SCALE :	N/A

4TEWAY CONSULTING, Inc.
P.O. BOX 951005 SOUTH JORDAN, UT 84095
PH: (801) 694-5848



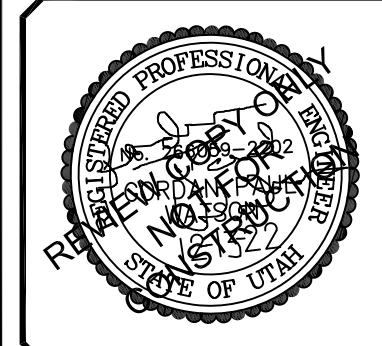
**CIVIL ENGINEERING * CONSULTING * LAND PLANNING
CONSTRUCTION MANAGEMENT**

LONE TREE AT CIRCLE FIVE RANCH
PHASE F- PLAT 3 SUBDIVISION

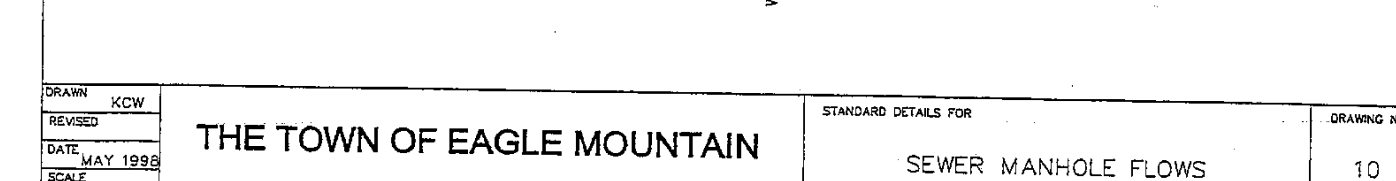
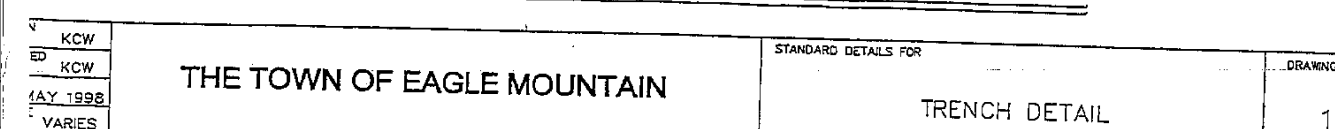
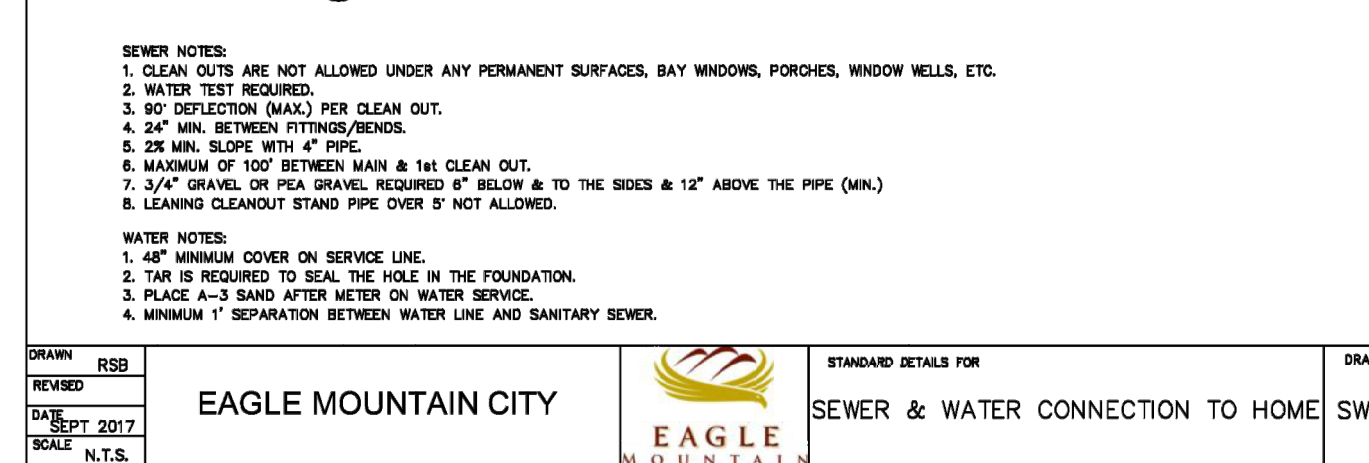
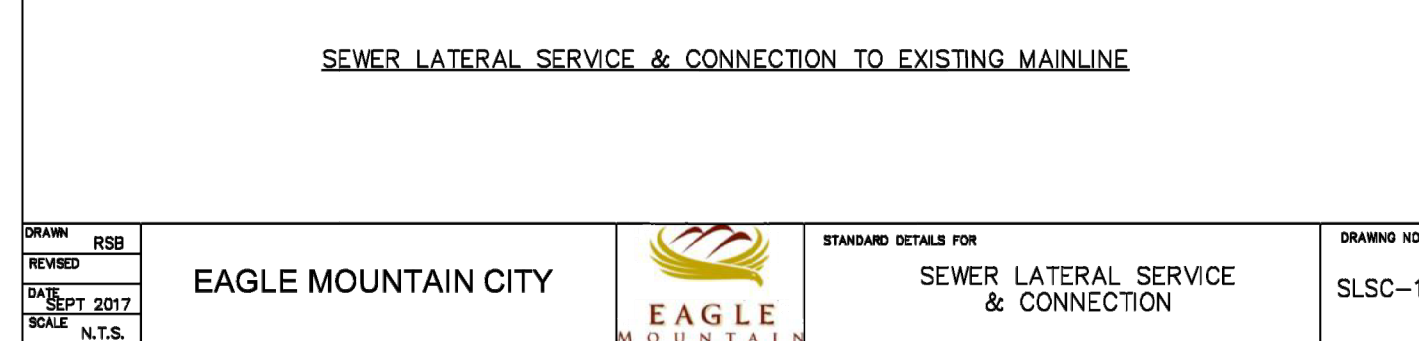
STREET DETAILS

PRINT DATE: 12-13-2022

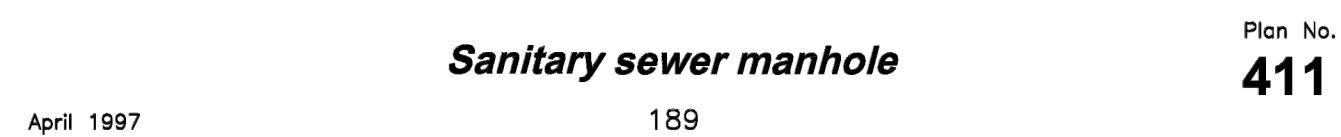
EAGLE MTN
CITY



SHEET NO. D1



- 188



- 192

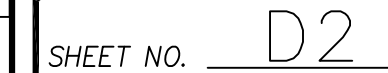


ORIG. DATE:	6-1-16
SURVEY BY:	
DRAWN BY :	GPW
DESIGNED BY :	GPW
CHECKED BY :	GPW
SCALE :	N/A

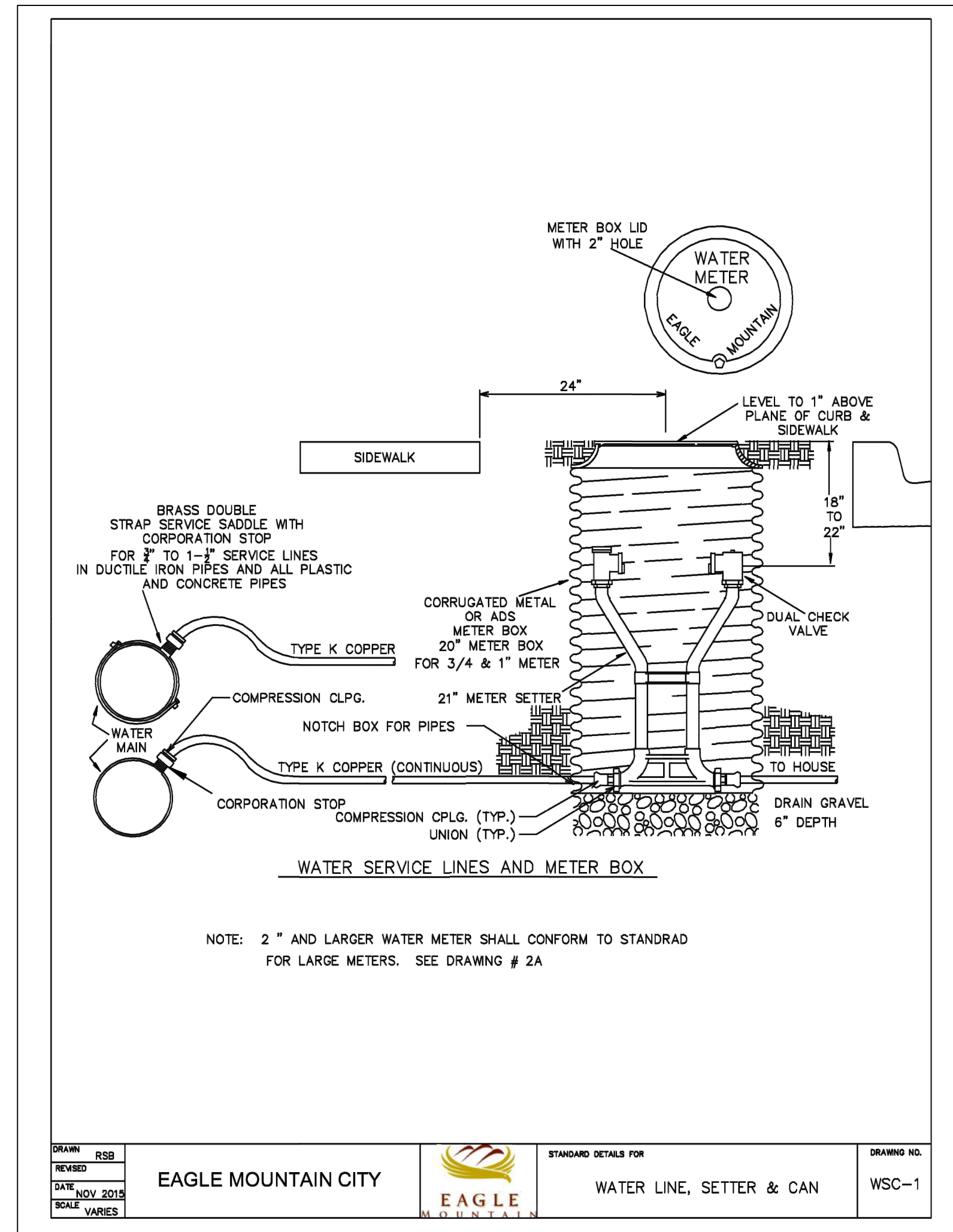
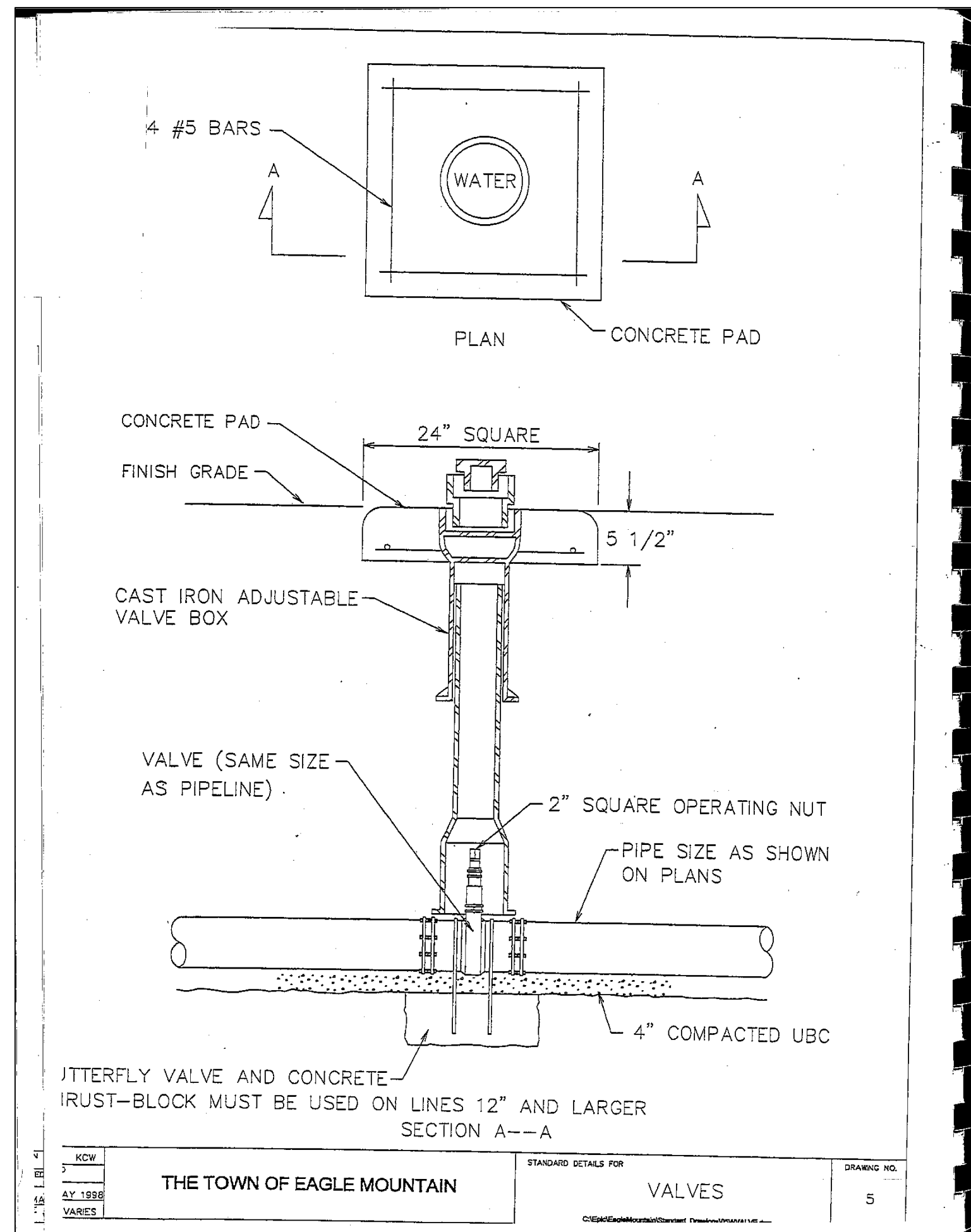
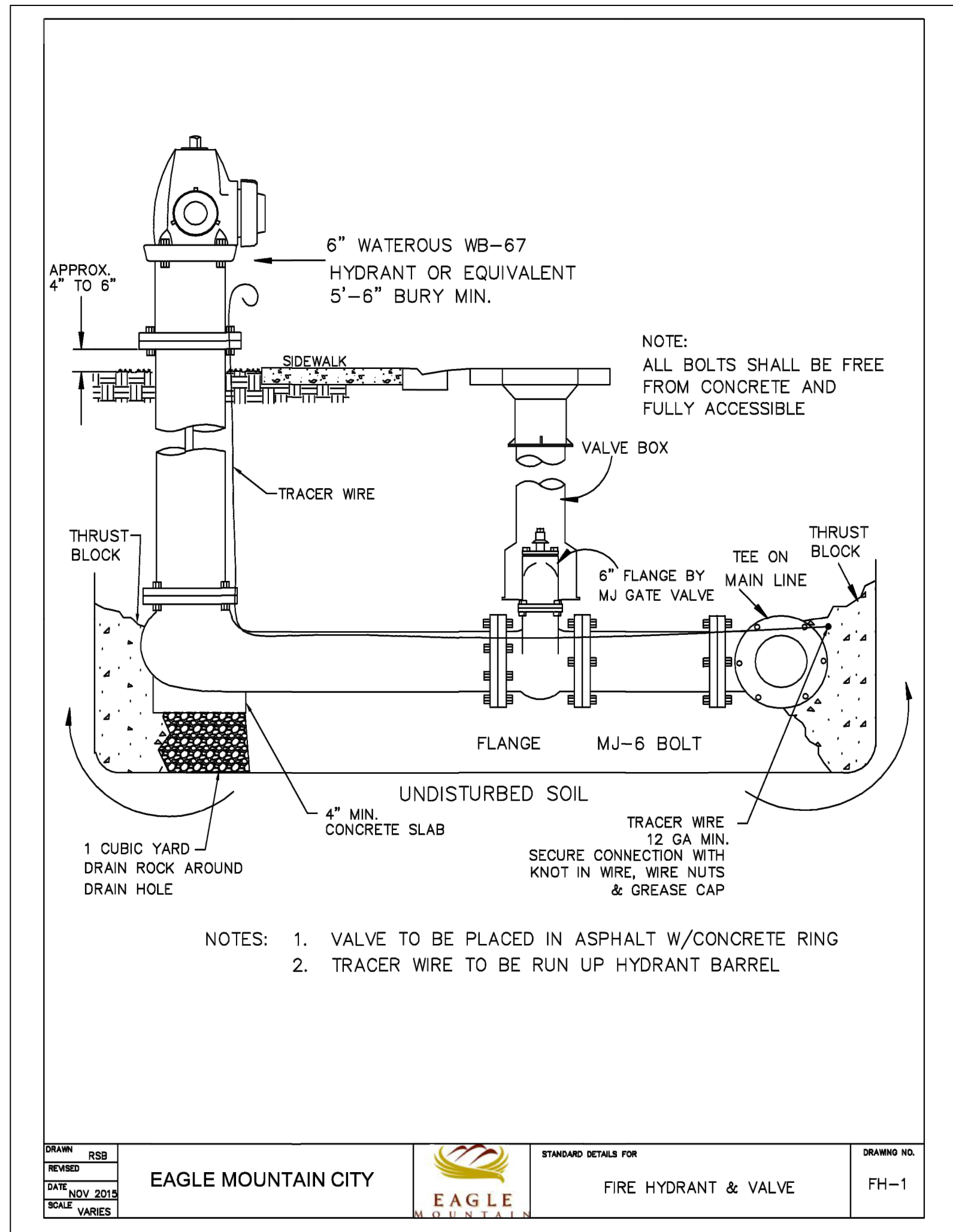


SANITARY SEWER DETAILS

EAGLE MTN
CITY

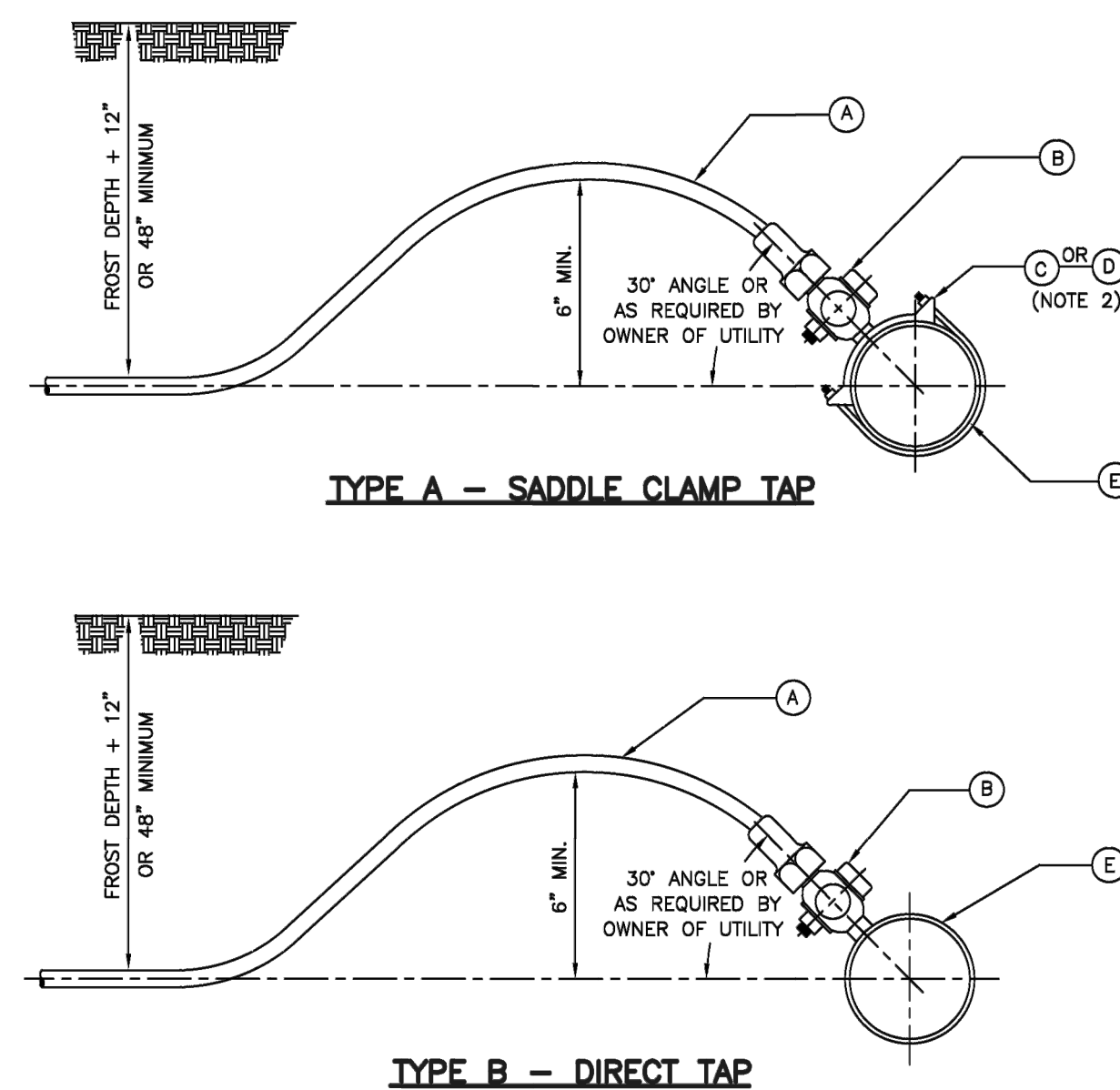


PRINT DATE: 12-13-2022



3/4" and 1" service taps

- TAPPING: Place taps a minimum of 24 inches apart. Use a tapping tool that is sized corresponding to the size of the service line to be installed. No taps within 24 inches of end of pipe.
- PVC OR AC PIPE: A service saddle clamp is required on all PVC and AC pipe taps unless specified otherwise.
- TAPE: Teflon tape is required on all taps.
- INSPECTION: Prior to backfilling around taps, secure inspection of installation by ENGINEER.
- BACKFILL: Provide and place per APWA Section 33 05 20. Compact per APWA Section 31 23 26 to a modified proctor density of 95 percent or greater. Maximum lift thickness is 8 inches before compaction.

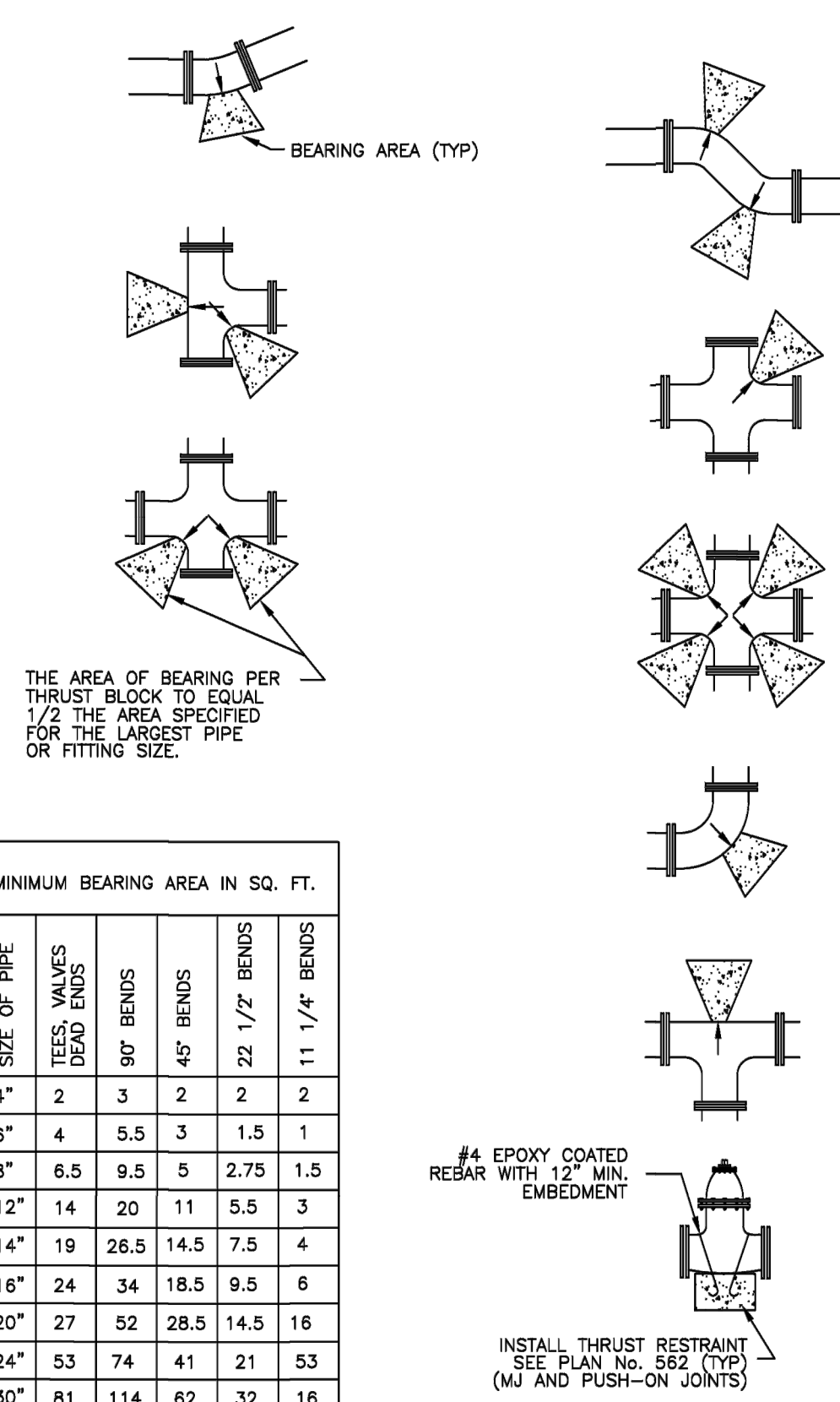


3/4" and 1" service taps

Plan No.
561

Direct bearing thrust block

- CONCRETE: Class 2000 minimum per APWA Section 03 30 04. Pour concrete against undisturbed soil.
- PIPE JOINTS: Do not cover with concrete. Leave completely accessible.
- GREASE: Apply poly-fm grease to all buried metal surfaces. Wrap with 8 mil thick polyethylene sheet and tape wrap.
- SPECIAL CONSTRUCTION REQUIREMENTS:
 - Thrust design for pipe sizes or configurations not shown require special design.
 - Bearing areas, volumes, and special thrust blocking details shown on Drawings take precedence over this plan.
 - Reinforcing steel bars to be epoxy coated at least 15 mils thick. Minimum stress yield strength of tie down bars is 70,000 psi.
 - Locking restraint devices may be used in conjunction with concrete thrust blocking (at option of ENGINEER).
- INSPECTION: Prior to backfilling around thrust block, secure inspection of installation by ENGINEER.
- BACKFILL: Provide and place per APWA Section 33 05 20. Compact per APWA Section 31 23 26 to a modified proctor density of 95 percent or greater. Maximum lift thickness is 8 inches before compaction.



MINIMUM BEARING AREA IN SQ. FT.					
SIZE OF PIPE	TEES, VALVES	90° BENDS	45° BENDS	22 1/2° BENDS	11 1/4° BENDS
4"	2	3	2	2	2
6"	4	5.5	3	1.5	1
8"	6.5	9.5	5	2.75	1.5
12"	14	20	11	5.5	3
14"	19	28.5	14.5	7.5	4
16"	24	34	18.5	9.5	6
20"	27	52	28.5	14.5	16
24"	53	74	41	21	53
30"	81	114	62	32	16

Direct bearing thrust block

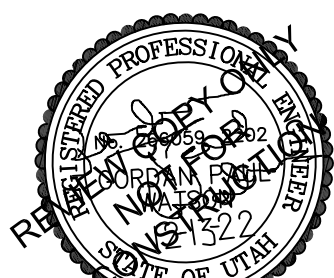
Plan No.
561

LONE TREE AT CIRCLE FIVE RANCH
PHASE F- PLAT 3 SUBDIVISION

CULINARY WATER DETAILS

PRINT DATE: 12-13-2022

EAGLE MTN
CITY



SHEET NO. D3

1. **UNTREATED BASE COURSE:** Provide material specified in APWA Section 32 11 23 A. Do not use gravel as a substitute for untreated base course without ENGINEER's permission.
- B. Place material per APWA Section 31 23 23.
- C. Compact per APWA Section 31 23 26 to a modified proctor density of 95 percent or greater. Maximum lift thickness before compaction is 8 inches when using riding compaction equipment or 6 inches when using hand held compaction equipment.
2. **BACKFILL:** Provide and place per APWA Section 31 23 23 on all sides of basin. Compact per APWA Section 31 23 26 to a modified proctor density of 95 percent or greater. Maximum lift thickness is 8 inches before compaction.
3. **REINFORCEMENT:** ASTM A 615, grade 60, deformed steel. See APWA Section 03 20 00 requirements.
4. **CONCRETE:** Class 4000 per APWA Section 03 30 04. Place concrete per APWA Section 03 30 10. Cure per APWA Section 03 39 00.
5. **PIPE LATERALS:** The drawing shows alternate connections to the catch basin. Refer to construction drawings for connection locations.
6. **LADDER RUNGS:** Provide plastic coated steel ladder rungs in boxes over 6 feet deep. Place bottom rung 6 inches above top of pipe.
7. **CURB FACE OPENING:** Make opening at least 4 inches high. Provide at least a 2 inch drop from the concrete gutter flow-line to the top of the grate at the curb face opening.

Plan No.
316

140

1. **UNTREATED BASE COURSE:** Provide material specified in APWA Section 32 11 23.
 - A. Do not use gravel as a substitute for untreated base course without ENGINEER's permission.
 - B. Place material per APWA Section 31 23 23.
 - C. Compact per APWA Section 31 23 26 to a modified proctor density of 95 percent or greater. Maximum lift thickness before compaction is 8 inches when using riding compaction equipment or 6 inches when using hand held compaction equipment.
2. **BACKFILL:** Provide and place per APWA Section 31 23 23 on all sides of basin. Compact per APWA Section 31 23 26 to a modified proctor density of 95 percent or greater. Maximum lift thickness is 8 inches before compaction.
3. **REINFORCEMENT:** ASTM A 615, grade 60, deformed steel.
4. **CONCRETE:** Class 4000 per APWA Section 03 30 04. Place concrete per APWA Section 03 30 10 Cure per APWA Section 03 39 00.
5. **PIPE LATERALS:** The drawing shows alternate connections to the catch basin. Refer to construction drawings for connection locations.
6. **CURB FACE OPENING:** Make opening at least 4 inches high. Provide at least a 2 inch drop between the "begin warp" line in the gutter flow-line and the top of the grate at the curb face opening.



Plan No.
315
Drawing 1 of 2

July 2000

1. **BACKFILL:** Above the pipe zone.
 - A. Granular Fill. Limit maximum particle size to 6 inches. Place fill per APWA Section 33 05 20. Compact to a modified proctor density of 95 percent or greater. Maximum lift thickness is 8 inches before compaction. Do not use clay without ENGINEER's review and acceptance. Water jetting is NOT allowed in backfilling operation.
 - B. Flowable Fill. Provide and place controlled low strength material per APWA Section 31 05 15. Cure the fill before placing surface restorations.
2. **LANDSCAPED RESTORATION:** Provide landscaped surfaces with topsoil. Rake to match existing grade. Replace vegetation to match pre-construction conditions. See APWA Section 32 92 00 or APWA Section 32 93 13 requirements.
3. **PAVEMENT RESTORATION:** Do not install asphalt or concrete surfacing until trench compaction is accepted by ENGINEER.
4. **PEA GRAVEL:** Pea gravel is not allowed in any part of the trench.

Plan No
381

178

1. **UNTREATED BASE COURSE:** Provide material specified in APWA Section 32 11 23.
 - A. Do not use gravel as a substitute for untreated base course without ENGINEER's permission.
 - B. Place material per APWA Section 31 23 23.
 - C. Compact per APWA Section 31 23 26 to a modified proctor density of 95 percent or greater. Maximum lift thickness before compaction is 8 inches when using riding compaction equipment or 6 inches when using hand held compaction equipment.
2. **BACKFILL:** Provide and place per APWA Section 31 23 23. Compact per APWA Section 31 23 26 to a modified proctor density of 95 percent or greater. Maximum lift thickness is 8 inches before compaction.
3. **CONCRETE:** Class 4000 per APWA Section 03 30 04. Place concrete per APWA Section 03 30 10. Cure per APWA Section 03 39 00.
4. **STATIONING AND ELEVATIONS:**
 - A. Stations of manholes shown on the Drawings apply to the centerline of the shaft.
 - B. Elevations shown at the shaft's center refer to the prolonged (or extended) invert grade of the pipe.
 - C. Inlet pipe elevation applies to a point of intersection of the inlet pipe invert to the manhole wall.
5. **CONCRETE DECK OR REDUCING RISER:** When depth of manhole from pipe invert to finish grade exceeds 6'-7", use an ASTM C 478 reducing riser cone.
6. **DISTANCE "P":** "P" varies as per size of pipes, such that the horizontal inside diameter of the pipe intersects the inside face of the riser.
7. **JOINTS:** Place flexible gasket-type sealant in all manhole joints.
8. **BASE OF MANHOLE:** Pour in one continuous operation.
9. **FINISH:** Provide smooth and neat finishes on interior of cones, shafts, and rings. Imperfect moldings or honeycombs will not be accepted.

Plan No.
341

August 2001

MANHOLE TYPE	DIMENSION
A	(X)=48" (Y)=30"
B	(X)=60" (Y)=44"
C	(X)=60" (Y)=30"

LONE TREE AT CIRCLE FIVE RANCH
PHASE F- PLAT 3 SUBDIVISION

STORM WATER DETAILS

PRINT DATE: 12-13-2022

EAGLE
MOUNTAIN
CITY



SHEET NO. D4

[illegible]

ORIG. DATE:	6-1-16
SURVEY BY:	
DRAWN BY :	GPW
DESIGNED BY :	GPW
CHECKED BY :	GPW
SCALE :	N/A



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PH: (801) 694-5848
paul@gatewayconsultingllc.com

paul@gatewayconsultingllc.com

**CIVIL ENGINEERING * CONSULTING * LAND PLANNING
CONSTRUCTION MANAGEMENT**

OPEN SPACE APPRAISAL

Property Value — Lone Tree Phase F Plat 3

Description	Size	Value Per Sq. Ft.	Total Value
Open Space Contribution	3,920 Sq. Ft.	\$0.92	\$3,606

Table of Comparable Properties

Description	Size	Value Per Sq. Ft.	Total Value
Listing 1835301	5 Acres	\$0.92	\$200,000 (List Price)
58:047:0010	260.14	\$1.25	\$14,145,200 (Tax Value)
58:048:0045	2.058 Acres	\$0.63	\$56,000 (Tax Value)
58:048:0378	108.427279 Acres	\$0.73	\$3,443,300 (Tax Value)
58:047:0017	40 Acres	\$1.09	\$1,903,100 (Tax Value)
Average		\$0.92	



ACTIVE

\$200,000

MLS# 1835301

Location: W 4000 ST, Eagle Mountain, 84005

Size: 5.0 Acres



PROPERTY VALUATION INFORMATION

Serial Number: 58:047:0010

Tax Year: 2022

Owner Names: CORP OF THE PRES BISHOP CHURCH OF JESUS CHRIST OF L D S

Property Address: EAGLE MOUNTAIN

Tax District: 038 - EAGLE MOUNTAIN

Acreage: 260.14

Property Classification: V - VACANT

Legal Description: COM SW COR SEC 24, T5S, R2W, SLM; N 31'58"E 2615.77 FT; S 88 DEG 37'09"E 2677.452 FT; S 45'19"W 2619.105 FT; N 88 DEG 32'41"W 1567.341 FT; N 31'58"E 1600 FT; N 88 DEG 32'41"W 500 FT; S 31'58"W 1600 FT; N 88 DEG 32'41"W 550 FT TO BEG. AREA 142.36 ACRES. ALSO: N1/2 OF SE1/4 & SW1/4 OF SE1/4 SEC 24, T5S, R2W, SLM. AREA 117.78 ACRES. TOTAL AREA 260.14 ACRES.

Property Types:	2021 Market Value	2022 Market Value
Vacant	\$9,755,300	\$14,145,200
Greenbelt Land Value	\$88,968	\$90,789
Total Property Market Value	\$9,755,300	\$14,145,200



PROPERTY VALUATION INFORMATION

Serial Number: 58:048:0045

Tax Year: 2022

Owner Names: EAGLE12 LLC

Property Address:

Tax District: 038 - EAGLE MOUNTAIN

Acreage: 2.058

Property Classification: V - VACANT

Legal Description: COM N 2368.95 FT & W 107.55 FT FR W 1/4 COR. SEC. 30, T5S, R1W, SLB&M.; S 22 DEG 5' 49" W 377.38 FT; S 69 DEG 57' 40" W 196.82 FT; N 20 DEG 2' 20" W 219.84 FT; N 59 DEG 59' 58" E 127.83 FT; ALONG A CURVE TO R (CHORD BEARS: N 11 DEG 30' 44" E 79.53 FT, RADIUS = 60 FT) ARC LENGTH = 86.94 FEET; N 73 DEG 9' 12" E 63.76 FT; N 76 DEG 49' 19" E 220.4 FT TO BEG. AREA 2.058 AC.

Property Types:	2021 Market Value	2022 Market Value
Vacant	\$38,600	\$56,000
Total Property Market Value	\$38,600	\$56,000



PROPERTY VALUATION INFORMATION

Serial Number: 58:047:0017 **Tax Year:** 2022
Owner Names: BELLE STREET INVESTMENTS LLC
Property Address:
Tax District: 038 - EAGLE MOUNTAIN
Acreage: 40
Property Classification: V - VACANT

Legal Description: SE1/4 OF SE1/4 OF SEC 24, T 5 S, R 2 W, SLM. AREA 40 ACRES.

Property Types:	2021 Market Value	2022 Market Value
Vacant	\$1,312,500	\$1,903,100
Total Property Market Value	\$1,312,500	\$1,903,100

PROPERTY VALUATION INFORMATION

Serial Number: 58:040:0378 **Tax Year:** 2022
Owner Names: EAGLE MOUNTAIN HOLDINGS
Property Address: 2434 E PONY EXPRESS PKWY - EAGLE MOUNTAIN
Tax District: 038 - EAGLE MOUNTAIN
Acreage: 108.427279
Property Classification: V - VACANT



Legal Description: COM AT NW COR. SEC. 30, T5S, R1W, SLB&M.; S 89 DEG 43' 21" E 1135.78 FT; S 1 DEG 49' 35" W 603.26 FT; S 36 DEG 2' 3" W 274.02 FT; ALONG A CURVE TO L (CHORD BEARS: S 67 DEG 13' 46" E 198.13 FT, RADIUS = 327.49 FT); N 9 DEG 33' 35" E 281.54 FT; N 73 DEG 10' 3" W 71.3 FT; N 1 DEG 49' 34" E 603.26 FT; S 43 DEG 14' 11" E 1606.92 FT; S 73 DEG 57' 59" W 529.76 FT; N 89 DEG 43' 22" W 270.96 FT; S 0 DEG 16' 36" W 373.65 FT; S 89 DEG 43' 24" E 221.24 FT; N 39 DEG 41' 18" E 126.85 FT; N 6 DEG 2' 6" W 277.33 FT; N 73 DEG 57' 59" E 529.5 FT; S 89 DEG 32' 16" E 327.97 FT; S 224.86 FT; S 50 DEG 7' 2" W 1062.37 FT; W 261.25 FT; S 70 DEG 19' 16" W 265.99 FT; S 83 DEG 32' 28" W 357.07 FT; S 6 DEG 27' 32" E 246.13 FT; ALONG A CURVE TO L (CHORD BEARS: S 64 DEG 46' 9" W 516.81 FT, RADIUS = 803.13 FT); N 55 DEG 15' 0" W 574.17 FT; N 4 DEG 14' 45" E 395.64 FT; N 7 DEG 9' 30" W 335.24 FT; N 26 DEG 58' 31" W 224.92 FT; N 9 DEG 43' 6" W 478.74 FT; N 20 DEG 2' 20" W 399.99 FT; N 22 DEG 5' 50" E 377.37 FT; N 20 DEG 2' 20" W 246.26 FT; S 89 DEG 15' 7" E 303.57 FT TO BEG. AREA 108.427 AC.

Property Types:	2021 Market Value	2022 Market Value
Vacant	\$2,528,400	\$3,443,300
Total Property Market Value	\$2,528,400	\$3,443,300

Parks & Open Space Worksheet

Directions: Submit a completed worksheet with your preliminary plat or site plan application. Proposed amenities and park designs are subject to approval by the Planning Commission and City Council.

Required Improved Open Space

Residential Lots/Units		Required Open Space (Square Feet)		Required Open Space (Acres)
61	X 1,000 =	61,000	/ 43,560 =	1.40 Acres

Park Fee-In-Lieu (if applicable)

Required Open Space (Square Feet)		Fee-in-Lieu (w/o appraised value of open space)	Required Open Space (Acres)		Required Amenity Points
0.00	X \$3.75***	\$0.00	1.40	X 100	140

Required Amenity Points

Parks & Improved Open Space Elements/Amenities

Park Feature / Improvement	Points Available	Proposed Quantities	Proposed Points
Bench/Picnic Table (w/ shade structure or trees)	2	4****	8
Bicycle Rack (4+ bikes)	2		0
Trees (5) (a majority must be shade trees)	2	26****	10.4
Shade Structure	4		0
Drinking Fountain	5		0
Asphalt or Concrete Trails - 8ft wide, excluding sidewalks along streets (per 100 linear feet)	6	1,385	83.1
Parking** (5 Stalls)	6		0
Swings (4+ Swings)	7		0
Concrete Basketball Court (1/2 Court)	20		0
Pavilion w/tables, garbage receptacles, barbeques (per 100 square feet)	4		0
Playground Equipment* Per \$1,000	2	\$15,250****	30.5
Splash Pad* Per \$1,000	2		0
Pickleball court (per court)	40		0
Tennis court (6,600 sq ft or 55' x 120')	100		0
Sports court (6,600 sq ft or 55'x120')	100		0
Restroom (600+ sq ft)	100		0
Restroom (1,200+ sq ft)	200		0
Public Art	Varies		
Other:	Varies		
Other:	Varies		
Other:	Varies		
Total			132

* Public art should reflect the neighborhood or community identity or culture. Creativity is encouraged in playground equipment and splash pads, and may be awarded more points than Standard Equipment. Costs for playground equipment and splash pads reflect equipment costs only.

** No more than 33% of the required amenity points may be met by a combination of trails and parking. Parking must be adjacent to improved open space, and must be in addition to any required parking for the development.

*** Plus the appraised value of the required open space being applied towards the fee-in-lieu.

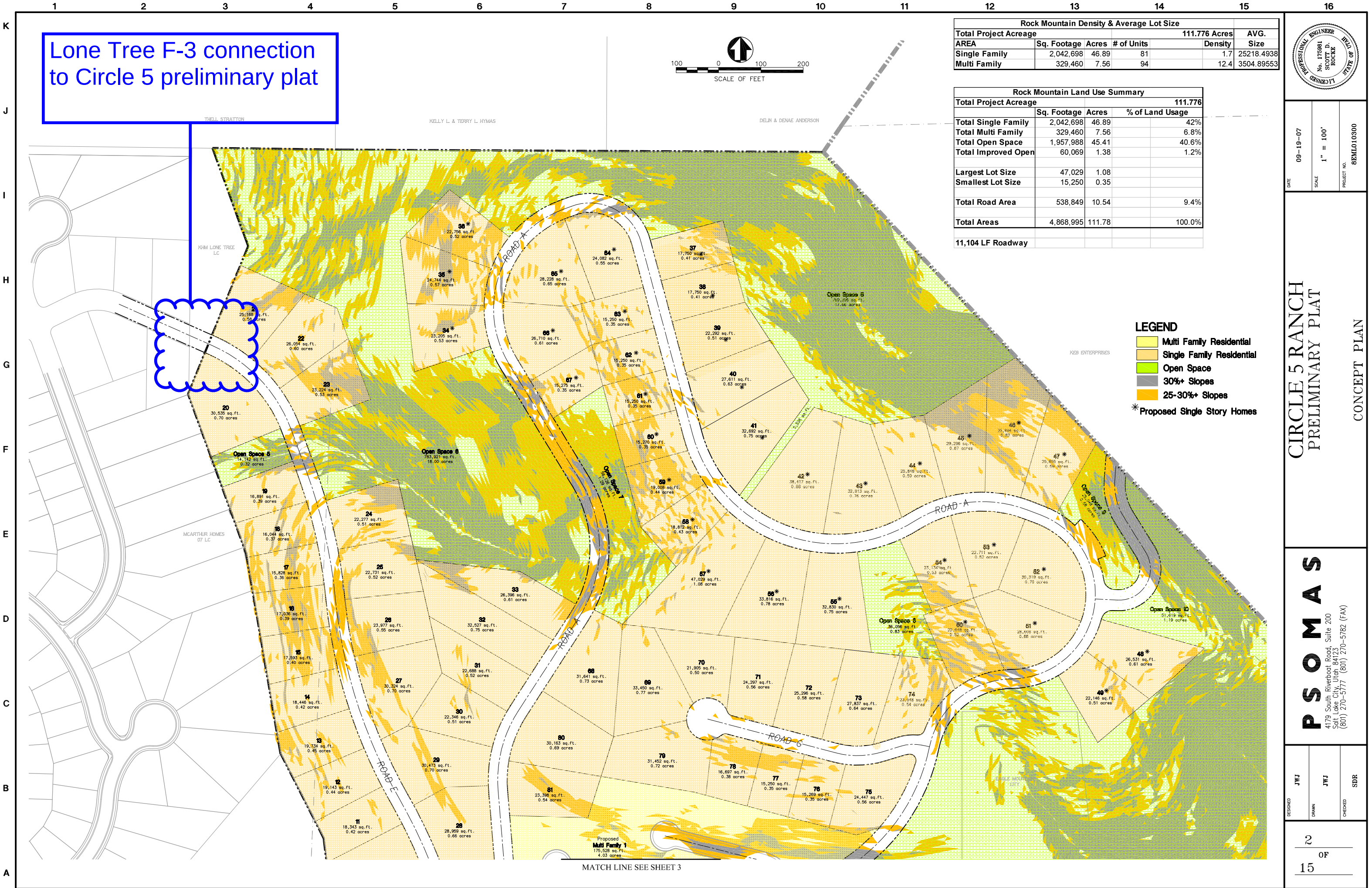
****Four trees, four benches/picnic tables, and \$15,250 equipment in last phase (F3) as per 2/3/2021 park completion plan.

1.74 acre detention basin/open space in Phase F, Plat 2. 75% credit on detention basin open space acreage equals 1.31 acres. 1.40 acres needed, short 0.09 acres. 1.40 acres requires 140 amenity points; short 8 points.

$(0.09 \times 43,560) (\$3.75) = \$14,701.50$

$3920 \text{ (sf)} \times \$0.92 = \$3,606.40$

Total payment in lieu = \$18,307.90



Lone Tree Park Completion Plan

Background:

Initially, a preliminary plat application was submitted totaling 57 lots in the Lone Tree Phase F subdivision. Because of concerns surrounding soil conditions existing in the upper 17 lots, the City Council only approved a total of 40 lots located in the lower section Lone Tree Phase F. The remaining lots were not approved and would need to await a future application for approval.

The area designated for improved open space was planned to accommodate all lots, as shown in the landscape plans submitted. To provide a useable and desirable open space area, for the residents, the Lone Tree open space will be completed in the following phases:

Park Improvement Phases

Phase 1:

The following improvements will be completed in the 1st Phase:

- Turf and irrigation will be completed for the entire open space area. This will complete the entire park area and fulfill the landscape requirements for all lots proposed (40 approved and platted lots plus remaining lots to be approved).
- Upon approval of the remaining lots, amenity points will need to be applied to the park area based on the number of units approved in the plan.
- Trails shown on the approved plans and described in the following table will be completed.
- Trees shown on the approved plans and described in the following table will be completed.

Subdivision improvements will be completed in phases and therefore open space improvements may be delayed until infrastructure is available to service the open space area. Therefore, an escrow payment of \$3,750 per lot will be paid to Eagle Mountain City before a subdivision plat can be recorded.

Draws from this escrow fund will be reviewed and approved, by City staff, as open space improvements are completed.

As of July 2022, escrow funds have been collected and phase 1 park construction is under construction.

Phase 2:

A Preliminary application has been submitted for the remaining property, in this application, a total of 22 lots have been requested. Accordingly, the following improvements will be installed as part of the 2nd phase of construction:

- Trees, Benches, and Equipment sufficient to meet the required points, based on the total number of lots approved.
- The following table assumes approval of 22 lots on this property. These points may change if a different number of lots are ultimately approved.

Phase 2 Lot Sizes:	# Lots
<i>Less than 8,000 SF</i>	2
<i>Between 8,001 - 10,890 SF</i>	2
<i>Between 10,891 - 21,780 SF</i>	14
<i>Greater than 21,780 SF</i>	6

	Total		40 Lots (Phase 1)		22 Lots (Phase 2)	
	Qty	Points	Qty	Points	Qty	Points
Bench / Picnic Table	4	8.00		-	4	8.00
Trees	26	10.40	22	8.80	4	1.60
Asphalt Trails (6 Points per 100 LF)	1,385.00	83.10	1,385.00	83.10		-
Equipment	\$ 15,250.00	30.50		-	\$ 15,250.00	30.50
Total Points		132.00		91.90		40.10
Lots:						
<i>Phase 1 @ 1,000 SF Open Space per lot</i>		40.00		40.00		
<i>Phase 2 @ 1,000 SF Open Space per lot</i>		2.00				2.00
<i>Phase 2 @ 900 SF Open Space per lot</i>		2.00				2.00
<i>Phase 2 @ 750 SF Open Space per lot</i>		14.00				14.00
<i>Phase 2 @ 500 SF Open Space per lot</i>		6.00				6.00
Open Space Improvements (Irrigation and Turf)		1.32		1.31		



**EAGLE MOUNTAIN CITY
CITY COUNCIL MEETING
JANUARY 17, 2023**

TITLE:	RESOLUTION - A Resolution of Eagle Mountain City, Utah, Approving an Update to the Eagle Mountain Storm Water Management Program.		
ITEM TYPE:	Discussion		
FISCAL IMPACT:			
APPLICANT:			
GENERAL PLAN DESIGNATION	CURRENT ZONE	ACREAGE	COMMUNITY

PUBLIC HEARING:

No

PREPARED BY:

Chris Trusty, Public Works

PRESENTED BY:

Chris Trusty

RECOMMENDATION:

Staff recommends the City Council approve a resolution of Eagle Mountain City, Utah, approving an update to the Eagle Mountain Storm Water Management Program.

BACKGROUND:

The Storm Water Management Plan (SWMP) is a tool to be used by the City to ensure proper and responsible management of the City's storm water conveyance, detention, and retention systems. This plan is required by the state as part of the City's Municipal Separate Storm Water System program and sets goals that the City is responsible to set and review to water discharged back into waters of the state are done so in a clean and effective manner.

As part of the recent Storm Water Audit conducted by the state, the City was asked to make some updates to the SWMP to comply with state guidelines. The attached document has been modified as requested by state agents. Updates are highlighted in yellow. Additionally, an appendix was added to include the City's storm water personnel flowchart, the interlocal agreement between the City and the Utah County Storm Water Coalition, and a sample inspection form to be used for high priority facilities in the City.

ITEMS FOR CONSIDERATION:

REQUIRED FINDINGS:

PLANNING COMMISSION ACTION/RECOMMENDATION:

ATTACHMENTS:

[RES--Storm Water Management Program Update](#)

[Storm Water Management Program](#)

RESOLUTION NO. R- - 2023

**A RESOLUTION OF EAGLE MOUNTAIN CITY, UTAH
APPROVING AN UPDATE TO THE EAGLE MOUNTAIN
STORM WATER MANAGEMENT PROGRAM**

WHEREAS, in accordance with Phase II of the National Pollutant Discharge Elimination System (NPDES) Program and the rules and regulations of the Utah Division of Water Quality (DWQ), Eagle Mountain City is required to adopt and submit to DEQ a storm water management program (SWMP) as part of the Utah Pollutant Discharge Elimination System (UPDES) Annual Report.; and

WHEREAS, the SWMP provides an overview of the Phase II requirements and outlines the City's efforts to plan, develop, implement, and enforce a SWMP that will satisfy Phase II requirements.

WHEREAS, the basic goals of the SWMP are to reduce the discharge of storm water pollutants to the maximum extent practicable, to protect downstream waters from adverse quality and quantity impacts, and to promote behavioral changes by the public to reduce water quality impacts associated with pollutants in storm water runoff an illicit discharges.

WHEREAS, the City adopted a SWMP that meets federal and state requirements on February 18, 2014; and

WHEREAS, the City has drafted an update to the SWMP, a copy of which is attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Eagle Mountain City, Utah, hereby adopts the updated Storm Water Management Program as set forth in Exhibit A.

ADOPTED by the City Council of Eagle Mountain City, Utah, this 17th day of January, 2023

EAGLE MOUNTAIN CITY

ATTEST:

Tom Westmoreland, Mayor

Fionnuala B. Kofoed, MMC
City Recorder

CERTIFICATION

The above resolution was adopted by the City Council of Eagle Mountain City on the 17th day of January, 2023.

Those voting yes:

Those voting no:

Those excused:

Those abstaining:

☐ Donna Burnham

☐ Donna Burnham

☐ Donna Burnham

☐ Donna Burnham

☐ Colby Curtis

☐ Colby Curtis

☐ Colby Curtis

☐ Colby Curtis

☐ Jared Gray

☐ Jared Gray

☐ Jared Gray

☐ Jared Gray

☐ Carolyn Love

☐ Carolyn Love

☐ Carolyn Love

☐ Carolyn Love

☐ Brett Wright

☐ Brett Wright

☐ Brett Wright

☐ Brett Wright

Fionnuala B. Kofoed, MMC
City Recorder

EXHIBIT A

Storm Water Management Program



Eagle Mountain City Engineering Department
Eagle Mountain City Storm Drain Department
Eagle Mountain City Building Department

REVISED JANUARY 2023

1 Introduction

A. About Us

The Storm Water department protects the health, safety and welfare of Eagle Mountain City, its inhabitants, and downstream entities by the safe removal of excess rainfall and snowmelt through the improvement of the storm drain portion of the city's storm water system by, protecting property, and preventing polluted water from entering the city storm water system. This includes maintaining 71.56 miles of storm drain pipe, 1509 manholes, 2176 storm drain inlets and remove 150-200 tons of sediment from the system each year. Eagle Mountain City is comprised of two separate and distinct drainage basins. The northern portion of the City, known as the North Service Area (NSA) drains into a series of seasonal washes which eventually drain into the Tickville Wash. The Tickville Wash eventually drains into the Utah Lake drainage system. Much of the northern portion of the Cedar Valley drains into the Tickville Wash and its tributaries. The South Service Area (SSA) naturally drains into the center of the Cedar Valley to a naturally occur slough referred to as the sinks where runoff percolates into the ground.

B. Overview of Storm Water Management Program

This document comprises Eagle Mountain City's Storm Water Management Program (SWMP). This program was developed as a result of Phase II of the National Pollutant Discharge Elimination System (NPDES) Program ordered by the United States Environmental Protection Agency (EPA) and will be submitted to the Utah Division of Water Quality (DWQ) as part of the Utah Pollutant Discharge Elimination System (UPDES) Annual Report. The Eagle Mountain City Storm Water Management Program provides an overview of the Phase II requirements and outlines the City's efforts to plan, develop, implement, and enforce a SWMP that will satisfy Phase II requirements. The basic goals of the SWMP are to reduce the discharge of storm water pollutants to the maximum extent practicable, to protect downstream waters from adverse quality and quantity impacts, and to promote behavioral changes by the public to reduce water quality impacts associated with pollutants in storm water runoff and illicit discharges. City staff will review the Storm Water Management Plan annually every October after the submittal of the annual report to address any deficiencies or areas of concerns which may have been detected during the reporting period.

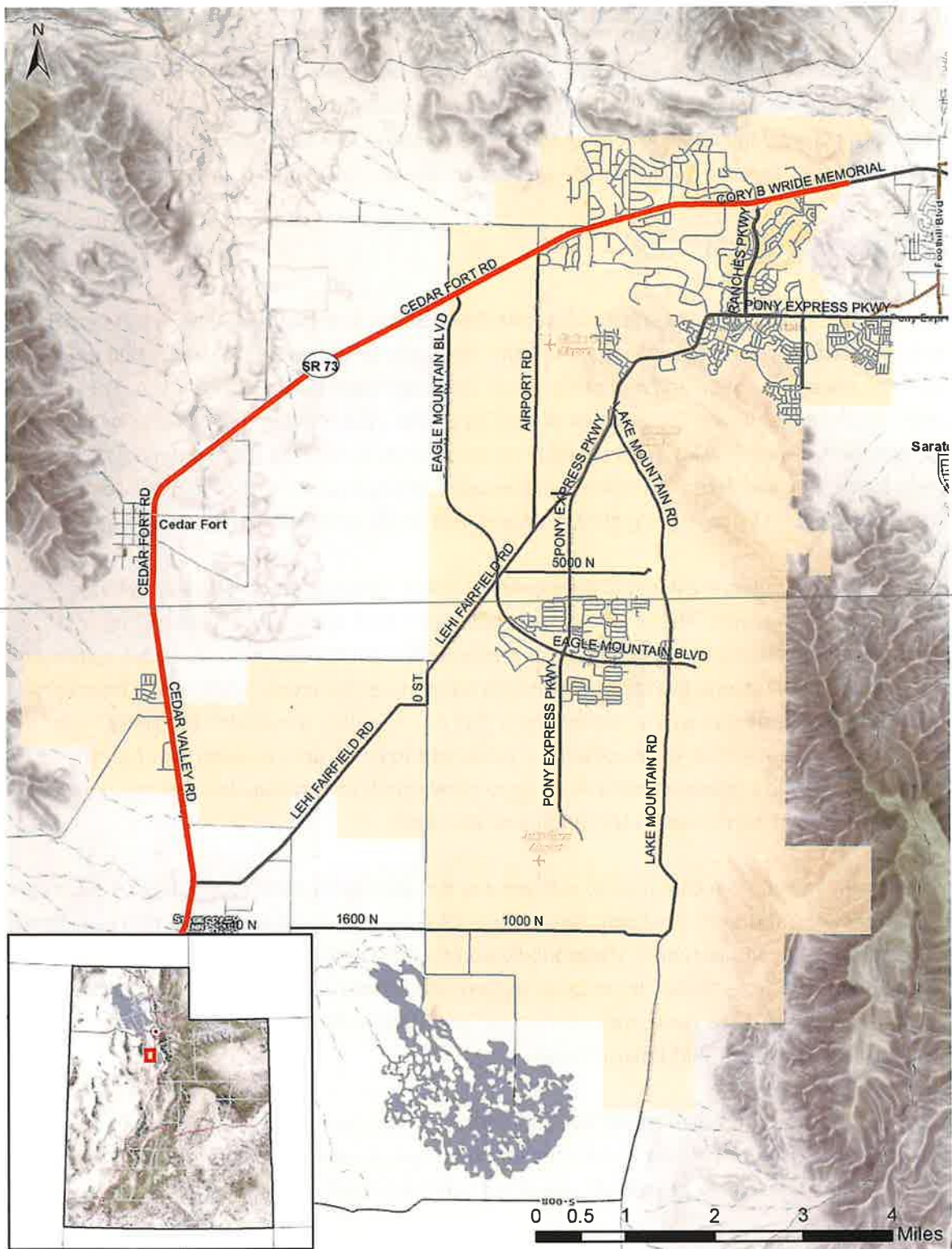


Figure 1 Eagle Mountain City

C. Brief Overview of Eagle Mountain City

Eagle Mountain City incorporates approximately 41.7 square miles and is bordered by Camp Williams to the North, The Lake Mountains and Saratoga Springs to the East and the city of Cedar Fort to northwest. Eagle Mountain City's population, according to the 2020 census, is 43,623. Eagle Mountain elevation is 4,850 to 5,350 feet above sea level, with the average annual rain fall being 16 inches per year.

D. Existing Facilities

Eagle Mountain City operates a Municipal Separate Storm Sewer System (MS4). This system consists of gravity-flow conveyance facilities constructed within the rights-of-way of public streets that discharge in to Public and private retention and detention ponds, Drainage Swales and Tickville Wash. The steep mountain slopes in the Hidden Canyon area of the City create a potential for high debris flows during a storm event. Several large basins are planned to be constructed to capture these potential flows. Public and private retention and detention systems are installed throughout the City to minimize peak flows to the conveyance system by controlling discharges and infiltrating storm runoff into the ground.

Eagle Mountain City requires residential developers to install adequate storm drainage systems throughout their subdivisions. These include curb and gutter, curb inlets, storm drain piping, and retention/ detention facilities. All developments are currently required to size conveyance systems to accommodate a 25-year storm event. Developments are required to detain runoff onsite based on a 100 year storm event. In instances where development may not be within reasonable proximity to an existing storm drain trunk lines, developments are required to construct the system for future expansion, and provide a retention pond or sump to allow runoff to percolate into the groundwater until the system can be connected to the larger overall system.

Eagle Mountain is a bedroom community, with most of the developed areas consisting of residential units. Large portions of the city are comprised of large lot (1 acre plus) subdivisions, which have smaller impact to post developed site runoff. These subdivision typically have a swale system to convey storm runoff, and utilize the City's "rural" street cross section, which does not provide for curb and gutter. Most of the drainage in these swale areas collect and percolate within the swales. The swales also act as a natural filtration for runoff that flows through.

City facilities discharge controlled runoff into the Tickville Wash, or one of its tributaries at various points through the NSA. Runoff that is collected into the City system in the SSA is routed to a large regional retention pond where the runoff percolated into the ground.

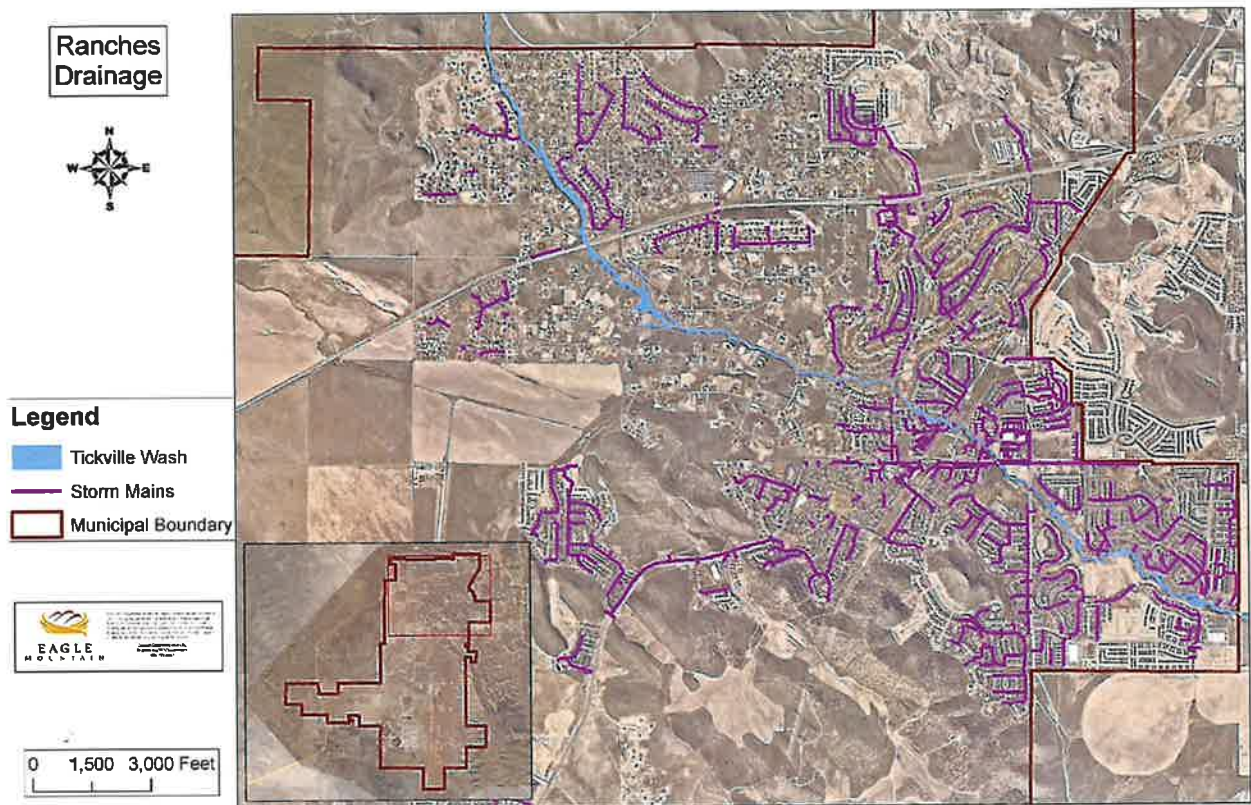


Figure 2 Eagle Mountain Drainage North

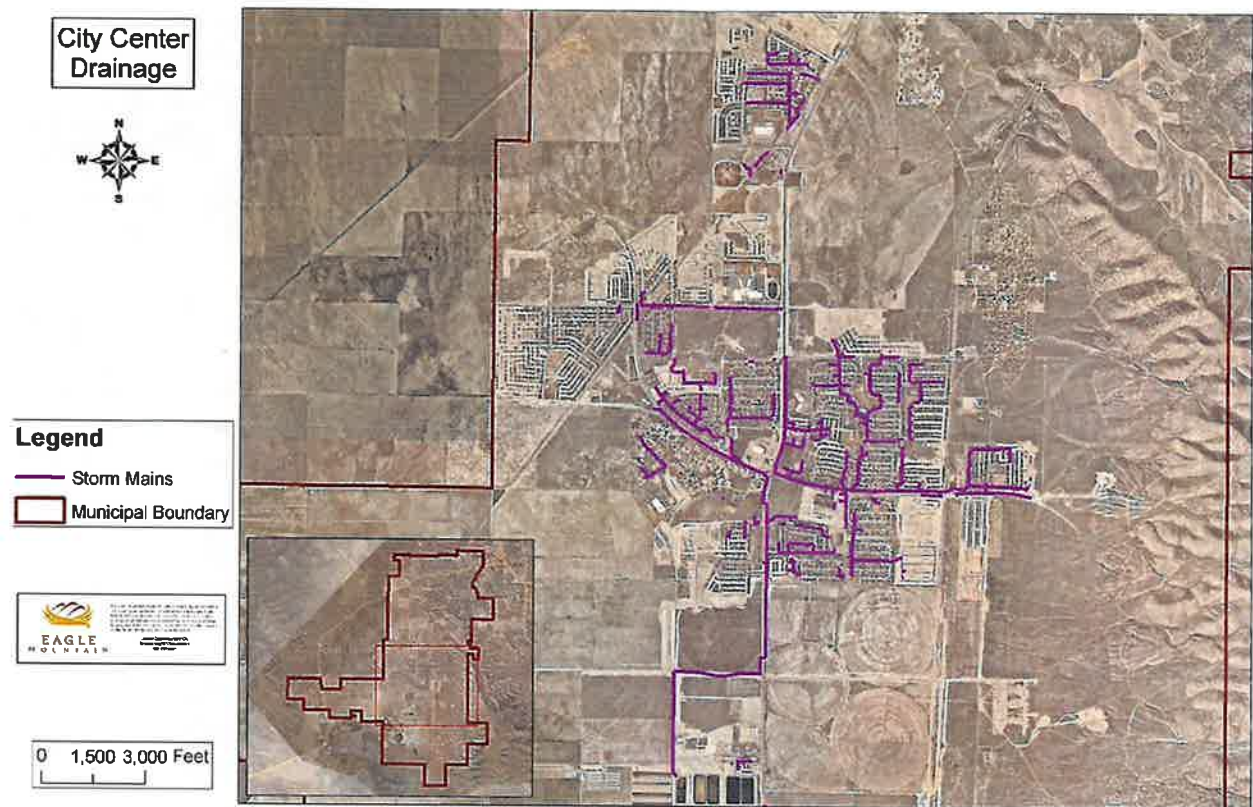


Figure 3 Eagle Mountain Drainage South

E. Water Quality Concerns

Storm water runoff from lands modified by urban development can harm water resources and, in turn, cause or contribute to a violation of water quality standards. Unregulated urban development may cause adverse effects by changing natural hydrologic patterns, accelerating stream flows, destroying aquatic habitat, and elevating pollutant concentration and loadings.

Urbanization alters the natural infiltration capability of the land and causes an increase in storm water runoff that may introduce various pollutants in the receiving water bodies. Urban development decreases the amount of pervious areas (farmland, orchards, forests, meadows, etc.) and replaces these areas with impervious surfaces (rooftops, driveways, sidewalks, roads, parking lots, etc.) that do not have the ability to absorb storm water. Storm water and snowmelt wash over these areas, pick up pollutants and deposit them into the receiving waters. Urbanization also concentrates runoff and causes a gain in flow volume and velocity, causing an increase in erosion and sedimentation for downstream systems.

Eagle Mountain City is concerned with sediment introduced into the storm drain system from undeveloped areas, contamination from roadways, and from construction sites. This can clog up the pipe system and reduce the capacity of the pipe, and be very difficult to maintain. The City is also concerned about the large, unregulated volumes of drainage which routinely flow through the Tickville Wash and its contributories, particularly during snow melt and large storm events. The city instituted a program in 2012 to routinely maintain the washes that convey drainage through and out of the City. Debris and loose materials are removed, as overgrown vegetation is trimmed and removed. There is very little commercial or industrial facilities within the City, and contamination from these types of institutions is unlikely.

2 Program Overview

In 1990 the Environmental Protection Agency (EPA) passed federal storm water regulations that mandated municipalities to change their traditional storm water runoff management techniques. Historically, storm water management techniques have been comprised of facilities that would control the quantity of runoff to prevent flooding. The new regulation (Phase I) require certain municipalities, having populations greater than 100,000, to also address the impacts that storm water runoff would have on the water quality of the receiving waters..

In 1999 the EPA passed regulations to expand the 1990, Phase I, regulations to include municipalities having populations greater than 10,000. Phase II of the program requires regulated municipalities to include outreach programs that involve the public in planning and implementing storm water management systems. Phase II also provides regulations on construction sites that disturb areas of one acre and larger. Eagle Mountain City became a Phase II regulated City and is required to comply with all current Phase II regulations. These new requirements are outlined in the City's Storm Water Management Plan, which will become the document that outlines the methods the City will implement to achieve these goals. These goals will be reviewed annually as part of the annual review of the SWMP and city staff will conduct an assessment of the goals and BMPs to ensure compliance and maintain effectiveness.

To achieve these goals, the SWMP must address each of the six minimum control measures (MCM's) identified below:

1. Public Education and Outreach on Storm Water Impacts

Operators of small Municipal Separate Storm Sewer Systems (MS4s) must implement a public education and outreach program to promote behavior change by the public to reduce water quality impacts associated with pollutants in storm water runoff and illicit discharges. Outreach and educational efforts shall include a multimedia approach and shall be targeted and presented to specific audiences fore increased effectiveness. The education program must include documented education and outreach efforts for the following four audiences:

1. Residents,
2. Businesses, institutions, and commercial facilities,
3. Developers, contractors, and engineers,
4. Municipal facilities.

The public education portion of the program must also provide and document information and training given to municipal engineers, development and plan review staff, land use planners, and other applicable parties, to learn about Low Impact Development (LID) practices, green infrastructure practices, and to communicate the specific requirements for post-construction control and the associated best Management Practices (BMP's) chosen to be implemented within the SWMP.

The public education program should inform individuals and households about the problems and the steps they can take to reduce or prevent storm water pollution by:

- Distributing brochures or fact sheets
- Providing public service announcements
- Implementing education programs targeted at school-age children
- Community-based projects such as storm drain stenciling and watershed clean-up

The public education program should inform individuals and households about steps they can take to reduce storm water pollution by:

- Ensuring the use and disposal of landscape and garden chemicals, fertilizers and pesticides
- Protecting and restoring riparian vegetation
- Properly disposing of used motor oil and household wastes
- Getting involved in local stream restoration activities

Materials and outreach programs should also be directed to commercial, industrial, and institutional entities likely to have significant storm water impacts. A list of the City's better management practices (BMP's) that will be implemented as part of this program are outlined below.

Public Education and Outreach on Storm Water Impacts			
Activity/ BMP	Measurable Goal/ Milestone	Implementation Date	Justification
Maintain membership in Utah County Storm Water Coalition	a. Document information and material distribution from coalition	Annually	The Utah County Storm Water Coalition implements BMP's on behalf of the City
Distribute water IDDE material with City newsletter in early summer	a. Document newsletters and log usage	Annually no later than June 1	Educational materials promote public awareness of storm water issues
Provide copy of Storm Water Management Plan to interested parties	a. Maintain current version of SWMP on City website	Ongoing	This provides an opportunity for public input and review of the SWMP
Implement business education through business licensing	a. Require all business licensing applicants to complete storm water pollution prevention education	Annually no later than June 1	This eliminates a possible source of contamination to the City system

Host a booth at City sponsored event	a. The City will host a booth at the annual city celebrations to provide education and public outreach	Annually at Pony Express Days	Provides education to residents attending event
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2. Public Involvement/ Participation

Public involvement is an integral part of the storm water management program. Early and frequent public involvement can shorten implementation schedules and broaden public support for the program. Public participation is likely to ensure a more successful Storm Water Management Program by providing valuable expertise and can act as a conduit to promote other programs. Opportunities for the public to participate are as follows:

- Participating in the development of Best Management Practices (BMP's) and measurable goals in relation to storm water management
- Involvement in the storm drainage design, implementation, and maintenance processes
- Working as a citizen volunteer to educate other individuals about the program
- Participation in volunteer storm water quality monitoring efforts

A list of the City's better management practices (BMP's) that will be implemented as part of this program are outlined below.

Public Involvement/ Participation			
Activity/ BMP	Measurable Goal/ Milestone	Implementation Date	Justification
Provide information to contractors and developers regarding their responsibility in preventing storm water pollution	a. Document meeting and post comments and suggestions from affected parties	Ongoing	This facilitates involvement and compliance from stakeholders on the SWMP
Sponsor community cleanup along washes	a. Document the collection and removal of debris materials that might otherwise contaminate the washes	Annually	During clean up project, volunteers collect and dispose of debris that might otherwise contaminate the storm water system
Bag the leaf Program	a. Provide opportunities for residents to collect and dispose of leaves in a responsible manner	Annually	Provide an efficient method for leaves to be collected and removed from City's storm drain conveyance system

3. Illicit Discharge Detection and Elimination

Illicit discharge is defined as any discharge to a municipal separate storm sewer that is not composed entirely of storm water such as, sanitary wastes, industrial process waste, and interior floor drains. Illicit discharges enter the system through either direct connections (direct piping to the storm sewer) or indirect connections (infiltration, spills collected by inlets, etc.).

Operators of regulated small MS4's are required to:

- Maintain a storm drainage system map showing the location of all outfalls, and names and location of all waters of the State that receive discharges from those outfalls
- Create, in writing, an Illicit Discharge Detection and Elimination (IDDE) Program to effectively prohibit, through ordinance, illicit discharges into the separate storm sewer system and implement a variety of appropriate enforcement procedures and actions in order to apply escalating enforcement options, as needed. The IDDE Program must have adequate legal authority to detect, investigate, eliminate and enforce against non-storm water discharges. All elements of the IDDE Program (public information, inspections, investigations, enforcement, etc.) must be thoroughly documented. The IDDE Program must include the following:
 - A. Develop written systematic procedures for locating and listing priority areas likely to have illicit discharges.
 - B. Develop structured field assessment activities, including written procedures and inspection forms, to perform routine dry weather screening of outfalls.
 - C. Develop and implement Standard Operation Procedures (SOP's) for tracing an illicit discharge to the source, including visual inspections, opening manholes, using mobile cameras, using chemical indicators, collecting and analyzing water samples, etc.
 - D. Develop and implement SOP's for characterizing the nature of, and the potential public or environmental threat posed by, any illicit discharge found or reported by the public.
 - E. Create and utilize a detailed inspection report used when illicit discharges are identified and confirmed.
 - F. Develop and implement SOP's for ceasing the illicit discharge, performing follow-up inspections, and performing escalating enforcement activities if the discharge is not eliminated.
 - G. Distribute information to public employees, businesses, and the general public of the hazards associated with illicit discharges and the improper disposal of waste.
 - H. Promote (or provide services) for the collection of hazardous household waste.
 - I. Publicly list and publicize a hotline for public reporting of spills or other illicit discharges and maintain a written record of all calls received and actions taken.
 - J. Develop a written spill/dumping response procedure, including a flow chart for internal use.
 - K. Develop and implement procedures for program evaluation and assessment.
 - L. Provide annual training to field and office personnel on how to identify, investigate, and report illicit discharges.

The illicit discharge and elimination program need only address the following categories of non- storm water discharges if the operator of the small MS4 identifies them as significant contributors of pollutants:

- Water line flushing
- Landscape irrigation
- Diverted stream flows
- Rising ground waters
- Uncontaminated ground water infiltration
- Uncontaminated pumped ground water
- Discharges from potable water sources
- Footing / foundation drains
- Irrigation water
- Springs
- Water from crawl space pumps
- Lawn watering
- Residential car washing
- Flows from riparian habitats and wetlands
- Dechlorinated swimming pool discharges
- Street wash water (excluding firefighting activities)

To combat IDDE violations the City has a variety of enforcement options at its disposal. These enforcements are at the discretion of the City engineer and his/ her designee. They include”

- Notice of Violation, request to resolve
- Fine/ fees for City clean up
- Inspection holds on construction projects

The intent is to educate the general public about what constitutes illegal dumping to ensure future dumping does not occur. Dumping that requires remediation or clean such as a gas/ oil spill or dumping into a storm sewer system would elicit a stronger response from the City and would require fines and or fees to pay for the cost of investigation on the part of the City and any clean up the violator might incur. IDDE violations that occur in SWPPP permitted projects would be placed on hold until corrective actions are taken. All fines are include in the City’s Consolidated Fee Schedule under section 9.4 Illegal Dumping.

Priority area are generally determined by proximity to natural storm drainage facilities such as Tickville Wash or other similar feature and areas that are more likely to be impacted by spills such as commercial and industrial areas. Businesses that abut washes are of particular concern.

A list of the City's better management practices (BMP's) that will be implemented as part of this program are outlined below.

Illicit Discharge Detection and Elimination			
Activity/ BMP	Measureable Goal/ Milestone	Implementation Date	Justification
Storm Drainage System Mapping	a. Map entire in-place storm drainage system b. Identify and mark all inlets, detention/ retention basins and outfalls	Ongoing	Mapping a system is essential to effectively managing it
Illicit Discharge Detection	a. Develop, implement and prepare in writing a plan to detect and eliminate non-storm water discharges b. Update hotline for reporting suspected discharges c. Join the Utah County storm water coalition d. Develop a written spill/ dumping response procedure	Annually inspect discharges a minimum of once every 3 years	Inspection of outfalls and at regular intervals throughout the system will allow for the source of detection to be located and eliminated
Storm Water Ordinance	a. Review and update Storm Water Ordinance that prohibits illicit discharge into the storm drain system and include appropriate enforcement procedure and actions	Ongoing	An ordinance gives legislative authority to require that the quantity and quality of storm water discharge be regulated
Employee Training	a. Provide training to all field staff, office personnel and other City employees that might come in contact or receive initial reports of illicit discharges, spills, connections and improper disposals to the MS4	Annually no later than July 1	Employees are the City's best source to identify potential illicit discharges if they are trained in what is considered illicit.
Dry weather screening	a. Screen all outfalls	Annual rotation of outfalls to complete city-wide inspections every 3 years	This will provide the City with an opportunity to detect illicit discharges and find the possible sources of contamination
IDDE Hotline	a. Respond to 100% of calls received on the IDDE hotline and logged into Utilisync	ongoing	This will ensure that any spills of illicit discharges are accounted for and cleaned properly

4. Construction Site Storm Water Runoff Control

Over a short period of time, storm water runoff from construction site activity can contribute more pollutants, including sediment, to a receiving stream that had been deposited over several decades. Storm water runoff from construction sites can include pollutants other than sediment, such as phosphorus and nitrogen, pesticides, petroleum products, construction chemicals, and solid wastes than may become mobilized when land surfaces are disturbed.

MS4 operators are required to develop, implement and enforce a pollutant control program to reduce pollutants in storm water runoff from construction activities that result in land disturbance of one or more acres. This must include an ordinance or another regulatory mechanism to require erosion and sediment controls to the extent practicable and allowable under State and local law. The program must include:

- An ordinance or other regulatory mechanism to require erosion and sediment controls for public or private projects that disturb one acre or greater. The ordinance must include sanctions to ensure compliance such as: non-monetary penalties, fines, bonding requirements, and / or permit denials for non-compliance. The ordinance must also include construction operators to prepare a Storm Water Pollution Prevention Plan (SWPPP) as well as provisions for access by qualified City personnel to inspect and enforce the elements of the SWPPP.

Develop a written enforcement strategy of the ordinance which includes:

- SOP's for SWPPP review (for all projects disturbing one acre or greater or those that disturb less than one acre that are part of a common plan of development) to ensure compliance with State and Local regulations. The SWPPP review shall also include the following:
- Review of pre-construction BMP's, BMP's used during the construction phase, and BMP's to be incorporated as post-construction permanent measures.
- Creating and follow a checklist that considers potential water quality impacts.
- Review procedures that evaluate and encourage Low Impact Development (LID) or green infrastructure design that may be incorporated into the overall project site design.
- Prioritize proposed construction sites of their potential to create adverse water quality impacts, particularly to the waters listed by the State as impaired.

Create a Construction Site Storm Water Runoff Inspection Program that includes the following:

- SOP's for construction site inspections and enforcement actions for non-compliance. The procedures must clearly define who is responsible for
- site inspections and who has the authority to impose sanctions to ensure compliance to the program.
- Usage of the most current Construction Site Inspection Form (Checklist) found on the State of Utah – Division of Water Quality website.

- Site Inspections performed at pre-construction, current construction, and post-construction phases of the project.

SOP's that include procedures for being notified by construction operators of their completion of active construction activities so that final stabilization of the project site can be verified and removal of temporary control measures can be conducted. Detailed documentation, tracking, and record-keeping of all inspection activities, corrective actions, and enforcement actions are to be kept and maintained by the City. SOP's that include specific processes and sanctions to minimize occurrences of, and obtain compliance from violators, which shall include appropriate, escalating enforcement actions and procedures will be implemented.

- Requirements to control other waste such as discarded building materials, concrete truck washout, chemicals, litter, and sanitary waste at the construction site that may adversely impact water quality
 - Procedures for receipt and consideration of information submitted by the public
 - Adequate training of all staff whose primary job duties are related to the implementation of the Construction Site Storm Water Program

A list of the City's better management practices (BMP's) that will be implemented as part of this program are outlined below.

Construction Site Storm Water Runoff Control			
Activity/ BMP	Measurable Goal/ Milestone	Implementation Date	Justification
Storm Water Ordinance	a. Review and update Storm Water Ordinance that prohibits illicit discharge into the storm drain system and include appropriate enforcement procedure and actions	Ongoing	An ordinance gives legislative authority to require that storm water discharge be regulated
Develop program for detection and enforcement	a. Create SOP's for inspection and enforcement including escalating enforcement actions for non-compliance b. Create SOPs that outline how all inspections will be documented as well as how records of all inspections shall be maintained c. Create SOPs outlining how all enforcement actions taken will be documented and recorded	Ongoing	Inspection is often necessary to achieve successful storm water pollution prevention
Require SWPPP for all development > 1 acre	a. Require all SWPPPs to be submitted and approved by City staff and record inspections of SWPPP b. Include construction site SWPPP	Ongoing	Planning adequate measures to mitigate storm water pollution during the land development should

	review a part of pre-construction meeting c. Keep record of changes made to the SWPPP during the construction process		reduce pollution.
Training	a. Implement annual training for personnel involved with SWPPP inspection b. Require inspection of approved SWPPPS weekly to ensure compliance	Ongoing	Employees should understand the various components of the SWPPP and understand what they should accomplish so that they can analyze how effect the BMP's have been implemented

5. Post Construction Runoff Control

Increased human activity associated with development often results in increased pollutant loading from storm water discharges. If potential adverse water quality impacts are considered from the beginning stages of a project, new development and redevelopment provides more opportunities for a decrease in storm water runoff and an increase in water quality protection. The objective of this measure is for the hydrology associated with new development to resemble the pre-development hydrology or to improve the hydrology of a redeveloped site and reduce the discharge of storm water.

Operators of small MS4's will be required to develop, implement, and enforce a program to address storm water runoff from new development and redevelopment projects that result in land disturbance of greater than or equal to one acre that discharge into the MS4, including projects less than one acre that are part of a larger common plan of development. Specifically:

- Develop and adopt an ordinance that requires long-term post-construction storm water controls at new development and redevelopment sites. The ordinance shall, at a minimum, be equivalent with the technical requirements set forth in the UPDES Storm Water General Permit for Construction Activities, UTR300000, which can be found at <http://www.waterquality.utah.gov/UPDES/stormwatercon.htm>.
- Development an enforcement strategy and implement the enforcement provisions in the ordinance including ongoing inspections and detection programs, sets penalties for violators, and addresses measures to correct violations.
- Procedures that include specific processes and sanctions to minimize the occurrence of, and obtain compliance from, chronic and recalcitrant violators which shall include appropriate, escalating enforcement procedures and actions. Documentation on how the requirements of the ordinance will protect water quality and reduce the discharge of pollutants to the MS4.

A list of the City's better management practices (BMP's) that will be implemented as part of this program are outlined below.

Post Construction Runoff Control			
Activity/ BMP	Measurable Goal/ Milestone	Implementation Date	Justification
Operation and Maintenance Plan	- Train storm water maintenance employees on how to operate and maintain post-construction runoff BMP's. - Create a list of BMP's that require scheduled inspections. - Create a schedule for routine operation, maintenance, and	Ongoing	Post construction BMPs are ineffective if they are not maintained regularly

	inspections.		
Storm Water Ordinance	a. Create a storm water ordinance to provide the legal authority to regulate and enforce illicit discharge activity.	Ongoing	An ordinance gives legislative authority to require that storm water discharge be regulated
Inspection and Enforcement	a. Create a storm water ordinance to provide the legal authority to regulate and enforce illicit discharge activity.	Ongoing	Inspection is often necessary to achieve successful storm water pollution prevention
RSI Certification	a. Maintain RSI certification to all city storm water staff	Ongoing	

6. Pollution Prevention and Good Housekeeping for Municipal Operations

Several facilities within Eagle Mountain City are owned or operated by Eagle Mountain. These facilities fall under general good housekeeping practices followed by the City. Stormwater from activities related to buildings can contaminate stormwater runoff with hydrocarbons, solvents, pesticides, or other material that may be dumped illegally or illicit discharge may occur. A list of SOP's to accomplish this includes:

- Keep parking lots clean and orderly. Remove and properly dispose of trash and other debris
- Provide an adequate number of trash receptacles for people to use
- Cover trash receptacles to prevent trash from leaving the receptacle unexpectedly during high winds and to prevent animals from entering the trash receptacles
- Routinely sweep streets
- Bag the leaf program to provide residents with adequate means to dispose of fallen leaves

Further, the City will maintain a list of High Priority Facilities which would have a higher potential for negatively impacting the overall health of groundwater. Criteria for these site will include the storage of oil, hazardous materials storage, biological material storage, road salt storage facilities, large equipment washing facilities or garbage enclosure facilities.

A list of the City's better management practices (BMP's) that will be implemented as part of this program are outlined below.

Pollution Prevention and Good Housekeeping for Municipal Operations			
Activity/ BMP	Measurable Goal/ Milestone	Implementation Date	Justification
Employee Training	a. Create a training presentation for employees b. Schedule and complete sessions with individual employees	Annually no later than July 1	Employees are the City's best source to identify potential illicit discharges if they are trained in what is considered illicit.
Inventory of City Owned Facilities	a. Create a written inventory of all city owned facilities b. Set Priority levels for City facilities and determine high priority c. Designate employee responsible for each facility	Completed	An inventory of City owned facilities will help the city to maintain those site

Municipal Operations Waste Disposal	a. Locate suitable location for storm water waste material drying bed b. Build drying bed for collected storm water c. Train employees on use of drying beds and disposal	Ongoing	Proper disposal of debris removed from the City's storm drain system is vital to ensure that
Inspection of City Owned Facilities	a. Develop an inspection schedule for all city owned facilities b. Complete inspections of all city owned facilities	Ongoing	Inspection of the facilities may help identify materials that should not be present
City Facilities Storm Drain System Maintenance Program	a. Take inventory of all drainage systems at city owned facilities b. Create a maintenance schedule for drainage systems c. Ensure all floor drains are connected to sewer system and not into storm drain	Ongoing	Routine maintenance helps to ensure that the facilities do not adversely affect the storm drainage system
Routine Municipal Operations	a. Street sweep 100% of all Streets twice annually b. Clean 20% of all catch basins annually	Ongoing	Routine maintenance will reduce possible clogging or backup in City system
MS4 Staff Meeting	a. City MS4 staff to meet monthly to coordinate concerns and collaborate on ongoing maintenance	Ongoing	This will allow City staff to maintain efficient and effective housekeeping practices

7. Revise Construction Standards

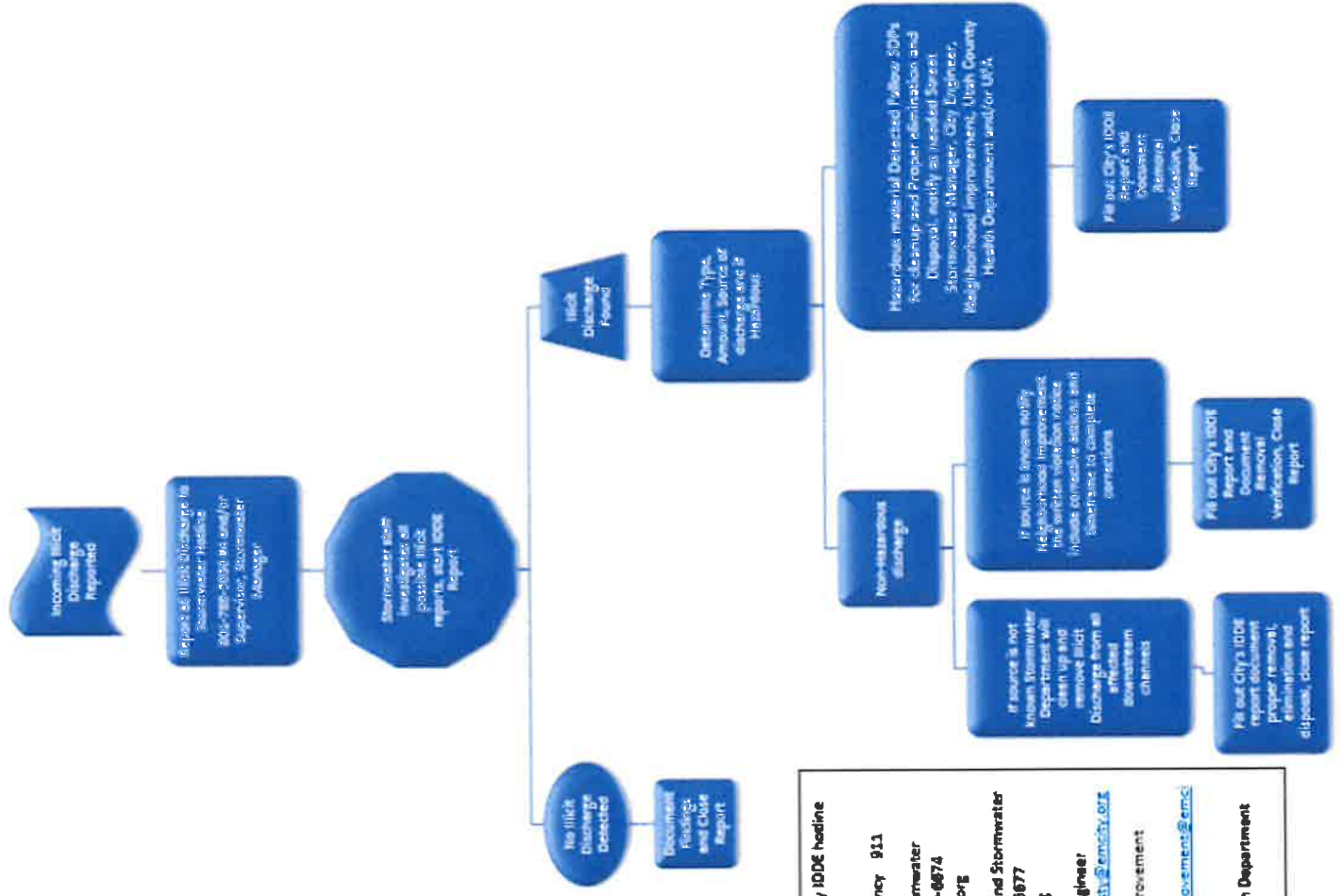
New developments will be required to detain the 80th percentile storm event on site. The general permit for MS4s, UPDES permit No. UTR090000 which was reissued May 12, 2021, requires new development or redevelopment projects to manage rainfall on-site and prevent the off-site discharge of the precipitation from all rainfall events less than or equal to the 80th percentile storm event.

To accomplish this goal, the City will add various new methods of storm water conveyance and detention. These may include more swales, bioretention areas, below grade detention, deep well injections, or other methods which may be found to work. Soils throughout much of the city are considered to be bio-collapsible, so the City will avoid instances where storm water runoff could undermine the supporting soils beneath city roads and infrastructure. Because of the relatively low average rainfall within the state, and in the Cedar Valley in particular, the City is very interested in trying to capture as much rainfall as possible without collecting and sending off existing bodies of water.

Changes to the City construction standards, and development requirements will be adopted no later than the August 16 City Council meeting, so that they can become effective September 1, 2016 to be within compliance of the standards issued by the State of Utah. All plans submitted after September 1 that consist of a project of 1 acre or more will be required to conform to this requirement.

APPENDIX

Illicit Discharge Detection & Elimination flow chart



Eagle Mountain City IDDE hotline
801-789-5959 84

Immediate Emergency 911

Larry Diamond Stormwater

Supervisor 801-789-6674

ldiamond@emcity.org

Zac Milton Streets and Stormwater

Manager 801-789-6677

zmilton@emcity.org

Owls Trusty City Engineer

801-789-6671 otrusty@emcity.org

Neighborhood Improvement

801-789-6660

NeighborhoodImprovement@emcity.org

Utah County Health Department

801-851-3000

**INTERLOCAL COOPERATION AGREEMENT FOR NPDES
PHASE II STORM WATER PUBLIC EDUCATION AND
OUTREACH BEST MANAGEMENT PRACTICE COMPLIANCE**

THIS AGREEMENT, is entered into this 11th day of February, 2014, by and between PROVO, OREM, PLEASANT GROVE, AMERICAN FORK, SPRINGVILLE, SPANISH FORK, LEHI, PAYSON, UTAH COUNTY, LINDON, HIGHLAND, ALPINE, MAPLETON, SALEM, CEDAR HILLS, and EAGLE MOUNTAIN, political subdivisions of the State of Utah.

WITNESSETH:

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated, 1953 as amended, public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into written agreements with one another for joint or cooperative action; and

WHEREAS, the parties to this Agreement are public agencies as defined in the Interlocal Cooperation Act; and

WHEREAS, the parties desire to establish a joint undertaking to comply with National Pollution Discharge Elimination System (NPDES) Phase II Storm Water Permit Coverage;

NOW, THEREFORE, the parties do mutually agree, pursuant to the terms and provisions of the Interlocal Cooperation Act, as follows:

Section 1. EFFECTIVE DATE; DURATION

This Interlocal Cooperation Agreement shall become effective and shall enter into force, within the meaning of the Interlocal Cooperation Act, upon the submission of this Interlocal Cooperation Agreement to, and the approval and execution thereof by Resolution of the governing

bodies of each of the parties to this Agreement. Unless otherwise terminated as provided for herein, this Interlocal Cooperation Agreement shall be effective for a period of up to, but not exceeding, fifty (50) years. This Interlocal Cooperation Agreement shall not become effective until it has been approved by Resolution of all parties and reviewed as to proper form and compliance with applicable law by the attorney authorized to represent each of the parties hereto. Prior to becoming effective, this Interlocal Cooperation Agreement shall be filed with the official keeper of records of each of the parties hereto.

Section 2. ADMINISTRATION OF AGREEMENT

The parties to this Agreement do not contemplate nor intend to establish a separate legal entity under the terms of this Interlocal Cooperation Agreement. The parties hereto agree that, pursuant to Section 11-13-207, Utah Code Annotated, 1953 as amended, UTAH COUNTY shall act as the administrator responsible for the administration of this Interlocal Cooperation Agreement. The parties further agree that this Interlocal Cooperation Agreement does not anticipate nor provide for any organizational changes in the parties. The administrator agrees to keep all books and records in such form and manner as the Utah County Clerk/Auditor shall specify and further agrees that said books shall be open for examination by all parties to this Agreement, at reasonable times. The parties agree that they will not acquire, hold nor dispose of real or personal property pursuant to this Interlocal Agreement during this joint undertaking.

Section 3. PURPOSES

This Interlocal Cooperation Agreement has been established and entered into between the parties, for the purpose of a joint undertaking to comply with NPDES Phase II Storm Water Permit Public Education and Outreach Best Management Practices.

Section 4. MANNER OF FINANCING

The parties agree that they shall provide the following resources and/or assistance for this joint undertaking:

- a. COUNTY shall act as the administrator of this Agreement, pursuant to the terms of Section 2 hereof, and shall :
 1. Schedule and conduct Utah County Storm Water Coalition meetings which are necessary to correlate activities, set proposed budgets, and provide training opportunities.
 2. Provide information regarding best management practices for preventing storm water pollution that can be placed in a newsletter or other form of communication as determined by each member agency to be distributed to the public as each agency deems appropriate.
 3. Maintain contract with approved Storm Water Educational Instructor and ensure proper teaching material is being presented. Maintain a master list of approved schools to be given to approved Storm Water Educational Instructor. Provide for each member agency a list of schools visited, the dates of all visits, an estimated number of attending students, and the number of classes taught.
 4. Become a central warehouse for storm water educational materials and provide on demand materials for distribution. These materials could include informational pamphlets, activity books, pencils, note pads, magnets, videos, etc.
 5. Maintain storage of display information for booths to be used for city and

county activities and other events.

6. Provide, maintain, and promote an information system to the public for the disposal of household materials and chemicals to include internet and phone services. Citizens will be able to call a local, countywide phone number or access a website where gathered information for disposal sites will be distributed.
- b. Each party to this agreement will pay to Utah County within 30 days of receipt of an annual invoice from Utah County, the sums listed in Exhibit A to this Agreement, said sums to be used solely for the NPDES Storm Water Phase II Public Education and Outreach Best Management Practices. The sums listed in Exhibit A shall be reviewed, approved, and modified by agency representatives on an annual basis, based on a combination of the percentage of the party's total population to the total population of the County as determined by the most recent Mountainland Association of Government figures and the percentage of the party's total number of schools to the total school count as submitted by the member agencies.

Section 5. METHOD OF TERMINATION

This Interlocal Cooperation Agreement will automatically terminate at the end of its term herein, pursuant to the provisions of paragraph one (1) of this Agreement. Prior to the automatic termination at the end of the term of this Agreement, any party to this Agreement may terminate its participation in and responsibilities under this Agreement at any time and for any reason by providing a sixty (60) day written notice of termination to the other parties. This Agreement may not be terminated in any event, if termination would cause a violation of the parties' NPDES Storm Water Permit.

Section 6. INDEMNIFICATION

The parties to this Agreement are public entities. Each party agrees to indemnify and save harmless the other for damages, claims, suits, and actions arising out of a negligent error or omission of its own officials or employees in connection with this Agreement.

Section 7. ADDITION OF OTHER MEMBERS

Other entities may become parties to this Interlocal Cooperation Agreement, by executing an Addendum to this Agreement. In order for an entity to be added to this Agreement by Addendum, the Addendum must be approved by resolution of the governing body of the entity to be added and the Addendum must be reviewed for proper form and compliance with applicable law by the attorney for the entity to be added. Prior to becoming effective, this Interlocal Cooperation Agreement and any Addendum shall be filed with the official keeper of records of the entity being added to this Agreement.

Section 8. FILING OF INTERLOCAL COOPERATION AGREEMENT

Executed copies of this Interlocal Cooperation Agreement shall be filed with the official keeper of records of all parties to this Agreement and shall remain on file for public inspection during the term of this Interlocal Cooperation Agreement.

Section 9. ADOPTION REQUIREMENTS

This Interlocal Cooperation Agreement shall be (a) approved by Resolution of the governing body of each of the parties, (b) executed by a duly authorized official of each of the parties (c) submitted to and approved by an Authorized Attorney of each of the parties, as required by Section 11-13-202.5(3), Utah Code Annotated, 1953 as amended, and (d) filed in the official records of each party.

Section 10. LAWFUL AGREEMENT

The parties represent that each of them has lawfully entered into this Agreement, having complied with all relevant statutes, ordinances, resolutions, by-laws, and other legal requirements applicable to their operation.

Section 11. AMENDMENTS

This Interlocal Cooperation Agreement may not be amended, changed, modified or altered except by an instrument in writing which shall be (a) approved by Resolution of the governing body of each of the parties, (b) executed by a duly authorized official of each of the parties, (c) submitted to and approved by an Authorized Attorney of each of the parties, as required by Section 11-13-202.5(3), Utah Code Annotated, 1953 as amended, and (d) filed in the official records of each party.

Section 12. SEVERABILITY

If any term or provision of the Interlocal Cooperation Agreement or the application thereof shall to any extent be invalid or unenforceable, the remainder of this Interlocal Cooperation Agreement, or the application of such term or provision to circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and shall be enforced to the extent permitted by law. To the extent permitted by applicable law, the parties hereby waive any provision of law which would render any of the terms of this Interlocal Cooperation Agreement unenforceable.

Section 13. NO PRESUMPTION

Should any provision of this Agreement require judicial interpretation, the Court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against the party, by reason of the rule of construction that a document is to be construed more strictly against the person who himself or through his agents prepared the same, it being

acknowledged that all parties have participated in the preparation hereof.

Section 14. BINDING AGREEMENT

This Agreement shall be binding upon the heirs, successors, administrators, and assigns of each of the parties hereto.

Section 15. NOTICES

All notices, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been properly given if delivered by hand or by certified mail, return receipt requested, postage paid, to the parties' recorder or clerk/auditor as the case may be; or at such other addresses as may be designated by notice given hereunder.

Section 16. ASSIGNMENT

The parties to this Agreement shall not assign this Agreement, or any part hereof, without the prior written consent of all other parties to this Agreement. No assignment shall relieve the original parties from any liability hereunder.

Section 17. GOVERNING LAW

All questions with respect to the construction of this Interlocal Cooperation Agreement, and the rights and liability of the parties hereto, shall be governed by the laws of the State of Utah.

Section 18. ENTIRE AGREEMENT

This Agreement shall constitute the entire Agreement between the parties and any prior understanding or representation of any kind proceeding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.

IN WITNESS WHEREOF, the parties have signed and executed this Interlocal Cooperation Agreement, after resolutions duly and lawfully passed, on the dates listed below:

UTAH COUNTY

Authorized by Resolution No. 2014-20, authorized and passed on the 11th day of

February, 2014.

BOARD OF COUNTY COMMISSIONERS
UTAH COUNTY, UTAH

By: _____

GARY E. ANDERSON, Chairman

ATTEST: Bryan Thompson
Utah County Clerk/Auditor

By: [Signature]
Deputy

APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:
Jeff Bulman, Utah County Attorney

By: [Signature]
Deputy Utah County Attorney

PROVO CITY STORM WATER SERVICE DISTRICT

[Signature]
Mayor of Provo
TITLE

ATTEST: [Signature]

RECORDER FOR DISTRICT

APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:

[Signature]
ATTORNEY FOR DISTRICT



CITY OF OREM

Mayor

ATTEST: _____
RECORDER FOR CITY

APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:

ATTORNEY FOR CITY

CITY OF PLEASANT GROVE

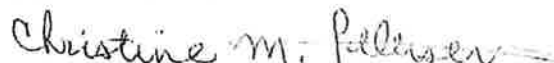


Mayor

ATTEST: 
RECORDER FOR CITY



APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:



ATTORNEY FOR CITY

CITY OF AMERICAN FORK

Mayor

ATTEST:

DEPUTY RECORDER FOR CITY

APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:

ATTORNEY FOR CITY



CITY OF SPRINGVILLE

Mayor

ATTEST:

RECORDER FOR CITY

APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:

ATTORNEY FOR CITY



CITY OF SPANISH FORK

Steve Liff
Mayor

ATTEST:

Kent R. Clark
RECORDER FOR CITY



APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:

Jason Sant
Asst. ATTORNEY FOR CITY

CITY OF LEHI

Kent Nelson
Mayor

ATTEST:

Wendy Bonady
RECORDER FOR CITY



APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:

Ryan V. Wood
ATTORNEY FOR CITY

CITY OF PAYSON


Mayor

ATTEST: Janette C. Winder
RECORDER FOR CITY

APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:


ATTORNEY FOR CITY



CITY OF LINDON


Mayor

ATTEST: Kathryn Moosman
RECORDER FOR CITY

APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:


ATTORNEY FOR CITY



CITY OF HIGHLAND

Mark L. Hungen
Mayor

ATTEST: JOE Ann Bates
RECORDER FOR CITY



APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:

Tim Farrell
ATTORNEY FOR CITY

CITY OF ALPINE

Don Stoll
Mayor

ATTEST: Cheryl A. ...
RECORDER FOR CITY



APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:

David ...
ATTORNEY FOR CITY

CITY OF MAPLETON

[Signature]

Mayor

ATTEST:

[Signature]

RECORDER FOR CITY



APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:

[Signature]

ATTORNEY FOR CITY

CITY OF SALEM

[Signature]

Mayor

ATTEST:

[Signature]

RECORDER FOR CITY

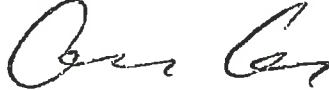


APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:

[Signature]

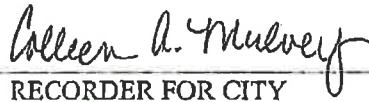
ATTORNEY FOR CITY

CITY OF CEDAR HILLS



Mayor

ATTEST:


RECORDER FOR CITY



APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:


ATTORNEY FOR CITY

CITY OF EAGLE MOUNTAIN


Mayor

ATTEST:


RECORDER FOR CITY



APPROVED AS TO PROPER FORM AND
COMPLIANCE WITH APPLICABLE LAWS:

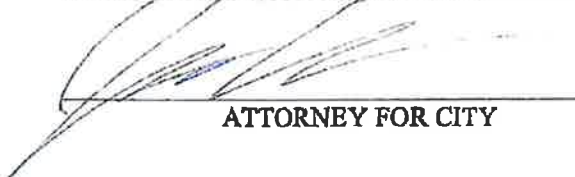

ATTORNEY FOR CITY

EXHIBIT A

Based on 2014-2015 Total Schools to be Visited

STORM WATER COALITION

MEMBER AGENCY ANNUAL FEE SCHEDULE

CITY	POPULATION COUNT	POPULATION COUNT %	SCHOOL COUNT	SCHOOL COUNT %	BILL AMOUNT \$
PROVO	112488	23.38%	15	15.15%	\$ 8,975
OREM	88328	18.36%	18	18.18%	\$ 9,582
PLEASANT GROVE	33509	6.96%	7	7.07%	\$ 3,705
AMERICAN FORK	26263	5.46%	6	6.06%	\$ 3,113
SPRINGVILLE	29466	6.12%	6	6.06%	\$ 3,194
SPANISH FORK	34691	7.21%	10	10.10%	\$ 4,957
LEHI	47407	9.85%	9	9.09%	\$ 4,873
PAYSON	18294	3.80%	5	5.05%	\$ 2,503
COUNTY	10009	2.08%			\$ 255
LINDON	10070	2.09%	3	3.03%	\$ 1,478
HIGHLAND	15523	3.23%	4	4.04%	\$ 2,025
ALPINE	9555	1.99%	3	3.03%	\$ 1,465
MAPLETON	7979	1.66%	2	2.02%	\$ 1,018
SALEM	6423	1.33%	4	4.04%	\$ 1,793
CEDAR HILLS	9796	2.04%	2	2.02%	\$ 1,064
EAGLE MOUNTAIN	21415	4.45%	5	5.05%	\$ 2,582
TOTAL	481216	100.00%	99	100.00%	\$ 52,582

*Population count based on 2010 Census figures as per Mountainland Association of Governments



EAGLE MOUNTAIN CITY STORM WATER ANNUAL INSPECTION REPORT

FOR LONG-TERM STORMWATER MANAGEMENT PLAN COMPLIANCE

Site Name:			Inspection Date			LTSWMA #		
Site Address:								
Facility Contact Information								
	NAMES AND ADDRESS				PHONE #'S		E-MAIL	
SITE CONTACT								
CURRENT OWNER								
BUSINESS TYPE: INSTITUTION ☐ COMMERCIAL ☐ INDUSTRIAL ☐ HOA ☐								
Items Inspected	Checked		Required Maintenance		N/A	Required maintenance: explain correction items, follow up deadlines, and re-inspect dates, if necessary.		
	Yes	No	Yes	No				
1. Landscaping	☐	☐	☐	☐	☐			
2. Inlet/Outlet	☐	☐	☐	☐	☐			
3. Curb and Gutter	☐	☐	☐	☐	☐			
4. Catch Basin	☐	☐	☐	☐	☐			
5. Spillway, weirs or other control structures	☐	☐	☐	☐	☐			
6. Stormwater storage condition & capacity (detention/retention ponds)	☐	☐	☐	☐	☐			
7. Parking & Pavement	☐	☐	☐	☐	☐			
8. Spill Evidence	☐	☐	☐	☐	☐			
9. Dumping Evidence	☐	☐	☐	☐	☐			
Notes:								
Inspector:								
Print Name			Title			Signature		Date



**EAGLE MOUNTAIN CITY
CITY COUNCIL MEETING
JANUARY 17, 2023**

TITLE:	AGREEMENT - Public Water Supply Agreement Between Eagle Mountain City, Utah and Oquirrh Wood Ranch, LLC.		
ITEM TYPE:	Agreement		
FISCAL IMPACT:			
APPLICANT:	Oquirrh Wood Ranch, LLC		
GENERAL PLAN DESIGNATION	CURRENT ZONE	ACREAGE	COMMUNITY

PUBLIC HEARING:

No

PREPARED BY:

Paul Jerome, Admin

PRESENTED BY:

City Administrator Paul
Jerome

RECOMMENDATION:

Staff recommends that the City Council consider the Public Water Supply Agreement Between Eagle Mountain City, Utah and Oquirrh Wood Ranch, LLC.

BACKGROUND:

ITEMS FOR CONSIDERATION:

REQUIRED FINDINGS:

PLANNING COMMISSION ACTION/RECOMMENDATION:

ATTACHMENTS:

[Water Purchase Agreement](#)

[Water Purchase Agreement - Redlines](#)

WATER PURCHASE AGREEMENT

This WATER PURCHASE AGREEMENT (“Agreement”) is made and entered as of the 17th day of January, 2023 (the “Effective Date”), by and between Eagle Mountain City, a political subdivision of the State of Utah; and Oquirrh Wood Ranch, LLC, a Utah limited liability company (“OWR”). The City and OWR are collectively referred to as the “Parties” and, individually as a “Party”.

RECITALS

A. The City has entered into an agreement with the Central Utah Water Conservancy District (“District”) on February 24, 2016 entitled “AMENDED AND RESTATED WATER SUPPLY AGREEMENT BETWEEN CENTRAL UTAH WATER CONSERVANCY DISTRICT AND EAGLE MOUNTAIN CITY FOR SALE OF CWP MUNICIPAL AND INDUSTRIAL WATER” (which was an amendment and restatement of a prior agreement from 2009 between the same parties commonly referred to as the “A2 Agreement”). This 2016 Amended and Restated Agreement is referred to herein at the “Amended A2 Agreement” and is attached hereto as Exhibit “A”. The Amended A2 Agreement provides for the City to purchase over time up to 11,500-acre feet of Municipal and Industrial water (“M&I Water”) at varying prices and subject to the terms of the Amended A2 Agreement.

B. The City has entered into an agreement with the District on April 26, 2017 entitled “FOURTH AMENDED AND RESTATED WATER SUPPLY AGREEMENT BETWEEN CENTRAL UTAH WATER CONSERVANCY DISTRICT AND EAGLE MOUNTAIN CITY FOR SALE OF CWP MUNICIPAL AND INDUSTRIAL WATER” (which was a fourth amendment and restatement of various prior agreements originating from 2008 between the same parties originally referred to as the “2,500 Gallon Agreement”). This 2017 Amended and Restated Agreement is referred to herein at the “1,800 AF Agreement” and is attached hereto as Exhibit “B”. The 1,800 AF Agreement provides for the City to purchase over time up to 1,800-acre feet of M&I Water at varying prices and subject to the terms of the 1,800 AF Agreement (the amount of water available for purchase having been reduced from the 2,500 Gallon Agreement of 2009).

C. The total amount of M&I Water available for purchase by the City from the District pursuant to the Amended A2 Agreement and the 1,800 AF Agreement is, thus, 13,300-acre feet (“Total CUP Water”).

D. As of the date of this Agreement the City has either purchased from the District or committed to other potential users within the City to purchase the total amount of approximately 7,000-acre feet leaving available for future purchase approximately 6,300-acre feet.

E. The price for the City to acquire M&I Water from the District pursuant to the Amended A2 Agreement and the 1,800 AF Agreement varies over time, and the price that the City charges for the M&I Water varies over time. The City currently charges for the M&I Water based on the amount of the one-time development fee and the net present value of the capital recovery component of the annual fee for the takedown year for which the City has available water under the Amended A2 Agreement (the “Water Purchase Price Methodology”). A chart showing the purchase price for each takedown year based on the Water Purchase Price Methodology is attached hereto as Exhibit “C” (the “Takedown Schedule”). For

example, as of the Effective Date, the City is selling water for takedown year 2030-2031, which results in a price of \$18,341.00. If the City sold all the water available for 2030-2031, the City would then sell water for 2031-2032, which would be at a price of \$18,262.00.

F. OWR desires to purchase 4,000 total acre-feet of the Total CUP Water (“Purchased 4,000 AF”) subject to the terms expressed below.

G. In order to facilitate the Purchased 4,000 AF, the City will need to obtain a further agreement with the CWP for 3,000-acre feet more water than the City is currently under contract with the District to acquire (“Additional 3,000 AF”) in order to have water to service other potential users.

H. OWR controls a well for culinary water in Pole Canyon which is identified in the records of the Utah State Engineer as Well Permit # 9347 and which is located on a portion of Utah County Parcel No. 59:053:0019 (“Well”).

I. As a part of this Agreement OWR will transfer ownership of the Well and a 100’ x 100’ portion of the real property on which the Well is located to the City subject to the provisions described in Section 5, below.

J. OWR owns or controls certain water rights as more fully specified in Exhibit “D” (“Owner’s Water Rights”).

K. As a part of this Agreement, OWR agrees to transfer ownership of the Owner’s Water Rights to the City subject to the “banking” provisions described in Section 6, below.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby conclusively acknowledged, the City and OWR hereby agree to the following:

AGREEMENT

1. OWR Purchase of 4,000 acre feet.

1.1. **Purchase.** Subject to the terms and conditions contained herein, with specific reference to the City’s obligation to acquire the Additional 3,000 AF as set forth in Section 2 hereof, OWR hereby covenants to purchase the Purchased 4,000 AF.

1.2. **Takedown Schedule.** OWR shall purchase:

- 1.2.1. 333-acre feet on or before _____, 2023;
- 1.2.2. 333-acre feet on or before January 2, 2024;
- 1.2.3. 334-acre feet on or before January 2, 2025;
- 1.2.4. 333-acre feet on or before January 2, 2026;
- 1.2.5. 333-acre feet on or before January 2, 2027;
- 1.2.6. 333-acre feet on or before January 2, 2028;
- 1.2.7. 333-acre feet on or before January 2, 2029;

- 1.2.8. 333-acre feet on or before January 2, 2030;
- 1.2.9. 333-acre feet on or before January 2, 2031;
- 1.2.10. 333-acre feet on or before January 2, 2032;
- 1.2.11. 333-acre feet on or before January 2, 2033;
- 1.2.12. 336-acre feet on or before January 2, 2034;
- 1.2.13. The purchase dates above shall be adjusted to the next business day if the 2nd of any year falls on a weekend or holiday.

1.3. **Early Takedowns.** OWR can take down any greater amounts of the Purchased 4,000 AF on any earlier dates as, from time to time, OWR determines in its sole discretion.

1.4. **Credit for Excess Takedown.** If in any given year OWR takes down more than the required yearly minimum that excess amount of the Purchased 4,000 AF shall be credited against the next required future takedown or takedowns depending on the amount of the excess.

1.5. **The Water Purchase Price.** OWR shall pay the City the applicable water purchase price for any of the Purchased 4,000 AF based on the purchase price established in the City's Consolidated Fee Schedule as of the date that the Purchased 4,000 AF is taken down. For example, as of the Effective Date, the City is selling water for takedown year 2030-2031 based on the Takedown Schedule for the amount of \$18,341 per acre foot. The City reserves the right to adjust the Water Purchase Price Methodology and the water purchase price for all purchasers. However, if the water purchase price is more than 10% higher than the price reflected in the Takedown Schedule at any time in the 365 days preceding a scheduled takedown by OWR, OWR may, in its option, choose to not takedown the water for that year and that determination shall not be an event of default. For example, OWR is required to takedown 334-acre feet on or before January 2, 2025. If the City sets the price of water (as reflected in the Consolidated Fee Schedule) more than 10% higher than price reflected in the Takedown Schedule at any time between January 3, 2024, and January 2, 2025, OWR may, at its option, not takedown the 334-acre feet required to be taken down on or before January 2, 2025.

1.6. **Failure to Make Required Takedown.**

- 1.6.1. *Interest.* Unless otherwise excused from doing so as permitted herein, if OWR fails to make any takedown of the Purchased 4,000 AF as required hereunder, OWR shall pay the City interest on the Water Purchase Price in the amount of the Zions Bank Prime Rate plus 3% per year until OWR purchases the water or OWR forfeits its right to purchase the water pursuant to Section 1.6.2.
- 1.6.2. *Forfeiture.* If OWR fails to make any required takedown, the City may, in its sole option, give Notice to OWR that if OWR does not cure the default by taking down the required amount of water and pay the accrued interest within thirty (30) days that OWR's right to purchase that takedown shall be forfeited. The rights of OWR to make any future takedowns shall not be affected by the forfeiture of any other takedown right.

1.6.3. **Development or Reimbursement Agreement.** OWR acknowledges and agrees that City may include in future development or reimbursement agreements with OWR, or any amendments to existing development or reimbursement agreements, a provision that makes breach of this Agreement an event of default under the development or reimbursement agreement.

1.7. **Location of the Use of Purchased Water.** The water purchased pursuant to this Agreement may not be used on property outside the jurisdiction of the City without the prior written approval of the City in the City's sole discretion.

1.8. **Conditions on Usage of Purchased Water.** The water from the District purchased pursuant to this Agreement shall be used pursuant to the water usage requirements of the District.

2. **The Additional 3,000 AF.**

2.1. **Failure of 2024 Trigger.** If the City fails to obtain the Additional 3,000 AF before January 2, 2024, then OWR may, in its sole discretion, take three years off from the takedown schedule in Section 1.2. If this section is triggered, OWR, in its sole discretion, may give Notice to the City on or before November 1 of any year that OWR chooses to not takedown any water for the next year.

2.2. **Future Acquisition of the Additional 3,000 AF.** If the City obtains the Additional 3,000 AF after the January 2, 2024, trigger in Section 2.1 above, then the right of OWR to take the hiatus in Section 2.1 shall terminate. If OWR has exercised any of its hiatus rights before the subsequent, post January 2, 2024, trigger, then the future takedowns shall be adjusted *pro rata* for any future takedowns to provide that the total Purchased 4,000 AF shall be completed by January 2, 2034.

3. **Economic Development.** One of the primary purposes for the City to enter into this Agreement is to provide OWR with guaranteed water to attract and develop commercial and industrial uses on the property owned by OWR. Accordingly, OWR shall not reduce the size of the Industrial Planning Areas in the Community Plan exhibit to the Amended and Restated Master Development Agreement between the parties (and others) without the written consent of the City.

4. **Responsibilities of the City.** The City shall take all actions necessary to ensure that the Amended A2 Agreement and the 1,800 AF Agreement remain in full force and effect with the District so that OWR may exercise its rights under this Agreement. If an agreement is entered into for the Additional 3,000 AF, then City shall take all actions necessary to ensure that the agreement for the Additional 3,000 AF remains in full force and effect with the District so that OWR may exercise its rights under this Agreement. The City shall notify OWR of any proposed changes or modifications to the Amended A2 Agreement, the 1,800 AF Agreement or, if it is executed, the agreement for the Additional 3,000 AF. No changes to the Amended A2 Agreement, the 1,800 AF Agreement or, if it is executed, the agreement for the Additional 3,000 AF shall be agreed to by the City with the District that will impact in any material negative way any rights of OWR pursuant to this Agreement. If the City is ever in default of the Amended A2 Agreement, the 1,800 AF Agreement or, if it is executed, the agreement for the Additional 3,000 AF the City shall give notice to OWR of that default and assist OWR in stepping into the shoes of the City or otherwise protecting OWR's rights under this Agreement to the maximum extent legally permissible. Subject to the foregoing, City shall not be liable to OWR if the District is not able to provide the M&I Water or if the District terminates or amends the Amended A2 Agreement or the 1,800 AF Agreement through no fault of the City.

5. **Transfer of the Well.**

5.1. **Conditions Precedent.** The City shall provide reasonable assurances to OWR that the City has sufficient funds available and budgeted to rehabilitate the Well to the City's standards or that the City has sufficient funds available and budgeted to complete a replacement well at the same location. Additionally, OWR's obligation to transfer the Well hereunder will only be triggered when the City enters into the Agreement with the District for the Additional 3,000 AF and the Additional 3,000 AF becomes available for purchase by OWR as provided herein.

5.2. **Transfer of the Well.** Upon the City's satisfaction of the Conditions Precedent in Section 5.1 OWR and the City's written request to OWR to transfer the Well to the City, OWR shall transfer to the City the Well and the real property on which the Well is located in the form attached as Exhibit "E".

5.3. **Failure of City to Satisfy Condition Precedent.** The failure of the City to satisfy the Condition Precedent in Section 5.1 and, thus, of the City to obtain ownership of the Well and the real property on which the Well is located, shall not affect the validity of this Agreement. The only consequence shall be that the City shall not obtain ownership of the Well and the real property on which the Well is located until the Condition Subsequent is later satisfied.

5.4. **Well Transferred "As Is".** The Parties agree and acknowledge that the Well and the real property on which the Well is located are to be transferred on an "as is", "where is", "with all faults" basis. The Parties further understand that OWR has no obligation to repair any damage to or defect in the Well or the real property on which the Well is located. Additionally, OWR, in connection with the transfer of the Well and real property on which the well is located, shall not be required to provide any owners policy of title insurance and the City agrees to waive any such condition.

6. **Transfer of the Owner's Water Rights.** On or before January 2, 2034, OWR shall transfer the Owner's Water Rights to the City in the form of the City's standard "water banking" form attached as Exhibit "F". Any transfer, lease, or forfeiture of the Owner's Water Rights by OWR prior to January 2, 2034 that would preclude OWR from complying with its obligation to transfer the Owner's Water Rights to the City shall be an event of default. Nothing in this Agreement shall be construed to obligate the City to accept the Owner's Water Rights and provide development credits in exchange for the Owner's Water Rights, provided that OWR shall not be in breach of this Agreement if City refuses to accept the Owner's Water Rights or provide development credits in exchange for the Owner's Water Rights. OWR, in connection with the transfer of the Owner's Water Rights, shall not be required to provide any owners policy of title insurance and the City agrees to waive any such condition as to the Owner's Water Rights.

7. **Default.**

7.1. **Event of Default.** If OWR or the City fails to perform their respective obligations hereunder or to comply with the terms hereof that shall be a "Default". Specifically, if OWR fails to pay the City the Water Purchase Price for any required takedown of the Purchased 4,000 AF more than one hundred eighty (180) days after the Water Purchase Price was due that shall be an event of Default.

7.2. **Notice.** The Party believing that a Default has occurred shall provide Notice to the other Party.

7.3. **Contents of the Notice of Default.** The Notice of Default shall:

7.3.1. ***Specific Claim.*** Specify the claimed event of Default;

7.3.2. ***Applicable Provisions.*** Identify with particularity the provisions of any

applicable law, rule, regulation or provision of this Agreement that is claimed to be in Default;

7.3.3. **Materiality.** Identify why the Default is claimed to be material; and

7.4. **Remedies.**

7.4.1. **Missed Takedowns.** The provisions of this Section shall not apply to a failure to make a required takedown payment as addressed in Section 1.6. The remedies for any failure to make a required takedown payment are specified in Section 1.6.

7.4.2. **Other Defaults.** For any other Default, the Parties may have as remedies all rights and remedies available at law and in equity, including, but not limited to, injunctive relief and/or specific performance. These remedies shall be determined pursuant to the Dispute Resolution in Section 8.

8. **Dispute Resolution.** Any alleged Default shall be resolved as follows:

8.1. **Failure to make a required Periodic Purchase Payment.** OWR's failure to make a required purchase payment shall not be subject to the requirements of this Section.

8.2. **Meet and Confer regarding Default.** The Parties shall meet within fifteen (15) business days of any Notice of Default to resolve the issues specified in the Default.

8.3. **Mediation of Disputes.**

8.3.1. **Mediation Process.** If the City and OWR are unable to resolve a claimed Default the Parties shall attempt within ten (10) business days to appoint a mutually acceptable mediator with knowledge of the legal or factual issue of the Default. If the Parties are unable to agree on a single acceptable mediator they shall each, within ten (10) business days, appoint their own representative. These two representatives shall, between them, choose the single mediator. The Party disputing the claimed Default shall pay the fees of the chosen mediator. The chosen mediator shall within fifteen (15) business days, review the positions of the parties regarding the Dispute and promptly attempt to mediate the claimed Default. If the Parties are unable to reach agreement, the mediator shall notify the Parties in writing of the resolution that the mediator deems appropriate. The mediator's opinion shall not be binding on the Parties nor admissible in any arbitration.

8.4. **Arbitration of Claimed Default.**

8.4.1. **Arbitration Process.** If the City and OWR are unable to resolve a claimed Default through mediation, the Parties shall attempt within ten (10) business days to appoint a mutually acceptable expert in the professional discipline(s) of the claimed Default. If the Parties are unable to agree on a single acceptable arbitrator they shall each, within ten (10) business days, appoint their own individual appropriate expert. These two experts shall, between them, choose the single arbitrator. The Party disputing the resolution proposed by the mediator shall pay the fees of the chosen arbitrator. The chosen arbitrator shall within fifteen (15) business days, review the positions of the Parties regarding

the claimed and render a decision. The arbitrator shall ask the prevailing Party to draft a proposed order for consideration and objection by the other side. Upon adoption by the arbitrator, and consideration of such objections, the arbitrator's decision shall be final and binding upon the Parties. If the arbitrator determines as a part of the decision that the City's or OWR's position was not only incorrect but was also maintained unreasonably and not in good faith then the arbitrator may order the City or OWR to pay the arbitrator's fees.

8.5. **Confirmation Order by District Court.** The determination of the arbitrator shall be confirmed by an Order of the Fourth District Court pursuant to Section 78B-11-123, Utah Code Ann. (2022).

9. **Notices.** All notices required or permitted under this Amended Development Agreement shall, in addition to any other means of transmission, be given in writing by certified mail and regular mail to the following address:

To OWR: Oquirrh Wood Ranch, LLC
Attn: Nathan Shipp
14034 South 145 East, Suite 204
Draper, Utah 84020
nate@daiutah.com

With a Copy to: Bruce R. Baird, Esq.
Bruce R. Baird PLLC
2150 South 1300 East, Fifth Floor
Salt Lake City, UT 84106
bbaird@difficultdirt.com

To City: Eagle Mountain City
Attn: City Administrator
1650 East Stagecoach Run
Eagle Mountain, UT 84005
pjerome@emcity.org

9.1. **Effectiveness of Notice.** Any Notice shall be effective and shall be deemed delivered on the earlier of:

9.1.1. **Hand Delivery.** The day it is delivered personally or by courier service.

9.1.2. **Electronic Delivery.** Its actual receipt if delivered electronically by email provided that a copy of the email is printed out in physical form and mailed or personally delivered as set forth herein on the same day and the sending party has an electronic receipt of the delivery of the Notice. If the copy is not sent on the same day, then notice shall be deemed effective the date that the mailing or personal delivery occurs.

9.1.3. **Mailing.** On the day the Notice is postmarked for mailing, postage prepaid, by First Class or Certified United States Mail and actually deposited in or delivered to the United States Mail. Any party may change its address for Notice under this Agreement by giving written Notice to the other party in accordance with the provisions of this Section.

10. **Relationship to Master Development Agreement.** If there is any conflict between this Agreement and any provisions in an agreement styled “Pole Canyon Annexation and Master Development Agreement entered into on January 19, 2010, as amended by the First Amendment on July 1, 2014, and by the Second Amendment on April 19, 2016, and by the Third Amendment on August 7, 2018, then the provisions of this Agreement shall control.

11. **Estoppel Certificate.** Upon twenty (20) days prior written request by OWR, the City will execute an estoppel certificate to any third party certifying that OWR at that time is not in default of the terms of this Agreement.

12. **Headings.** The captions used in this Agreement are for convenience only and are not intended to be substantive provisions or evidence of intent.

13. **No Third-Party Rights/No Joint Venture.** this Agreement does not create a joint venture relationship, partnership or agency relationship between the City and Owner. Further, the Parties do not intend this Agreement to create any third-party beneficiary rights.

14. **Assignability.** The rights and responsibilities of Owner under this Agreement may be assigned in whole or in part by Owner with the consent of the City as provided herein.

14.1. **Related Entity.** Owners’ transfer to any entity “related” to any Owners (as defined by regulations of the Internal Revenue Service) or Owners’ entry into a joint venture or Owner’s pledging of its rights under this Agreement as security for financing shall not be deemed to be an “assignment” subject to the above-referenced approval by the City. Owner shall give the City Notice of any event specified in this sub-section within ten (10) days after the event has occurred. Such Notice shall include providing the City with all necessary contact information for the newly responsible party.

14.2. **Notice.** Owners and Master Developer shall give Notice to the City of any proposed assignment not subject to Section 12.1 and provide such information regarding the proposed assignee that the City may reasonably request in making the evaluation permitted under this Section. Such Notice shall include providing the City with all necessary contact information for the proposed assignee.

14.3. **Time for Objection.** Unless the City objects in writing within ten (10) business days of notice, the City shall be deemed to have approved of and consented to the assignment.

14.4. **Partial Assignment.** If any proposed assignment is for less than all of Owner’s rights and responsibilities, then the assignee shall be responsible for the performance of each of the obligations contained in this Agreement to which the assignee succeeds. Upon any such approved partial assignment, Owner shall be released from any future obligations as to those obligations which are assigned but shall remain responsible for the performance of any obligations that were not assigned.

14.5. **Denial.** The City may only withhold its consent if the City is not reasonably satisfied of the assignee’s financial ability to perform the obligations of Owner proposed to be assigned or there is an existing breach of an obligation owed to the City under this Agreement that has not either been cured or in the process of being cured in a manner acceptable to the City.

14.6. **Assignees Bound by this Agreement.** Any assignee shall consent in writing to be bound by the assigned terms and conditions of this Agreement as a condition precedent to the effectiveness of the assignment.

15. **No Waiver.** Failure of any party hereto to exercise any right hereunder shall not be deemed

a waiver of any such right and shall not affect the right of such Party to exercise at some future date any such right or any other right it may have.

16. **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid for any reason, the Parties consider and intend that this Agreement shall be deemed amended to the extent necessary to make it consistent with such decision and the balance of this Agreement shall remain in full force and affect.

17. **Force Majeure.** Any prevention, delay or stoppage of the performance of any obligation under this Agreement which is due to strikes, labor disputes, inability to obtain labor, materials, equipment or reasonable substitutes therefor; acts of nature, governmental restrictions, regulations or controls, judicial orders, enemy or hostile government actions, wars, civil commotions, fires or other casualties or other causes beyond the reasonable control of the Party obligated to perform hereunder shall excuse performance of the obligation by that Party for a period equal to the duration of that prevention, delay or stoppage.

18. **Time is of the Essence.** Time is of the essence to this Agreement and every right or responsibility shall be performed within the times specified.

19. **Appointment of Representatives.** To further the commitment of the parties to cooperate in the implementation of this Agreement, the City and Owner shall each designate and appoint a representative to act as a liaison between the City and its various departments and Owner. The initial representative for the City shall be the City Administrator. The Owner's Representative shall be Nate Shipp. The Parties may change their designated representatives by Notice. The representatives shall be available at all reasonable times to discuss and review the performance of the Parties to this Agreement and the development of the Project.

20. **Mutual Drafting.** Each party has participated in negotiating and drafting this Agreement and therefore no provision of this Agreement shall be construed for or against either party based on which party drafted any particular portion of this Agreement.

21. **Applicable Law.** This Agreement is entered into in Utah County in the State of Utah and shall be construed in accordance with the laws of the State of Utah irrespective of Utah's choice of law rules.

22. **Venue.** Any action to enforce this Agreement shall be brought only in the Fourth District Court for the State of Utah, Utah County.

23. **Entire Agreement.** This Agreement, and all Exhibits thereto, is the entire agreement between the Parties and may not be amended or modified except either as provided herein or by a subsequent written amendment signed by all Parties.

24. **Authority.** The Parties to this Agreement each warrant that they have all of the necessary authority to execute this Agreement. Specifically, on behalf of the City, the signature of the Mayor of the City is affixed to this Agreement lawfully binding the City pursuant to Resolution No. _____ adopted by the City Council on _____, 20____.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by and through their respective, duly authorized representatives as of the day and year first herein above written.

EAGLE MOUNTAIN CITY

TOM WESTMORELAND, Mayor

ATTEST

FIONNUALA B. KOFOED, City Recorder

MARCUS DRAPER, City Attorney
Approved as to form and legality

OQUIRRH WOOD RANCH, LLC
A Utah limited liability company

NATHAN SHIPP, Manager

TABLE OF EXHIBITS

Exhibit “A”	Amended A2 Agreement
Exhibit “B”	1,800 AF Agreement
Exhibit “C”	Payment Pricing Schedule
Exhibit “D”	Owner’s Water Rights
Exhibit “E”	Form of transfer of Well and the real property on which is located
Exhibit “F”	Form of Water Banking of the Owner’s Water Rights

EXHIBIT “A”
TO WATER PURCHASE AGREEMENT
Amended and Restated A2 Agreement

**AMENDED AND RESTATED WATER SUPPLY AGREEMENT
BETWEEN CENTRAL UTAH WATER CONSERVANCY DISTRICT
AND EAGLE MOUNTAIN CITY
FOR SALE OF CWP MUNICIPAL AND INDUSTRIAL WATER**

THIS AMENDED AND RESTATED AGREEMENT ("Agreement") is made effective as of this 24th of ~~January~~ ^{February}, 2016, the "Effective Date"), by and between the Central Utah Water Conservancy District, a water conservancy district organized under the laws of the State of Utah ("District"), and Eagle Mountain City, a municipal corporation ("Purchaser"). The District and the Purchaser are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

- A. The District is organized and exists pursuant to the Utah Water Conservancy Act, Utah Code Annotated §17B-2a-1001, et seq., and those provisions of §17B-1-101, et seq., applicable to all local districts, both sections as amended (collectively, the "Act"), for the purpose, among others, of making water available to contract holders residing within its boundaries and of entering into agreements with water users for the purchase and sale of water and its delivery.
- B. The Purchaser is a water user organized under the laws of the State of Utah that utilizes and/or provides water service to its customers within its boundaries, and which desires to purchase an additional supply of municipal and industrial ("M&I") water from the District.
- C. The District shall design, construct, operate, maintain, repair and replace the Central Utah Water Conservancy District Water Development Project ("CWP"), and has developed and obtained and will develop and obtain sources of water supply for sale and delivery to contract purchasers through the CWP.

D. The Parties enter into this Agreement to amend and restate that certain Water Supply Agreement between Central Utah Water Conservancy District and Eagle Mountain City For the Sale of CWP Municipal and Industrial Water, dated October 7, 2009, (the “Original FY2010 A2 Agreement”), for the purpose of setting forth the terms and conditions pursuant to which CWP water may be reserved by, purchased by and delivered to the Purchaser at the point or points designated herein, for sale and distribution by the Purchaser to meet a portion of the needs of its customers.

NOW, THEREFORE, IN CONSIDERATION of the foregoing recitals, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

TERMS

1. Sale and Purchase of CWP Water

(a) The District hereby agrees to sell and the Purchaser hereby agrees to purchase annually, or in any event pay for, as described herein, Eleven Thousand Five Hundred (11,500) acre-feet of M&I water developed from the CWP (“Purchased Water”), consisting of Eleven Thousand Five Hundred (11,500) acre-feet of Deliverable Water, as defined in Paragraph 2(b)(1)(B) below, delivered using CWP or District operated infrastructure (“CWP Infrastructure Water”) and Zero (0) acre-feet of Deliverable Water delivered to Purchaser by means other than CWP or District operated infrastructure (“CWP Non-Infrastructure Water”).

(b) Subject to the terms and conditions of this Agreement, the Purchased Water shall be reserved and made available by the District to the Purchaser in accordance with the Take-down Schedule attached as Exhibit “A” hereto. The Deliverable Water shall then be delivered to the Purchaser at the specified point or points of delivery, and within the maximum daily flow rates

(“Contract Capacity”) set forth on the Delivery Schedule attached as Exhibit “B” hereto. The Parties hereby understand and acknowledge that in establishing the Contract Capacity, the District must consider both the capacity of the available CWP water supply and the capacity of the available CWP infrastructure, including the capacity of all available reservoirs, wells, treatment plants, transmission lines, meters and meter stations, and pumps and pump stations within the CWP system (collectively, the “CWP System Capacity”).

(c) The District and the Purchaser agree and understand that the sale of Purchased Water under this Agreement, as amended and restated, is under terms and conditions that are the same for similarly situated customers entering into CWP water supply agreements during the period July 1, 2009 through September 30, 2009 (said grouping of water supply agreements being referred to for purpose of identification as “CWP FY2010 A2”) and offered to all other existing CWP Water Supply Agreement Customers as of January 1, 2016.

(d) In the event the District shall enter into any CWP supply agreement(s) having a pricing structure or terms of sale more favorable to the purchaser therein than those set forth in Paragraph 2 below, the Parties agree that this Agreement shall be amended so as to apply the same pricing structure or terms of sale herein.

2. Sales Price of Purchased Water

(a) General.

(1) CWP water is sold and delivered pursuant to a pricing structure containing the following four components: (i) a One-time Development Charge; (ii) an Annual Reservation Fee, (iii) an Annual Water Fee, and (iv) an Annual Service Fee, all as described in Paragraph 2(b) below. (The One-time Development Charge, the Annual Reservation Fee, the Annual Water Fee and the Annual

Service Fee are sometimes referred to herein collectively as the “CWP Fees”).

(2) Factors that will influence the amount for each of the four components of the pricing structure may include: (i) whether a purchaser uses or does not use any of the District’s infrastructure; and (ii) the grouping, by year, of water purchase agreements for CWP water. At the sole discretion of the District, the cost of some of the four components of the pricing structure may be zero based on the factors described above.

(3) The CWP Fees set forth herein are imposed for the sole purpose of developing and providing the CWP water supply and providing the infrastructure necessary to deliver the Purchased Water to the Purchaser and other water users and customer agencies that enter into similarly situated and dated CWP water supply agreements. CWP Fees will not include District costs from projects not directly related to the CWP. The District shall treat all CWP water purchasers, similarly situated within water sales agreements grouped according to the effective dates of said agreements as may be determined by the District, in an equal, fair and non-discriminatory manner.

(4) CWP Fees under this Agreement shall be due and payable by the Purchaser, as provided herein, regardless of whether the Purchaser calls for or uses any of the Purchased Water in any given year, subject to annual adjustment as provided in Paragraph 7 herein. Notwithstanding the foregoing, in the unlikely event the CWP infrastructure is not capable of delivering Purchased water to Purchaser in the fiscal year first set forth in the Take Down Schedule, Exhibit “A” hereto, the obligation of the Purchaser to pay the One-time Development Charge and the Reservation Fee shall be suspended, the volume of water scheduled to be removed from reserved status and become Deliverable Water, as defined in Paragraph 2(b)(1)(B), in that fiscal year shall be set back and added onto the next succeeding year, until Purchased water is available for delivery, at which time payment of the One-time

Development Charge, as provided herein, shall be due for the fiscal year in which Purchased Water first becomes Deliverable Water and for each fiscal year added on thereto.

(5) Notwithstanding any provision herein to the contrary with regard to payment of CWP Fees, the Purchaser may request in writing that it be authorized to pre-pay, in whole or in part, any one or all of the CWP Fees due and owing hereunder. The pre-payment request shall be analyzed on a case-by-case basis, and be authorized at the sole discretion of the District, subject to such terms and conditions as the District shall determine at the time. The District's authorization to pre-pay and the terms and conditions of pre-payment shall be set forth in a separate written agreement to be executed between the District and the Purchaser.

(b) CWP Pricing Structure. The pricing structure for the CWP FY2010 A2 water supply agreements is as follows:

(1) One-time Development Charge.

(A) The District must recover from all purchasers that enter into water supply agreements the costs of the District to develop the CWP, including the acquisition and development of the CWP water supply and the planning, design and construction of the CWP infrastructure ("CWP Development Cost"). The One-time Development Charge is charged on a per acre-foot basis as provided in Paragraph 2(c) below, and covers the majority of the Purchaser's proportionate share of the CWP Development Cost. The respective One-time Development Charges to be paid by Purchaser for the CWP Infrastructure Water reserved under this Agreement are fixed in the amounts shown in the Take Down Schedule, Exhibit "A" hereto, during the term of this Agreement for each block of CWP water ("Block"), taken out of reserved status under the schedule set forth in the Take Down Schedule and is not subject to change for CWP water reserved under this Agreement, except for provisions

contained in Paragraph 4.

(B) The One-time Development Charge designated for each Block is paid one-time only by the Purchaser for that total volume of Purchased Water under each Block, and is due and payable on July 1 of the fiscal year in which the Block of Purchased Water is removed from reserved status as provided in Paragraph 2(b)(2)(A) below and made available to the Purchaser for delivery (“Deliverable Water”) in accordance with the Take-down Schedule, Exhibit “A”.

(2) Annual Reservation Fee.

(A) The Annual Reservation Fee applies to Purchased Water held in reserve status for the Purchaser pursuant to the provisions of Paragraph 4 (“Reserved Water”), and is imposed inasmuch as the CWP Development Cost must be paid by the District regardless of whether the Purchaser takes delivery of Purchased Water or not. The Annual Reservation Fee is charged on a per acre-foot basis as provided in Paragraph 2(B) below and covers an additional portion of the Purchaser’s proportionate share of the CWP Development Cost during the period the Purchased Water remains in reserved status. As Purchased Water is removed from its reserved status and becomes Deliverable Water pursuant to the Take-down Schedule, Exhibit “A”, the District will no longer impose an Annual Reservation Fee on said water. The Purchaser will then pay the One-time Development Charge on the Deliverable Water as provided in Paragraph 2(b)(1) and commence payment of the Annual Water Fee as provided in Paragraph 2(b)(3) and the Annual Service Fee as provided in Paragraph 2(b)(4). The District will continue to impose the Annual Reservation Fee on any and all Purchased Water that remains in Reserved Water status for the Purchaser.

(B) The Annual Reservation Fee is charged on a per acre-foot basis for each acre-foot of Purchased Water held in reserved status for the Purchaser pursuant to Paragraph 4 as of

December 31st of the preceding calendar year, and is due and payable annually on or before February 15th of the current year.

(C) The Annual Reservation Fee for the CWP Infrastructure Water reserved for Purchaser hereunder is fixed during the term of this Agreement in the amount set forth in the Take Down Schedule, Exhibit A hereto.

(3) Annual Water Fee.

(A) The Annual Water Fee is charged on a per acre-foot basis as provided in Paragraph 2(c) below and is imposed to cover costs associated with the operation, maintenance, repair and replacement ("O&M") of the CWP infrastructure, to fund O&M reserves for the CWP, to pay the remaining portion of the Purchaser's proportionate share of the CWP Development Cost not covered by the One-time Development Charge and the Annual Reservation Fee (proportionate share for this purpose being defined as Purchaser's total volume of CWP Infrastructure Water under this Agreement divided by the total capacity of the CWP attributable to CWP Infrastructure Water, estimated by the Parties as of the date hereof to be 53,312 acre-feet, averaged over a five-year rolling period), and to cover other related costs of the District pertaining solely to the CWP infrastructure. The amount of the Annual Water Fee to be charged is set annually by the District's Board of Trustees, and may change from year-to-year.

(B) In payment of the Annual Water Fee, the Purchaser will only pay that amount attributed to a proportionate share of costs incurred for O&M, to fund the O&M Reserve and other related costs pertaining to CWP infrastructure, apportioned to the Purchaser based upon the annual cumulative volume of Deliverable Water, in acre-feet.

(C) The amount of the Annual Water Fee for the CWP Infrastructure Water

reserved for Purchaser hereunder, in place as of the Effective Date of this Agreement, is set forth in the Take Down Schedule, Exhibit "A" hereto¹. Payment shall be made in conformance with the following:

(i) The District will invoice the Purchaser for the Annual Water Fee commencing the end of the month following the payment of the One-time Development Charge.

(ii) Subject to the provisions of Paragraph 2(b)(3)(D) below, the Annual Water Fee is payable by the Purchaser on a monthly basis within 30 days of the date of the District's invoice for actual water deliveries made in months prior to the date of the invoice.

(iii) Subject to the provisions of Paragraph 7 below, the Annual Water Fee is to be paid by the Purchaser as provided herein regardless of whether the Purchaser calls for or uses any of the Deliverable Water in any given year. In the event the amount paid by the Purchaser under invoices for actual water delivered in conformance with Paragraph 2(b)(3)(C)(ii) is less than the total Annual Water Fee due hereunder, the remaining balance shall be invoiced by the District in the June billing each fiscal year.

(D) Notwithstanding the provisions of Paragraph 2(b)(3)(C) above, the Purchaser, at its option, may give written notice to the District that it desires to capitalize the Annual Water Fee. The District is willing to accept an up-front capitalized payment ("Capitalized Annual Water Fee"), for a period of not to exceed five years ("Capitalization Period"), under terms and conditions established by the District in its sole discretion, subject to the following:

(i) Upon receipt of notice from the Purchaser, the District will calculate the total estimated amount of the Capitalized Annual Water Fee to be due and payable over the Capitalization Period commencing the date Deliverable Water becomes available to the Purchaser. The

¹ The amount of the Annual Water Fee as set forth in the Original FY2010 A2 Agreement and each past and current year, as well as the estimated future amounts are also shown

District will thereupon notify the Purchaser, in writing, of the amount of the Capitalized Annual Water Fee to be charged, which shall be due and payable by the Purchaser within thirty (30) days from the date it receives said notice.

(ii) Within sixty (60) days of the end of the Capitalization Period, the District shall reconcile with the Purchaser the difference between the Capitalized Annual Water Fee paid by the Purchaser and the actual amount that would have been paid had the Purchaser paid the Annual Water Fee on an annual basis. If the Capitalized Annual Water Fee paid by the Purchaser is higher than the actual annual payments would have been pursuant to Paragraph 2(b)(3)(C), the District shall credit the difference to the Purchaser against future Annual Water Fees payable by the Purchaser as determined by the District. If the Capitalized Annual Water Fee paid by the Purchaser is lower than the actual annual payments would have been pursuant to Paragraph 2(b)(3)(C), the Purchaser shall pay the difference to the District within ninety (90) days from the end of the Capitalization Period.

(4) Annual Service Fee.

(A) The Annual Service Fee is charged on a per acre-foot basis as provided in Paragraph 2(c) below and is imposed to cover a portion of the District's CWP administrative costs and expenses.

(B) The Annual Service Fee is due and payable annually on or before February 15th of the current year for the annual cumulative volume, in acre-feet, of Deliverable Water pursuant to this Agreement as of December 31st of the preceding year. The Annual Service Fee will be due and payable regardless of whether the Purchaser calls for or uses any of the Deliverable Water in any given year.

(C) The initial amount of the Annual Service Fee for the CWP Infrastructure

Water reserved for Purchaser hereunder is fixed during the term of this Agreement in the amount set forth in the Take Down Schedule, Exhibit "A" hereto.

(c) Pricing Structure Applicable to the Purchaser Hereunder.

(1) The pricing structure for each of the components of the CWP 2010A2 water supply purchased hereunder is set forth in the Take Down Schedule, Exhibit "A" hereto.

(2) Interest on Delinquent Accounts. Any CWP Fee that remains unpaid after it shall have become due and payable as provided herein shall be subject to simple interest at the rate of one and one-half percent (1.5%) of the delinquent amount per month. Interest will begin to accrue from the date of delinquency and will continue to accrue until such time as the delinquent CWP Fees and all accrued interest have been paid in full; provided, however, that no interest shall be charged to or paid by the Purchaser unless such delinquency continues for more than thirty (30) days or more beyond the date of delinquency.

3. **Quality of Water Delivered**

CWP culinary water shall be delivered to the Purchaser in conformance with standards for public drinking water set by applicable law and regulation, including the Utah Division of Drinking Water and/or the Utah Drinking Water Board of the Department of Environmental Quality; provided, however, that the District shall not be liable, or otherwise in breach of this Agreement, for failure to meet those standards unless the failure is due to the District's willful misconduct or gross negligence. The District and Purchaser agree that the CWP water sources will be Provo River water, high quality deep groundwater from a well field in or near Vineyard, Utah, or other sources of comparable quality. Deliveries from any other sources shall be of comparable quality.

4. Reservation of Water

(a) The District shall hold Purchased Water in reserve for the Purchaser pursuant to the Take-down Schedule, Exhibit A. Purchased Water must be removed from Reserved Water status based on said schedule. As Reserved Water is removed from reserved status, payments will be required for each acre-foot of Deliverable Water as set forth in Paragraph 2.

(b) The Purchaser may conclude that it has reserved more Purchased Water than it will eventually require. The District may consider an application from the Purchaser to transfer or otherwise reduce all or a portion of the amount of CWP water contracted for hereunder; however, the District will not approve the application unless and until another water user in North Utah County or Salt Lake County ("Replacement Purchaser") applies for a new contract, in an equal or greater quantity, to simultaneously replace the reduction hereunder. In such event, the District may approve such a replacement transaction, on the basis of the same terms or on differing terms, in the best interest of the District at its sole discretion. The District agrees, however, that it will not unreasonably deny Purchaser's application for or alter the terms of the replacement transaction under a new contract. The limitations and conditions that shall apply, however, to such a replacement transaction include the following:

(1) A reduction in contract volume to be taken down by Purchaser and/or the timing thereof, as set forth in Exhibit A, hereto must include a corresponding, proportional reduction in Contract Capacity under Exhibit B hereto.

(2) The reduction of contract volume and/or the timing thereof under Exhibit A hereto is limited to the corresponding amount and/or timing of the new or increased contract volume of the Replacement Purchaser.

(3) The reduction of Contract Capacity under Exhibit B hereto must be at least as great as the Contract Capacity increase of the new or increased contract of the Replacement Purchaser, except for variations in maximum daily delivery as between the Purchaser and the Replacement Purchaser.

(c) At the Purchaser's request, and provided that the District has developed the required CWP System Capacity:

(1) Purchased Water may become deliverable to the Purchaser on a year-to-year basis according to an accelerated schedule from that shown in Exhibit A, subject to terms and conditions mutually agreed to in writing by the Parties, or

(2) Purchased Water may become deliverable on a permanent basis according to an accelerated schedule from that shown in Exhibit A pursuant to the terms and conditions set forth in this Agreement;

(d) In the event of a reduction in the take-down as a result of a reduction or transfer of Purchased Water by the Purchaser as provided in subparagraph 4 (b) above, or an acceleration in the delivery of the Purchased Water as provided in subparagraph 4 (c) above, the applicable CWP Fees due and payable by the Purchaser to the District as provided in Paragraph 2 shall be correspondingly accelerated or reduced as the case may be, as determined in the sole discretion of the District in conformance with the provisions of Paragraph 2(b).

5. Point of Delivery

(a) The District will deliver the Purchased Water to the Purchaser in conformance with the following:

(1) For CWP Infrastructure Water: CWP Infrastructure Water will be measured and

delivered to the Purchaser only at the point or points of delivery identified in Exhibit B. The infrastructure to be constructed by the District for the purpose of delivering CWP Infrastructure Water from its main transmission lines at said point(s) of delivery include a vault, valve(s), meter(s), piping and related facilities and equipment (“Delivery Infrastructure”), as determined to be necessary by the District to deliver and measure the CWP Infrastructure Water at said point(s). The Delivery Infrastructure will be constructed and installed at the District’s sole expense in connection with the development of the CWP, and the District shall own, operate, maintain, repair and replace the same for the term of this Agreement.

(2) For CWP Non-Infrastructure Water: CWP Non-infrastructure Water will be measured and delivered by the Purchaser at its infrastructure. The District will administer water right change applications as necessary to designate points of diversion for delivery of CWP Non-infrastructure Water to the Purchaser at the Purchaser’s sources. The Purchaser will meter and tabulate totals of CWP water delivered on a monthly basis from Purchasers sources and report that to the District for each contract year.

(b) Once the District delivers CWP Infrastructure Water to the point(s) of delivery, or CWP Non-infrastructure water is delivered at the Purchaser’s sources, it shall be the responsibility of the Purchaser to provide its own facilities as needed to take this water from the Delivery Infrastructure or Purchasers sources into the Purchaser’s own delivery and/or distribution system for its use. No new points of delivery will be allowed without the prior written approval of the District. All Purchased Water delivered by the District under this Agreement will be measured through measuring devices installed in the Delivery Infrastructure or the Purchasers infrastructure at its sources.

6. System Capacity

(a) It is understood by the Purchaser that the delivery of Deliverable Water by the District to the Purchaser is limited to the Contract Capacity set forth in Exhibit B.

(b) If CWP System Capacity is available to deliver water beyond the Contract Capacity, and the Purchaser so requests, the Purchaser may, with the prior written approval of the District, receive delivery of Deliverable Water at a flow rate higher than the Contract Capacity provided in Exhibit B, subject to the following:

(1) The maximum flow rate at which the Deliverable Water shall be delivered and resulting adjustments in the applicable CWP Fees set forth in Paragraph 2 (c) herein for said year or other costs to be applied, if any, shall be negotiated and agreed upon by the Parties prior to the delivery of Deliverable Water in the increased amount.

(2) A request by the Purchaser to exceed the Contract Capacity shall be made on an annual basis no later than April 30th.

(3) Notwithstanding the foregoing, if the Contract Capacity is exceeded by the Purchaser without receiving the prior written approval of the District, then a monthly surcharge will be assessed to the Purchaser in an amount per acre-foot set annually by the District for each acre-foot of water exceeding Contract Capacity or Contract Capacity modified in accordance with Paragraph 6(b)(1), calculated on a daily basis.

7. Quantity of Water Delivered

(a) The District is not a guarantor of CWP water supply or of CWP delivery capacity. It is understood by the Parties that the District's ability to deliver CWP water to the Purchaser depends, in part, on the available CWP System Capacity. Therefore, in its reasonable discretion and pursuant to its

interpretation and the application of its policies, rules, and procedures as they may be amended periodically:

(1) in times of CWP water shortage due to lack of runoff or other conditions which may be beyond the control of the District, the District may make a ratable allocation of CWP water among the various CWP purchasers, which allocation shall be based on the then-current amount of Deliverable Water in proportion to the District's CWP water purchase commitments under all of its CWP water supply agreements, and the amount of Deliverable Water for that year shall be reduced pro-rata; and

(2) in the event of CWP System Capacity shortages due to potential failures of equipment and infrastructure, and limitations in water source and infrastructure capacities, and in peak demand periods and other times of limited delivery capacity, the District may allocate the available CWP System Capacity among the District's CWP purchasers, which allocation shall be based on the then-current amount of CWP System Capacity available in proportion to the total CWP delivery capacity set forth in Exhibit B.

(b) No liability shall accrue against the District or any of its trustees, officers, agents, or employees, for any damages, direct or indirect, sustained by the Purchaser and/or its customers in the event of shortages of CWP System Capacity, or the District's inability to deliver the Purchased Water to the Purchaser not resulting from the District's own negligence, or due to shortages caused by drought, hostile diversion, prior or superior claims, or other similar causes not within the control of the District.

(c) In the event the Purchaser does not take delivery during any contract year of all of the Deliverable Water for which the One-time Development Fee has been paid in conformance with the provisions of Paragraph 2 (b) (1), the Purchaser may take delivery in the immediately following contract year of so much of the Deliverable Water not taken as does not exceed five percent (5%) of the

total Deliverable Water for that year ("Deferred Water"), subject to the following:

- (1) Calculation of the amount of Deferred Water shall not include any water besides Deliverable Water as of the end of the previous contract year.
- (2) Deferred Water cannot be accumulated on a multi-year basis.
- (3) Deferral is subject to the availability of CWP System Capacity, as reasonably determined by the District;
- (4) Delivery of Deferred Water shall have a lower priority than delivery of Deliverable Water for that year;
- (5) The Purchaser may take delivery of Deferred Water only after it has taken delivery of all of the Deliverable Water for the contract year in which the Deferred Water is to be taken.

8. Use and Delivery of Purchased Water by the Purchaser

- (a) The Purchaser shall use the Purchased Water made available to it under this Agreement only for M&I purposes. No other use of Purchased Water shall be made without the prior written consent of the District.
- (b) The portfolio of water rights the District has acquired for the CWP requires that a percentage of water represented by the CWP water rights be returned to the hydrologic system in Utah and Salt Lake counties in order to avoid interference with other water right appropriators and with other District water supply operations. As such, the Purchaser shall not recycle nor otherwise utilize the Purchased Water in a manner that depletes the Purchased Water in amounts greater than fifty percent (50%), without the prior written consent of the District.
- (c) Subject to the prior written consent of the District, all or some portion of the CWP Non-infrastructure Water may be utilized by the Purchaser by change application or exchange application

under Utah law filed by the District. The Purchaser shall reimburse the District for any legal, engineering or other professional and consulting fees and all related costs and expenses it reasonably incurs in prosecuting any such change or exchange application to decision before the State Engineer, and through any subsequent judicial or administrative review proceedings or appeal.

(d) The Purchaser shall build its own infrastructure as required by it to take delivery of the Purchased Water from the District and utilize and distribute the same to its customers. All cost for O&M of the Purchaser's facilities shall be paid by the Purchaser and not the District.

(e) The Purchaser shall not use, deliver for use, sell, lease or otherwise dispose of any Purchased Water outside Purchaser's political boundaries or its recognized service area, without the prior written consent of the District. No user of the Purchased Water will use the Purchased Water on any basis other than the same basis as the general public.

(f) The facilities to be used to provide and deliver the Purchased Water may be financed, in whole or in part, with the proceeds of tax-exempt bonds ("Tax-exempt Bonds") of the District.

(1) The Purchaser acknowledges that in the event the District issues or has issued Tax-exempt Bonds related to the Purchased Water or its delivery, the use of Purchased Water by the Purchaser may be subject to various limitations imposed under the Internal Revenue Code of 1986 (the "Code"), and United States Treasury Regulations dealing with the tax-exempt bond provisions of the Code (the "Regulations"), that must be complied with in order to protect the tax-exempt status of interest on the Tax-exempt Bonds; and as such, the Purchaser agrees as follows:

(A) The Purchaser shall not, without the prior written approval of the District, supply or enter into any arrangement to supply any of the Purchased Water to any person or entity, other than a state or local government, that conveys any preferential benefits, or that supplies water

other than on the basis of rates that are generally applicable and uniformly applied or supplies the water to any person or entity who will resell the water in such a manner as to establish a "Private Business Use" under applicable provisions of Section 141(a) of the Code and the Regulations, thereby jeopardizing the tax-exempt status of the Tax-Exempt Bonds.

(B) The Purchaser shall not establish any fund or otherwise set aside any money or investments that it reasonably expects to use to make payments due and owing to the District under this Agreement without the prior written approval of the District (which approval may, among other requirements, limit the maximum yield for the investment of any such amounts pursuant to certain arbitrage rules under applicable provisions of Section 148(f) of the Code and the Regulations).

(2) The Purchaser shall, on an annual basis, provide to the District written verification of compliance with the requirements of this Subparagraph 8 (f).

9. Water Conservation

The Purchaser covenants that it shall prepare and file with the District a water conservation plan promulgated by the Purchaser which addresses, among other things, pricing, technical assistance and public education as components of the water conservation plan. Such plan shall be submitted to the District within one year of first delivery of Purchased Water to the Purchaser and shall be updated biennially.

10. Collection of Fees and Charges

In order to assure full and continuous performance of the Purchaser's obligations as set forth herein, the Purchaser hereby covenants and agrees that it will levy and collect all necessary fees, charges and assessments and reasonable contingencies in amounts which, together with other legally available funds, are sufficient to pay in full to the District all of its CWP Fee obligations under this

Agreement. The Purchaser shall timely pay to the District the full amount of CWP Fees as they become due regardless of whether the Purchaser collects the full amount of its fees, charges, and assessments from its customers.

11. Refusal of Water in the Event of Default and Termination

(a) The District may withhold the delivery of all or any portion of the Purchased Water to the Purchaser if the Purchaser is in arrears for more than sixty (60) days in the payment to the District of any CWP Fee to be paid pursuant to Paragraph 2(b). Deliveries shall resume upon payment in full of any such arrearage including any and all accrued interest imposed by the District pursuant to this Agreement. Funds received to cure any arrearage shall be first applied by the District to payment of accrued interest and then towards the reduction of the principal on any such outstanding CWP Fee.

(b) If the Purchaser is in default under any provision of this Agreement and the default remains uncured for more than sixty (60) days after the date of written notice of default, the Parties shall reasonably mediate the dispute. However, if the dispute remains unresolved notwithstanding mediation, this Agreement may be terminated at the sole discretion of the District, subject to the following:

(1) The Purchaser shall have up to one (1) year after the date of written notice of default to seek judicial resolution of the dispute following mediation. This Agreement may not be terminated by the District during the pendency of any judicial action, including any subsequent appeal.

(2) Should the Purchaser fail to bring legal action within said one year period and the dispute otherwise remains unresolved, the District may thereupon proceed to terminate the Agreement, effective upon written notice to the Purchaser.

(3) Upon termination of the Agreement, the Purchased Water will revert to the District

for reallocation to other purchasers as determined by the District.

(4) Termination will not relieve the Purchaser of its obligations to pay any past due CWP Fees, together with any and all accrued interest; however, the Purchaser will be relieved of any future payment obligations after the termination of this Agreement.

12. Term of Agreement

The term of this Agreement shall be perpetual so long as the required payments are paid in accordance with the terms of this Agreement. However, nothing herein shall prohibit the Parties from amending or terminating this Agreement if the Parties mutually agree to do so. There are no third party beneficiaries of this Agreement, and no one other than the Parties hereto may enforce its terms and conditions.

13. Assignment Limited

Neither Party may assign this Agreement or any of its rights under it without the prior written consent of the other Party; provided, however, that the District may pledge and assign any monies received pursuant to this Agreement to the payment of the District's bonds.

14. Exhibits

All exhibits attached to this Agreement are incorporated into and made a part of this Agreement as though fully set forth herein.

15. Original Agreement Superseded: Binding Effect

This Agreement, as of the Effective Date, shall amend, and supersede, in its entirety, the Original FY2010 A2 Agreement, and shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

16. Severability

If any term or provision of this Agreement shall, to any extent, be determined by a court of competent jurisdiction to be void, voidable, or unenforceable, such void, voidable or unenforceable term or provision shall not affect the enforceability of any other term or provision of this Agreement.

17. Construction

This Agreement is the result of negotiations between the Parties, neither of whom has acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the terms and provisions hereof shall be construed in accordance with their usual and customary meanings. Each Party hereby waives the application of any rule of law which otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the Party who (or who's attorney) prepared the executed Agreement or any earlier draft of the same. As used herein, all words in any gender shall be deemed to include the masculine, feminine, or neuter gender, all singular words shall include the plural, and all plural words shall include the singular, as the context may require.

18. Further Action

The Parties hereby agree to execute and deliver such additional documents and to take further action as may become necessary or desirable to fully carry out the provisions and intent of this Agreement.

19. Business Relationship

This Agreement neither acknowledges the existence of nor is it intended nor shall it be construed to establish, create or organize any principal-agent relationship, partnership, joint venture, or any other legal entity or form of business relationship between the Parties, and is limited solely to the

purposes and interests expressed herein.

20. Entire Agreement

This Agreement, including exhibits, constitutes the entire agreement of the Parties and supersedes all prior undertakings, representations, or agreements of the Parties regarding the subject matter hereof.

21. Warranty of Authority

Each individual executing this Agreement does hereby represent and warrant that he or she has been duly authorized to sign this Agreement in the capacity and for the entities identified herein. The District and the Purchaser each represent and warrant that it has full legal right and authority to enter into this Agreement.

22. Notices

Notices given by or to the Parties shall be in writing and may be served personally or served by depositing them in the United States mail, postage prepaid, certified or registered mail with return receipt requested, addressed to the Parties at the addresses set forth below, or at such other addresses as the Parties may designate in writing:

DISTRICT:

Central Utah Water Conservancy District
Attention: General Manager
355 West University Parkway
Orem, Utah 84058

PURCHASER:

EAGLE MOUNTAIN CITY
Attention: Mayor

And to:

Attention: City Recorder
1650 East Stagecoach Run
Eagle Mountain, UT 84005

23. Rules and Regulations Governing Service

Subject to the terms and conditions of this Agreement, the District reserves the right to adopt rules and regulations governing the delivery of water under this Agreement, and to exercise its full statutory powers, including specifically the right to amend its rates, fees, charges, and its rules and regulations in the future, and the right to exercise its statutory powers, as they now exist or are amended or enacted in the future. It is expressly agreed that the District, by signing this Agreement, has not surrendered any of its rights in this regard.

24. Subject to Act

Subject to the terms and conditions of this Agreement, any commitment of CWP water, and payment to the District for CWP water so committed pursuant to this Agreement, shall be subject to the Act and the rules and regulations of the District's Board of Trustees now existing or hereafter legally promulgated, as the same may be supplemented or amended.

IN WITNESS WHEREOFF, the Parties hereto have executed this Agreement effective as of the day and year first written above.

**CENTRAL UTAH WATER
CONSERVANCY DISTRICT**

By: [Signature]
Its: President

Attest: [Signature]
Secretary

EAGLE MOUNTAIN CITY

By: [Signature]
Its: Mayor

Attest: [Signature]
Its: City Recorder



APPROVED AS TO FORM

BY: [Signature]
CITY ATTORNEY

EXHIBIT A**PURCHASED WATER TAKE DOWN SCHEDULE (BY VOLUME)
FOR CWP INFRASTRUCTURE WATER UNDER THIS AGREEMENT**

Fiscal Year (le FY2008-09 = July 1, 2008 - June 30, 2009)	Annual Volume of CWP Infrastructure Water Removed from Reserved Status - Deliverable Water (AF)	CWP One Time Development Charge for Block of Water Removed from Reserved Status (AF)	Cumulative Annual Volume of CWP Infrastructure Water Deliveries - Deliverable Water (AF)	Actual and Estimated Future Reservation Fee (\$/AF of Annual Reserved Water)	Actual and Estimated Future Annual Water Fee (As set annually by the District) (\$/AF of Annual Deliverable Water)
2008-09	0	<i>\$5,850</i>	0	\$0	<i>\$300.00</i>
2009-10	0	<i>\$5,850</i>	0	\$0	<i>\$314.00</i>
2010-11	0	<i>\$5,850</i>	0	\$0	<i>\$328.00</i>
2011-12	0	<i>\$5,850</i>	0	\$0	<i>\$343.00</i>
2012-13	0	<i>\$5,850</i>	0	\$0	<i>\$358.00</i>
2013-14	0	<i>\$5,850</i>	0	\$0	<i>\$374.00</i>
2014-15	0	<i>\$5,850</i>	0	\$0	<i>\$391.00</i>
2015-16	0	<i>\$9,370</i>	0	\$0	<i>\$408.00</i>
2016-17	0	<i>\$9,600</i>	0	\$0	<i>\$427.00</i>
2017-18	0	<i>\$9,840</i>	0	\$0	<i>\$446.00</i>
2018-19	0	<i>\$10,090</i>	0	\$0	<i>\$466.00</i>
2019-20	0	<i>\$10,340</i>	0	\$0	<i>\$487.00</i>
2020-21	220	<i>\$10,600</i>	220	\$0	<i>\$509.00</i>
2021-22	470	<i>\$10,870</i>	690	\$0	<i>\$532.00</i>
2022-23	470	<i>\$11,140</i>	1,160	\$0	<i>\$556.00</i>
2023-24	470	<i>\$11,420</i>	1,630	\$0	<i>\$581.00</i>
2024-25	470	<i>\$11,710</i>	2,100	\$0	<i>\$607.00</i>
2025-26	470	<i>\$12,000</i>	2,570	\$0	<i>\$634.00</i>
2026-27	470	<i>\$12,300</i>	3,040	\$0	<i>\$663.00</i>
2027-28	470	<i>\$12,610</i>	3,510	\$0	<i>\$693.00</i>
2028-29	470	<i>\$12,930</i>	3,980	\$0	<i>\$724.00</i>
2029-30	470	<i>\$13,250</i>	4,450	\$0	<i>\$756.00</i>
2030-31	470	<i>\$13,580</i>	4,920	\$0	<i>\$790.00</i>
2031-32	470	<i>\$13,920</i>	5,390	\$0	<i>\$826.00</i>
2032-33	470	<i>\$14,270</i>	5,860	\$0	<i>\$863.00</i>
2033-34	470	<i>\$14,630</i>	6,330	\$0	<i>\$902.00</i>
2034-35	470	<i>\$15,000</i>	6,800	\$0	<i>\$943.00</i>
2035-36	470	<i>\$15,380</i>	7,270	\$0	<i>\$985.00</i>
2036-37	470	<i>\$15,760</i>	7,740	Continues to be \$0/AF	Rate continues to be
2037-38	470	<i>\$16,150</i>	8,210		adopted by District Board
2038-39	470	<i>\$16,550</i>	8,680		
2039-40	470	<i>\$16,960</i>	9,150		
2040-41	470	<i>\$17,380</i>	9,620		
2041-42	470	<i>\$17,810</i>	10,090		
2042-43	470	<i>\$18,260</i>	10,560		
2043-44	470	<i>\$18,720</i>	11,030		
2044-45	470	<i>\$19,190</i>	11,500		

Continues at 11,500 AF

- Actual previous or present fee amounts are in Italics and Blue

EXHIBIT B

**DELIVERY LOCATION AND
RATE OF DELIVERY CAPACITY UNDER THIS AGREEMENT**

I. FOR CWP INFRASTRUCTURE WATER

	Delivery Location See Figure 1	Ultimate Contract Capacity (Maximum Daily Flow Rate in GPM But Limited by Annual Deliverable Volume) See Note (1)
1.	Turnout at approximately Pony Express Parkway and 800 West Saratoga Springs	
2.	Turnout at the North Shore Terminal Reservoir located approximately one quarter mile North of 400 West and SR-73 Saratoga Springs	

For Combined Total of up to 15,110 GPM

II. FOR CWP NON-INFRASTRUCTURE WATER

	Delivery Location See Note (2)	Contract Capacity (Maximum Daily Flow Rate in GPM) See Note (2)
1.	None	None

Notes:

(1) The total Contract Capacity corresponds to the Cumulative Annual Volume Delivered shown in Exhibit A in each year multiplied by 18% and divided by 31 days and converted to a gallons per minute flow rate, i.e. Delivered Water amount in AF multiplied by 0.18 divided by 31 days multiplied by 325,829 gallons per AF divided by 24 hours per day divided by 60 minutes per hour.

(2) The total Contract Capacity would be identified in the approved water right change application.



— 60" North Shore Aqueduct
□ Eagle Mountain Connections



NORTH SHORE AQUEDUCT
EAGLE MOUNTAIN CONNECTIONS
FIGURE 1

EXHIBIT “B”
TO WATER PURCHASE AGREEMENT
1,800 AF Agreement

**FOURTH
AMENDED AND RESTATED WATER SUPPLY AGREEMENT
BETWEEN CENTRAL UTAH WATER CONSERVANCY DISTRICT
AND EAGLE MOUNTAIN CITY
FOR SALE OF CWP MUNICIPAL AND INDUSTRIAL WATER**

THIS FOURTH AMENDED AND RESTATED WATER SUPPLY AGREEMENT

("Agreement") is made effective as of this 26th day of April, 2017 (the "Effective Date"), by and between the Central Utah Water Conservancy District, a water conservancy district organized under the laws of the State of Utah ("District"), and Eagle Mountain City, a municipal corporation ("Purchaser"). The District and the Purchaser are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

- A. The District is organized and exists pursuant to the Utah Water Conservancy Act, Utah Code Annotated §17B-2a-1001, et seq., and those provisions of §17B-1-101, et seq., applicable to all local districts, both sections as amended (collectively, the "Act"), for the purpose, among others, of making water available to contract holders residing within its boundaries and of entering into agreements with public and private water users for the purchase and sale of water and its delivery.
- B. The Purchaser is a water user organized under the laws of the State of Utah that utilizes and/or provides water service to its customers within its boundaries, and which desires to purchase an additional supply of municipal and industrial ("M&I") water from the District.
- C. The District shall design, construct, operate, maintain, repair and replace the Central Utah Water Conservancy District Water Development Project ("CWP"), and has developed and obtained and will develop and obtain sources of water supply for sale and delivery to contract purchasers through the CWP.

CWP FY2009 (Eagle Mountain City 2017 Fourth Amended and Restated)

D. The Parties enter into this Agreement to amend and restate that certain Water Supply Agreement between Central Utah Water Conservancy District and Eagle Mountain City For the Sale of CWP Municipal and Industrial Water, dated September 30, 2008 (the “Initial Agreement”), as amended by the Parties pursuant to that certain letter agreement dated April 27, 2011 (the “First Amendment”), as further amended by the Parties pursuant to that certain letter agreement dated August 11, 2013 (the “Second Amendment”), as further amended by the Parties pursuant to that certain Amended and Restated Water Supply Agreement between Central Utah Water Conservancy District and Eagle Mountain City for the Sale of CWP Municipal and Industrial Water (CWP FY2009 (Eagle Mountain City 2016 Amended and Restated), dated February 24, 2016 (the “Third Amendment”), (the Initial Agreement, the First Amendment, the Second Amendment and the Third Amendment being sometimes referred to herein collectively as the “Original Agreement”), for the purpose of setting forth the terms and conditions pursuant to which CWP water may be reserved by, purchased by and delivered to the Purchaser at the point or points designated herein, for sale and distribution by the Purchaser to meet a portion of the needs of its customers.

E. This amendment and restatement is made pursuant to the authority of Section 4(b) of the Original Agreement, for the purpose of reducing, at the Purchaser’s written request by letter dated February 23, 2017, the amount of CWP water originally contracted for by the Purchaser from 2,500 acre-feet to 1,800 acre-feet, for a total contract reduction in the amount of 700 acre-feet (the “Contract Reduction Amount”). In conformance with said Section, the Contract Reduction Amount will be replaced pursuant to the assignment and transfer of the Contract Reduction Amount to the Town of Vineyard, a public water user in North Utah County, to facilitate its application to the District to simultaneously increase its own CWP Water Supply Agreement by the Contract Reduction Amount.

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Fourth CWP Amended and Restated Eagle Mountain City 2500 Water Supply Agreement – 2017
VERSION DATE – March 16, 2017

F. The District has found and determined that the replacement transaction is in the best interest of the District, and that all necessary conditions and limitations thereto have been or will be satisfied and accounted for under the transaction as required pursuant to the provisions of Section 4(b) of the Original Agreement.

NOW, THEREFORE, IN CONSIDERATION of the foregoing recitals, and other good and valuable consideration, the receipt and sufficiency are hereby acknowledged, the Parties agree as follows:

TERMS

1. Sale and Purchase of CWP Water

(a) The District hereby agrees to sell and the Purchaser hereby agrees to purchase annually, or in any event pay for, as described herein, one thousand eight hundred (1,800) acre-feet of M&I water developed from the CWP ("Purchased Water"), consisting of one thousand eight hundred (1,800) acre-feet of Deliverable Water, as defined in Paragraph 2(b)(1)(B) below, delivered using CWP or District operated infrastructure ("CWP Infrastructure Water") and Zero (0) acre-feet of Deliverable Water delivered to Purchaser by means other than CWP or District operated infrastructure ("CWP Non-Infrastructure Water").

(b) Subject to the terms and conditions of this Agreement, the Purchased Water shall be reserved and made available by the District to the Purchaser in accordance with the Take-down Schedule attached as Exhibit "A" hereto. The Deliverable Water shall then be delivered to the Purchaser at the specified point or points of delivery, and within the maximum daily flow rates ("Contract Capacity") set forth on the Delivery Schedule attached as Exhibit "B" hereto. The Parties

hereby understand and acknowledge that in establishing the Contract Capacity, the District must consider both the capacity of the available CWP water supply and the capacity of the available CWP infrastructure, including the capacity of all available reservoirs, wells, treatment plants, transmission lines, meters and meter stations, and pumps and pump stations within the CWP system (collectively, the “CWP System Capacity”).

(c) The District and the Purchaser agree and understand that the sale of Purchased Water under this Agreement, as amended and restated, is under terms and conditions that were the same for similarly situated customers entering into CWP water supply agreements during the period July 1, 2008 through September, 30, 2008 (said grouping of water supply agreements being referred to for purpose of identification as “CWP FY2009 A”) and subsequently offered to all existing CWP Water Supply Agreement Customers as of January 1, 2016.

(d) In the event the District shall enter into any CWP supply agreement(s) having a pricing structure or terms of sale more favorable to the purchaser therein than those set forth in Paragraph 2 below, the Parties agree that this Agreement shall be amended so as to apply the same pricing structure or terms of sale herein.

2. Sales Price of Purchased Water

(a) General.

(1) CWP water is sold and delivered pursuant to a pricing structure containing the following four components: (i) a One-time Development Charge; (ii) an Annual Reservation Fee, (iii) an Annual Water Fee, and (iv) an Annual Service Fee, all as described in Paragraph 2(b) below. (The One-time Development Charge, the Annual Reservation Fee, the Annual Water Fee and the Annual Service Fee are sometimes referred to herein collectively as the “CWP Fees”).

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(2) Factors that will influence the amount for each of the four components of the pricing structure may include: (i) whether a purchaser uses or does not use any of the District's infrastructure; and (ii) the grouping, by year, of water purchase agreements for CWP water. At the sole discretion of the District, the cost of some of the four components of the pricing structure may be zero based on the factors described above.

(3) The CWP Fees set forth herein are imposed for the sole purpose of developing and providing the CWP water supply and providing the infrastructure necessary to deliver the Purchased Water to the Purchaser and other water users and customer agencies that enter into similarly situated and dated CWP water supply agreements. CWP Fees will not include District costs from projects not directly related to the CWP. The District shall treat all CWP water purchasers, similarly situated within water sales agreements grouped according to the effective dates of said agreements as may be determined by the District, in an equal, fair and non-discriminatory manner.

(4) CWP Fees under this Agreement shall be due and payable by the Purchaser, as provided herein, regardless of whether the Purchaser calls for or uses any of the Purchased Water in any given year, subject to annual adjustment as provided in Paragraph 7 herein. Notwithstanding the foregoing, in the unlikely event the CWP infrastructure is not capable of delivering Purchased water to Purchaser in the fiscal year first set forth in the Take Down Schedule, Exhibit "A" hereto, the obligation of the Purchaser to pay the One-time Development Charge and the Reservation Fee shall be suspended, the volume of water scheduled to be removed from reserved status and become Deliverable Water, as defined in Paragraph 2(b)(1)(B), in that fiscal year shall be set back and added onto the next succeeding year, until Purchased water is available for delivery, at which time payment of the One-time Development Charge, as provided herein, shall be due for the fiscal year in which Purchased Water first becomes Deliverable Water and for each fiscal year added on thereto.

(b) CWP Pricing Structure. The pricing structure for the CWP FY2009 A water supply agreements is as follows:

(1) One-time Development Charge.

(A) The District must recover from all purchasers that enter into water supply agreements the costs of the District to develop the CWP, including the acquisition and development of the CWP water supply and the planning, design and construction of the CWP infrastructure (“CWP Development Cost”). The One-time Development Charge is charged on a per acre-foot basis as provided in Paragraph 2(c) below, and covers the majority of the Purchaser’s proportionate share of the CWP Development Cost. The respective One-time Development Charges to be paid by Purchaser for the CWP Infrastructure Water reserved under this Agreement is fixed in the amounts shown in the Take Down Schedule, Exhibit A hereto, during the term of this Agreement for each block of CWP water (“Block”), taken out of reserved status under the schedule set forth in the Take Down Schedule and is not subject to change for CWP water reserved under this Agreement, except for provisions contained in Paragraph 4.

(B) The One-time Development Charge designated for each Block is paid one-time only by the Purchaser for the that volume of Purchased Water under each Block, and is due and payable on July 1 of the fiscal year in which the Block of Purchased Water is removed from reserved status as provided in Paragraph 2(b)(2)(A) below and made available to the Purchaser for delivery (“Deliverable Water”) in accordance with the Take-down Schedule.

(2) Annual Reservation Fee.

(A) The Annual Reservation Fee applies to Purchased Water held in reserve status for the Purchaser pursuant to the provisions of Paragraph 4 (“Reserved Water”), and is imposed inasmuch as the CWP Development Cost must be paid by the District regardless of whether the Purchaser takes delivery of Purchased Water or not. The Annual Reservation Fee is charged on a per acre-foot basis as provided in Paragraph 2(B) below and covers an additional portion of the Purchaser’s proportionate share of the CWP Development Cost during the period the Purchased Water remains in reserved status. As Purchased Water is removed from its reserved status and becomes Deliverable Water pursuant to the Take-down Schedule, Exhibit A, the District will no longer impose an Annual Reservation Fee on said water. The Purchaser will then pay the One-time Development Charge on the Deliverable Water as provided in Paragraph 2(b)(1) and commence payment of the Annual Water Fee as provided in Paragraph 2(b)(3) and the Annual Service Fee as provided in Paragraph 2(b)(4). The District will continue to impose the Annual Reservation Fee on any and all Purchased Water that remains in Reserved Water status for the Purchaser.

(B) The Annual Reservation Fee is charged on a per acre-foot basis for each acre-foot of Purchased Water held in reserved status for the Purchaser pursuant to Paragraph 4 as of December 31st, of the preceding calendar year, and is due and payable annually on or before February 15th of the current year.

(C) The Annual Reservation Fee for the CWP Infrastructure Water reserved for Purchaser hereunder is fixed during the term of this Agreement in the amount set forth in the Take Down Schedule, Exhibit “A” hereto.

(3) Annual Water Fee.

(A) The Annual Water Fee is charged on a per acre-foot basis as provided in

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Paragraph 2(c) below and is imposed to cover costs associated with the operation, maintenance, repair and replacement (“O&M”) of the CWP infrastructure, to fund O&M reserves for the CWP, to pay the remaining portion of the Purchaser’s proportionate share of the CWP Development Cost not covered by the One-time Development Charge and the Annual Reservation Fee (proportionate share for this purpose being defined as Purchaser’s total volume of CWP Infrastructure Water under this Agreement divided by the total capacity of the CWP attributable to CWP Infrastructure Water, estimated by the Parties as of the date hereof to be 53,312 acre-feet, averaged over a five-year rolling period), and to cover other related costs of the District pertaining solely to the CWP infrastructure. The amount of the Annual Water Fee to be charged is set annually by the District’s board of trustees, and may change from year-to-year.

(B) In payment of the Annual Water Fee, the Purchaser will only pay that amount attributed to a proportionate share of costs incurred for O&M, to fund the O&M Reserve and other related costs pertaining to CWP infrastructure, apportioned to the Purchaser based upon the annual cumulative volume of Deliverable Water, in acre-feet.

(C) The amount of the Annual Water Fee for the CWP Infrastructure Water reserved for Purchaser hereunder, in place as of the Effective Date of this Agreement, is set forth in the Take Down Schedule, Exhibit “A” hereto.¹ Payment shall be made in conformance with the following:

(i) The District will invoice the Purchaser for the Annual Water Fee commencing the end of the month following the payment of the One-time Development Charge.

(ii) Subject to the provisions of Paragraph 2(b)(3)(D) below, the

¹ The amount of the Annual Water Fee as set forth in the Original Agreement and each past and current year, as well as the estimated future amounts is also shown.

Annual Water Fee is payable by the Purchaser on a monthly basis within 30 days of the date of the District's invoice for actual water deliveries made in months prior to the date of the invoice.

(iii) Subject to the provisions of Paragraph 7 below, the Annual Water Fee is to be paid by the Purchaser as provided herein regardless of whether the Purchaser calls for or uses any of the Deliverable Water in any given year. In the event the amount paid by the Purchaser under invoices for actual water delivered in conformance with Paragraph 2(b)(3)(C)(ii) is less than the total Annual Water Fee due hereunder, the remaining balance shall be invoiced by the District in the June billing each fiscal year.

(D) Notwithstanding the provisions of Paragraph 2(b)(3)(C) above, the Purchaser, at its option, may give written notice to the District that it desires to capitalize the Annual Water Fee. The District is willing to accept an up-front capitalized payment ("Capitalized Annual Water Fee"), for a period of not to exceed five years ("Capitalization Period"), under terms and conditions established by the District in its sole discretion, subject to the following:

(i) Upon receipt of notice from the Purchaser, the District will calculate the total estimated amount of the Capitalized Annual Water Fee to be due and payable over the Capitalization Period commencing the date Deliverable Water becomes available to the Purchaser. The District will thereupon notify the Purchaser, in writing, of the amount of the Capitalized Annual Water Fee to be charged, which shall be due and payable by the Purchaser within thirty (30) days from the date it receives said notice.

(ii) Within sixty (60) days of the end of the Capitalization Period, the District shall reconcile with the Purchaser the difference between the Capitalized Annual Water Fee

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paid by the Purchaser and the actual amount that would have been paid had the Purchaser paid the Annual Water Fee on an annual basis. If the Capitalized Annual Water Fee paid by the Purchaser is higher than the actual annual payments would have been pursuant to Paragraph 2(b)(3)(C), the District shall credit the difference to the Purchaser against future Annual Water Fees payable by the Purchaser as determined by the District. If the Capitalized Annual Water Fee paid by the Purchaser is lower than the actual annual payments would have been pursuant to Paragraph 2(b)(3)(C), the Purchaser shall pay the difference to the District within ninety (90) days from the end of the Capitalization Period.

(4) Annual Service Fee.

(A) The Annual Service Fee is charged on a per acre-foot basis as provided in Paragraph 2(c) below and is imposed to cover a portion of the District's CWP administrative costs and expenses.

(B) The Annual Service Fee is due and payable annually on or before February 15th of the current year for the annual cumulative volume, in acre-feet, of Deliverable Water pursuant to this Agreement as of December 31st of the preceding year. The Annual Service Fee will be due and payable regardless of whether the Purchaser calls for or uses any of the Deliverable Water in any given year.

(C) The initial amount of the Annual Service Fee for the CWP Infrastructure Water reserved for Purchaser hereunder is fixed during the term of this Agreement in the amount set forth in the Take Down Schedule, Exhibit "A" hereto.

(c) Pricing Structure Applicable to the Purchaser Hereunder. The pricing structure for each of the components of the CWP 2009A water supply purchased hereunder is set forth in the Take Down Schedule, Exhibit "A" hereto.

(2) Interest on Delinquent Accounts. Any CWP Fee that remains unpaid after it shall have become due and payable as provided herein shall be subject to simple interest at the rate of one and one-half percent (1.5%) of the delinquent amount per month. Interest will begin to accrue from the date of delinquency and will continue to accrue until such time as the delinquent CWP Fees and all accrued interest have been paid in full; provided, however, that no interest shall be charged to or paid by the Purchaser unless such delinquency continues for more than thirty (30) days or more beyond the date of delinquency.

3. Quality of Water Delivered

CWP culinary water shall be delivered to the Purchaser in conformance with standards for public drinking water set by applicable law and regulation, including the Utah Division of Drinking Water and/or the Utah Drinking Water Board of the Department of Environmental Quality; provided, however, that the District shall not be liable, or otherwise in breach of this Agreement, for failure to meet those standards unless the failure is due to the District's willful misconduct or gross negligence. The District and Purchaser agree that the CWP water sources will be Provo River water, high quality deep groundwater from a well field in or near Vineyard, Utah, or other sources of comparable quality. Deliveries from any other sources shall be of comparable quality.

4. Reservation of Water

(a) The District shall hold Purchased Water in reserve for the Purchaser pursuant to the Take-down Schedule, Exhibit A. Purchased Water must be removed from Reserved Water status based on said schedule. As Reserved Water is removed from reserved status, payments will be required for each acre-foot of Deliverable Water as set forth in Paragraph 2.

(b) The Purchaser may conclude that it has reserved more Purchased Water than it will eventually require. The District may consider an application from the Purchaser to reduce the amount of CWP water contracted for hereunder; however, the District will not approve the application unless and until another private or public water user in North Utah County or Salt Lake County (“Replacement Purchaser”) applies for a new contract, or a contract increase, in an equal or greater quantity to simultaneously replace the reduction hereunder. In such event, the District may approve such a simultaneous reduction and increase if it finds that the replacement transaction is in the best interest of the District. Limitations and conditions to such a reduction and replacement transaction include the following:

(1) A reduction in contract volume to be taken down by Purchaser as set forth in Exhibit A hereto must include a corresponding, proportional reduction in Contract Capacity under Exhibit B hereto.

(2) The reduction of contract volume under Exhibit A hereto is limited to the corresponding amount of the new or increased contract volume of the Replacement Purchaser.

(3) The reduction of Contract Capacity under Exhibit B hereto must be at least as great as the Contract Capacity increase of the new or increased contract of the Replacement Purchaser, except for variations in maximum daily delivery as between the Purchaser and the Replacement Purchaser.

(c) At the Purchaser’s request, and provided that the District has developed the required CWP System Capacity:

(1) Purchased Water may become deliverable to the Purchaser on a year-to-year basis according to an accelerated schedule from that shown in Exhibit A, subject to terms and conditions mutually agreed to in writing by the Parties, or

(2) Purchased Water may become deliverable on a permanent basis according to an accelerated schedule from that shown in Exhibit A pursuant to the terms and conditions set forth in this Agreement;

(d) In the event of a reduction in the take-down of Purchased Water by the Purchaser as provided in subparagraph 4 (b) above, or an acceleration in the delivery of the Purchased Water as provided in subparagraph 4 (c) above, the applicable CWP Fees due and payable by the Purchaser to the District as provided in Paragraph 2 shall be correspondingly accelerated or reduced as the case may be, as determined in the sole discretion of the District in conformance with the provisions of Paragraph 2(b).

5. Point of Delivery

(a) The District will deliver the Purchased Water to the Purchaser in conformance with the following:

(1) For CWP Infrastructure Water: CWP Infrastructure Water will be measured and delivered to the Purchaser only at the point or points of delivery identified in Exhibit B. The infrastructure to be constructed by the District for the purpose of delivering CWP Infrastructure Water from its main transmission lines at said point(s) of delivery include a vault, valve(s), meter(s), piping and related facilities and equipment ("Delivery Infrastructure"), as determined to be necessary by the District to deliver and measure the CWP Infrastructure Water at said point(s). The Delivery Infrastructure will be constructed and installed at the District's sole expense in connection with the

development of the CWP, and the District shall own, operate, maintain, repair and replace the same for the term of this Agreement.

(2) For CWP Non-Infrastructure Water: CWP Non-infrastructure Water will be measured and delivered by the Purchaser at its infrastructure. The District will administer water right change applications as necessary to designate points of diversion for delivery of CWP Non-infrastructure Water to the Purchaser at the Purchaser's sources. The Purchaser will meter and tabulate totals of CWP water delivered on a monthly basis from Purchasers sources and report that to the District for each contract year.

(b) Once the District delivers CWP Infrastructure Water to the point(s) of delivery, or CWP Non-infrastructure water is delivered at the Purchaser's sources, it shall be the responsibility of the Purchaser to provide its own facilities as needed to take this water from the Delivery Infrastructure or Purchasers sources into the Purchaser's own delivery and/or distribution system for its use. No new points of delivery will be allowed without the prior written approval of the District. All Purchased Water delivered by the District under this Agreement will be measured through measuring devices installed in the Delivery Infrastructure or the Purchasers infrastructure at its sources.

6. System Capacity

(a) It is understood by the Purchaser that the delivery of Deliverable Water by the District to the Purchaser is limited to the Contract Capacity set forth in Exhibit B.

(b) If CWP System Capacity is available to deliver water beyond the Contract Capacity, and the Purchaser so requests, the Purchaser may, with the prior written approval of the District, receive delivery of Deliverable Water at a flow rate higher than the Contract Capacity provided in Exhibit B, subject to the following:

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(1) The maximum flow rate at which the Deliverable Water shall be delivered and resulting adjustments in the applicable CWP Fees set forth in Paragraph 2 (c) herein for said year or other costs to be applied, if any, shall be negotiated and agreed upon by the Parties prior to the delivery of Deliverable Water in the increased amount.

(2) A request by the Purchaser to exceed the Contract Capacity shall be made on an annual basis no later than April 30th.

(3) Notwithstanding the foregoing, if the Contract Capacity is exceeded by the Purchaser without receiving the prior written approval of the District, then a monthly surcharge will be assessed to the Purchaser in an amount per acre-foot set annually by the District for each acre-foot of water exceeding Contract Capacity or Contract Capacity modified in accordance with Paragraph 6(b)(1), calculated on a daily basis.

7. Quantity of Water Delivered

(a) The District is not a guarantor of CWP water supply or of CWP delivery capacity. It is understood by the Parties that the District's ability to deliver CWP water to the Purchaser depends, in part, on the available CWP System Capacity. Therefore, in its reasonable discretion and pursuant to its interpretation and the application of its policies, rules, and procedures as they may be amended periodically:

(1) in times of CWP water shortage due to lack of runoff or other conditions which may be beyond the control of the District, the District may make a ratable allocation of CWP water among the various CWP purchasers, which allocation shall be based on the then-current amount of Deliverable Water in proportion to the District's CWP water purchase commitments under all of its CWP water supply agreements, and the amount of Deliverable Water for that year shall be reduced pro-rata; and

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(2) in the event of CWP System Capacity shortages due to potential failures of equipment and infrastructure, and limitations in water source and infrastructure capacities, and in peak demand periods and other times of limited delivery capacity, the District may allocate the available CWP System Capacity among the District's CWP purchasers, which allocation shall be based on the then-current amount of CWP System Capacity available in proportion to the total CWP delivery capacity set forth in Exhibit B.

(b) No liability shall accrue against the District or any of its trustees, officers, agents, or employees, for any damages, direct or indirect, sustained by the Purchaser and/or its customers in the event of shortages of CWP System Capacity, or the District's inability to deliver the Purchased Water to the Purchaser not resulting from the District's own negligence, or due to shortages caused by drought, hostile diversion, prior or superior claims, or other similar causes not within the control of the District.

(c) In the event the Purchaser does not take delivery during any contract year of all of the Deliverable Water for which the One-time Development Fee has been paid in conformance with the provisions of Paragraph 2 (b) (1), the Purchaser may take delivery in the immediately following contract year of so much of the Deliverable Water not taken as does not exceed five percent (5%) of the total Deliverable Water for that year ("Deferred Water"), subject to the following:

(1) Calculation of the amount of Deferred Water shall not include any water besides Deliverable Water as of the end of the previous contract year.

(2) Deferred Water cannot be accumulated on a multi-year basis.

(3) Deferral is subject to the availability of CWP System Capacity, as reasonably determined by the District;

(4) Delivery of Deferred Water shall have a lower priority than delivery of Deliverable

Water for that year;

(5) The Purchaser may take delivery of Deferred Water only after it has taken delivery of all of the Deliverable Water for the contract year in which the Deferred Water is to be taken.

8. Use and Delivery of Purchased Water by the Purchaser

(a) The Purchaser shall use the Purchased Water made available to it under this Agreement only for M&I purposes. No other use of Purchased Water shall be made without the prior written consent of the District.

(b) The portfolio of water rights the District has acquired for the CWP requires that a percentage of water represented by the CWP water rights be returned to the hydrologic system in Utah and Salt Lake counties in order to avoid interference with other water right appropriators and with other District water supply operations. As such, the Purchaser shall not recycle nor otherwise utilize the Purchased Water in a manner that depletes the Purchased Water in amounts greater than fifty percent (50%). without the prior written consent of the District.

(c) Subject to the prior written consent of the District, all or some portion of the CWP Non-infrastructure Water may be utilized by the Purchaser by change application or exchange application under Utah law filed by the District. The Purchaser shall reimburse the District for any legal, engineering or other professional and consulting fees and all related costs and expenses it reasonably incurs in prosecuting any such change or exchange application to decision before the State Engineer, and through any subsequent judicial or administrative review proceedings or appeal.

(d) The Purchaser shall build its own infrastructure as required by it to take delivery of the Purchased Water from the District and utilize and distribute the same to its customers. All cost for O&M of the Purchaser's facilities shall be paid by the Purchaser and not the District.

(e) The Purchaser shall not use, deliver for use, sell, lease or otherwise dispose of any Purchased Water outside Purchaser's political boundaries or its recognized service area, without the prior written consent of the District. No user of the Purchased Water will use the Purchased Water on any basis other than the same basis as the general public.

9. **Water Conservation**

The Purchaser covenants that it shall prepare and file with the District a water conservation plan promulgated by the Purchaser which addresses, among other things, pricing, technical assistance and public education as components of the water conservation plan. Such plan shall be submitted to the District within one year of first delivery of Purchased Water to the Purchaser and shall be updated biennially.

10. **Collection of Fees and Charges**

In order to assure full and continuous performance of the Purchaser's obligations as set forth herein, the Purchaser hereby covenants and agrees that it will levy and collect all necessary fees, charges and assessments and reasonable contingencies in amounts which, together with other legally available funds, are sufficient to pay in full to the District all of its CWP Fee obligations under this Agreement. The Purchaser shall timely pay to the District the full amount of CWP Fees as they become due regardless of whether the Purchaser collects the full amount of its fees, charges, and assessments from its customers.

11. **Refusal of Water in the Event of Default and Termination**

(a) The District may withhold the delivery of all or any portion of the Purchased Water to the Purchaser if the Purchaser is in arrears for more than sixty (60) days in the payment to the District of any CWP Fee to be paid pursuant to Paragraph 2(b). Deliveries shall resume upon payment in full of

any such arrearage including any and all accrued interest imposed by the District pursuant to this Agreement. Funds received to cure any arrearage shall be first applied by the District to payment of accrued interest and then towards the reduction of the principal on any such outstanding CWP Fee.

(b) If the Purchaser is in default under any provision of this Agreement and the default remains uncured for more than sixty (60) days after the date of written notice of default, the Parties shall reasonably mediate the dispute. However, if the dispute remains unresolved for more than one (1) year after the date of written notice of default, this Agreement may be terminated at the sole discretion of the District. Upon such action, the Purchased Water will revert to the District for reallocation to other purchasers as determined by the District. Termination will not relieve the Purchaser of its obligations to pay any past due CWP Fees, together with any and all accrued interest; however, the Purchaser will be relieved of any future payment obligations after the termination of this Agreement.

12. Term of Agreement

The term of this Agreement shall be perpetual so long as the required payments are paid in accordance with the terms of this Agreement. However, nothing herein shall prohibit the Parties from amending or terminating this Agreement if the Parties mutually agree to do so. There are no third party beneficiaries of this Agreement, and no one other than the Parties hereto may enforce its terms and conditions.

13. Assignment Limited

Neither Party may assign this Agreement or any of its rights under it without the prior written consent of the other Party; provided, however, that the District may pledge and assign any monies received pursuant to this Agreement to the payment of the District's bonds.

14. Exhibits

All exhibits attached to this Agreement are incorporated into and made a part of this Agreement as though fully set forth herein.

15. Original Agreement Superseded; Binding Effect

This Agreement, as of the Effective Date, shall amend, and supersede, in their entirety, each of the Agreements and amendments comprising the Original Agreement, and shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

16. Severability

If any term or provision of this Agreement shall, to any extent, be determined by a court of competent jurisdiction to be void, voidable, or unenforceable, such void, voidable or unenforceable term or provision shall not affect the enforceability of any other term or provision of this Agreement.

17. Construction

This Agreement is the result of negotiations between the Parties, neither of whom has acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the terms and provisions hereof shall be construed in accordance with their usual and customary meanings. Each Party hereby waives the application of any rule of law which otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the Party who (or who's attorney) prepared the executed Agreement or any earlier draft of the same. As used herein, all words in any gender shall be deemed to include the masculine, feminine, or neuter gender, all singular words shall include the plural, and all plural words shall include the singular, as the context may require.

18. Further Action

The Parties hereby agree to execute and deliver such additional documents and to take further

action as may become necessary or desirable to fully carry out the provisions and intent of this Agreement.

19. Business Relationship

This Agreement neither acknowledges the existence of nor is it intended nor shall it be construed to establish, create or organize any principal-agent relationship, partnership, joint venture, or any other legal entity or form of business relationship between the Parties, and is limited solely to the purposes and interests expressed herein.

20. Entire Agreement

This Agreement, including exhibits, constitutes the entire agreement of the Parties and supersedes all prior undertakings, representations, or agreements of the Parties regarding the subject matter hereof.

21. Warranty of Authority

Each individual executing this Agreement does hereby represent and warrant that he or she has been duly authorized to sign this Agreement in the capacity and for the entities identified herein. The District and the Purchaser each represent and warrant that it has full legal right and authority to enter into this Agreement.

22. Notices

Notices given by or to the Parties shall be in writing and may be served personally or served by depositing them in the United States mail, postage prepaid, certified or registered mail with return receipt requested, addressed to the Parties at the addresses set forth below, or at such other addresses as the Parties may designate in writing:

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DISTRICT:

Central Utah Water Conservancy District
Attention: General Manager
355 West University Parkway
Orem, Utah 84058

PURCHASER:

Eagle Mountain City
Attention: Mayor
and to:
Attention: City Recorder
1680 Heritage Drive
Eagle Mountain, UT 84005

23. Rules and Regulations Governing Service

Subject to the terms and conditions of this Agreement, the District reserves the right to adopt rules and regulations governing the delivery of water under this Agreement, and to exercise its full statutory powers, including specifically the right to amend its rates, fees, charges, and its rules and regulations in the future, and the right to exercise its statutory powers, as they now exist or are amended or enacted in the future. It is expressly agreed that the District, by signing this Agreement, has not surrendered any of its rights in this regard.

24. Subject to Act

Subject to the terms and conditions of this Agreement, any commitment of CWP water, and payment to the District for CWP water so committed pursuant to this Agreement, shall be subject to the Act and the rules and regulations of the District's Board of Trustees now existing or hereafter legally promulgated, as the same may be supplemented or amended.

**CENTRAL UTAH WATER
CONSERVANCY DISTRICT**

By: 
Its: President

Attest: 
Secretary

4/26/17

EAGLE MOUNTAIN CITY, UTAH

By: 
Its: Mayor

Attest: 
City Recorder



EXHIBIT A
CUWCD – Eagle Mountain – FY2009A Water Supply Agreement

PURCHASED WATER TAKE DOWN SCHEDULE (BY VOLUME)
FOR CWP INFRASTRUCTURE WATER UNDER THIS AGREEMENT

April, 2017

Fiscal Year (ie FY2008-09 = July 1, 2008 - June 30, 2009)	Annual Volume of CWP Infrastructure Water Removed from Reserved Status - Deliverable Water (AF)	CWP One Time Development Charge for Block of Water Removed from Reserved Status (AF)	Cumulative Annual Volume of CWP Infrastructure Water Deliveries - Deliverable Water (AF)	Actual and Estimated Future Reservation Fee (\$/AF of Annual Reserved Water)	Actual and Estimated Future Annual Water Fee (As set annually by the District) (\$/AF of Annual Deliverable Water)
2008-09	0	<i>\$5,850</i>	0	<i>\$0</i>	<i>\$300.00</i>
2009-10	0	<i>\$5,850</i>	0	<i>\$0</i>	<i>\$314.00</i>
2010-11	0	<i>\$5,850</i>	0	<i>\$0</i>	<i>\$328.00</i>
2011-12	250	<i>\$5,850</i>	250	<i>\$0</i>	<i>\$343.00</i>
2012-13	250	<i>\$5,850</i>	500	<i>\$0</i>	<i>\$358.00</i>
2013-14	0	<i>\$5,850</i>	500	<i>\$0</i>	<i>\$374.00</i>
2014-15	250	<i>\$5,850</i>	750	<i>\$0</i>	<i>\$391.00</i>
2015-16	0	<i>\$9,370</i>	750	<i>\$0</i>	<i>\$408.00</i>
2016-17	0	<i>\$9,600</i>	750	<i>\$0</i>	<i>\$427.00</i>
2017-18	270	<i>\$9,840</i>	1020	<i>\$0</i>	<i>\$446.00</i>
2018-19	220	<i>\$10,090</i>	1240	<i>\$0</i>	<i>\$466.00</i>
2019-20	220	<i>\$10,340</i>	1,460	<i>\$0</i>	<i>\$487.00</i>
2020-21	340	<i>\$10,600</i>	1,800	<i>\$0</i>	<i>\$509.00</i>
2021-22	0	<i>\$10,870</i>	1,800	<i>\$0</i>	<i>\$532.00</i>
2022-23	0	<i>\$11,140</i>	1,800	<i>\$0</i>	<i>\$556.00</i>
2023-24	0	<i>\$11,420</i>	1,800	<i>\$0</i>	<i>\$581.00</i>
2024-25	0	<i>\$11,710</i>	Continues as provided in agreement	Continues to be \$0/AF	Rate continues to be adopted by District Board

- Actual previous or present fee amounts are in Italics and Blue

The reservation fee amount is \$0.00 in the past and future

{01135902-1 }

Fourth CWP Amended and Restated Eagle Mountain City 2500 Water Supply Agreement – 2017

VERSION DATE – March 16, 2017

**PURCHASED WATER TAKE DOWN SCHEDULE (BY VOLUME)
FOR CWP NON-INFRASTRUCTURE WATER UNDER THIS AGREEMENT**

CALENDER YEAR	ANNUAL VOLUME OF CWP NON- INFRASTRUCTURE WATER REMOVED FROM RESERVED STATUS (AF)	CUMULATIVE ANNUAL VOLUME OF CWP NON- INFRASTRUCTURE WATER DELIVERED (AF)
2009		
2010		
2011		
2012		
2013		
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021 and thereafter		
TOTAL VOLUME OF CWP NON-INFRASTRUCTURE WATER RESERVED UNDER THIS AGREEMENT(AF)	None	

EXHIBIT B

**DELIVERY LOCATION AND
RATE OF DELIVERY CAPACITY UNDER THIS AGREEMENT**

I. FOR CWP INFRASTRUCTURE WATER

Delivery Location See Figure 1	Ultimate Contract Capacity (Maximum Daily Flow Rate in GPM But Limited by Annual Deliverable Volume) See Note (1)
1. Turnout at approximately Pony Express Parkway and 800 West Saratoga Springs	
2. Turnout at the North Shore Terminal Reservoir located approximately one quarter mile North of 400 West and SR-73 Saratoga Springs	
See attached Figure 1	For Combined Total of up to 2,365 GPM

II. FOR CWP NON-INFRASTRUCTURE WATER

Delivery Location See Note (2)	Contract Capacity (Maximum Daily Flow Rate in GPM) See Note (2)
1. None	None

Notes:

(1)

The total Contract Capacity corresponds to the Cumulative Annual Volume Delivered shown in Exhibit A in each year multiplied by 18% and divided by 31 days and converted to a gallons per minute flow rate, i.e. Delivered Water amount in AF multiplied by 0.18 divided by 31 days multiplied by 325,829 gallons per AF divided by 24 hours per day divided by 60 minutes per hour.

(2) The location and total Contract Capacity would be identified in the approved water right change application.

{01135902-1 }

Fourth CWP Amended and Restated Eagle Mountain City 2500 Water Supply Agreement – 2017
VERSION DATE – March 16, 2017



— 60" North Shore Aqueduct
□ Eagle Mountain Connections



NORTH SHORE AQUEDUCT
EAGLE MOUNTAIN CONNECTIONS
FIGURE 1

May, 2017

CITY OF EAGLE MOUNTAIN

EXHIBIT A

Take-Down Schedule - Purchased Water Take-Down Schedule (By Volume) for Purchased Water Under this Agreement

(Does not include FY2010A1 Water Supply Agreement - 1,000 AF)

COLUMN	(A)	(B)	(B1)	(C)	(D)	(D1)	(E)	(F)	(G)	(H)	(H1)	(I)
Fiscal Year (ie FY2008-09 = July 1, 2008 - June 30, 2009)	Annual Volume of Purchased Water Removed From Reserved Status (AF)	One Time Development Fee for Blocks of Purchased Water Removed From Reserved Status (\$ per AF)	<i>Total Annual One Time Development Fee Amount For Water Removed from Reserved Status (\$)</i>	Annual Volume of Purchased Water Removed From Reserved Status Subject to Capital Recovery Component of Annual Fee (AF)	<i>Actual</i> and Estimated Capital Recovery Component of Annual Fee for Volume of Water in Column C (\$ per AF)	<i>Actual</i> and Estimated Total Annual Capital Recovery Component Amount For Water Removed from Reserved Status (Columns C*D) (\$)	Total Annual Capital Recovery Amount for Water Removed from Reserved Status (Columns B1 + D1) (\$)	Annual Volume of Purchased Water Removed From Reserved Status And Converted To Deliverable Water (AF)	Cumulative Annual Volume of Deliverable Water (AF)	<i>Actual</i> and Estimated OM&R Component of Annual Fee For Deliverable Water In Column (F) (Columns I minus D) (\$ per AF)	<i>Total Annual Actual and Estimated OM&R Amount For Deliverable Water in Column (F) (Columns G*H) (\$)</i>	<i>Actual</i> and Estimated Future Annual Fee (As Set Annually By the District) (Fee Includes the OM&R and Capital Recovery Components in Columns D & G (\$ per AF)
2008-09	0	<i>\$5,850</i>	<i>\$0</i>	0				0	0			<i>\$300</i>
2009-10	0	<i>\$5,850</i>	<i>\$0</i>	0				0	0			<i>\$314</i>
2010-11	0	<i>\$5,850</i>	<i>\$0</i>	0				0	0			<i>\$328</i>
2011-12	250	<i>\$5,850</i>	<i>\$1,462,500</i>	250				250	250			<i>\$343</i>
2012-13	250	<i>\$5,850</i>	<i>\$1,462,500</i>	500				250	500			<i>\$358</i>
2013-14	0	<i>\$5,850</i>	<i>\$0</i>	500				0	500			<i>\$374</i>
2014-15	250	<i>\$5,850</i>	<i>\$1,462,500</i>	750	<i>\$222</i>	<i>\$166,500</i>	<i>\$1,629,000</i>	250	750	<i>\$169</i>	<i>\$126,750</i>	<i>\$391</i>
2015-16	0	<i>\$5,850</i>	<i>\$0</i>	750	<i>\$203</i>	<i>\$152,250</i>	<i>\$152,250</i>	0	750	<i>\$205</i>	<i>\$153,750</i>	<i>\$408</i>
2016-17	0	<i>\$9,600</i>	<i>\$0</i>	750	<i>\$252</i>	<i>\$189,000</i>	<i>\$189,000</i>	0	750	<i>\$175</i>	<i>\$131,250</i>	<i>\$427</i>
2017-18	270	\$9,840	<i>\$2,656,800</i>	1020	\$280	<i>\$285,600</i>	<i>\$2,942,400</i>	270	1020	\$166	<i>\$169,320</i>	\$446
2018-19	220	\$10,090	<i>\$2,219,800</i>	1240	\$310	<i>\$384,400</i>	<i>\$2,604,200</i>	220	1240	\$156	<i>\$193,440</i>	\$466
2019-20	220	\$10,340	<i>\$2,274,800</i>	1460	\$346	<i>\$505,160</i>	<i>\$2,779,960</i>	220	1,460	\$141	<i>\$205,860</i>	\$487
2020-21	560	\$10,600	<i>\$5,936,000</i>	2020	\$364	<i>\$735,280</i>	<i>\$6,671,280</i>	560	2,020	\$145	<i>\$292,900</i>	\$509
2021-22	470	\$10,870	<i>\$5,108,900</i>	2490	\$383	<i>\$953,670</i>	<i>\$6,062,570</i>	470	2,490	\$149	<i>\$371,010</i>	\$532
2022-23	470	\$11,140	<i>\$5,235,800</i>	2960	\$400	<i>\$1,184,000</i>	<i>\$6,419,800</i>	470	2,960	\$156	<i>\$461,760</i>	\$556
2023-24	470	\$11,420	<i>\$5,367,400</i>	3430	\$421	<i>\$1,444,030</i>	<i>\$6,811,430</i>	470	3,430	\$160	<i>\$548,800</i>	\$581
2024-25	470	\$11,710	<i>\$5,503,700</i>	3900	\$442	<i>\$1,723,800</i>	<i>\$7,227,500</i>	470	3,900	\$165	<i>\$643,500</i>	\$607
2025-26	470	\$12,000	<i>\$5,640,000</i>	4370	\$464	<i>\$2,027,680</i>	<i>\$7,667,680</i>	470	4,370	\$170	<i>\$742,900</i>	\$634
2026-27	470	\$12,300	<i>\$5,781,000</i>	4840	\$484	<i>\$2,342,560</i>	<i>\$8,123,560</i>	470	4,840	\$179	<i>\$866,360</i>	\$663
2027-28	470	\$12,610	<i>\$5,926,700</i>	5310	\$508	<i>\$2,697,480</i>	<i>\$8,624,180</i>	470	5,310	\$185	<i>\$982,350</i>	\$693
2028-29	470	\$12,930	<i>\$6,077,100</i>	5780	\$530	<i>\$3,063,400</i>	<i>\$9,140,500</i>	470	5,780	\$194	<i>\$1,121,320</i>	\$724
2029-30	470	\$13,250	<i>\$6,227,500</i>	6250	\$556	<i>\$3,475,000</i>	<i>\$9,702,500</i>	470	6,250	\$200	<i>\$1,250,000</i>	\$756
2030-31	470	\$13,580	<i>\$6,382,600</i>	6720	\$583	<i>\$3,917,760</i>	<i>\$10,300,360</i>	470	6,720	\$207	<i>\$1,391,040</i>	\$790
2031-32	470	\$13,920	<i>\$6,542,400</i>	7190	\$609	<i>\$4,378,710</i>	<i>\$10,921,110</i>	470	7,190	\$217	<i>\$1,560,230</i>	\$826
2032-33	470	\$14,270	<i>\$6,706,900</i>	7660	\$639	<i>\$4,894,740</i>	<i>\$11,601,640</i>	470	7,660	\$224	<i>\$1,715,840</i>	\$863
2033-34	470	\$14,630	<i>\$6,876,100</i>	8130	\$668	<i>\$5,430,840</i>	<i>\$12,306,940</i>	470	8,130	\$234	<i>\$1,902,420</i>	\$902
2034-35	470	\$15,000	<i>\$7,050,000</i>	8600	\$702	<i>\$6,037,200</i>	<i>\$13,087,200</i>	470	8,600	\$241	<i>\$2,072,600</i>	\$943
2035-36	470	\$15,380	<i>\$7,228,600</i>	9070	\$733	<i>\$6,648,310</i>	<i>\$13,876,910</i>	470	9,070	\$252	<i>\$2,285,640</i>	\$985
2036-37	470	\$15,760	<i>\$7,407,200</i>	9540	\$7	<i>\$66,780</i>	<i>\$7,473,980</i>	470	9,540	\$259	<i>\$2,470,860</i>	\$266
2037-38	470	\$16,150	<i>\$7,590,500</i>	10010	\$8	<i>\$80,080</i>	<i>\$7,670,580</i>	470	10,010	\$271	<i>\$2,712,710</i>	\$279
2038-39	470	\$16,550	<i>\$7,778,500</i>	10480	\$11	<i>\$115,280</i>	<i>\$7,893,780</i>	470	10,480	\$280	<i>\$2,934,400</i>	\$291
2039-40	470	\$16,960	<i>\$7,971,200</i>	10950	\$12	<i>\$131,400</i>	<i>\$8,102,600</i>	470	10,950	\$293	<i>\$3,208,350</i>	\$305
2040-41	470	\$17,380	<i>\$8,168,600</i>	11420	\$16	<i>\$182,720</i>	<i>\$8,351,320</i>	470	11,420	\$302	<i>\$3,448,840</i>	\$318
2041-42	470	\$17,810	<i>\$8,370,700</i>	11890	\$16	<i>\$190,240</i>	<i>\$8,560,940</i>	470	11,890	\$316	<i>\$3,757,240</i>	\$332
2042-43	470	\$18,260	<i>\$8,582,200</i>	12360	\$20	<i>\$247,200</i>	<i>\$8,829,400</i>	470	12,360	\$327	<i>\$4,041,720</i>	\$347
2043-44	470	\$18,720	<i>\$8,798,400</i>	12830	\$21	<i>\$269,430</i>	<i>\$9,067,830</i>	470	12,830	\$342	<i>\$4,387,860</i>	\$363
2044-45	470	\$19,190	<i>\$9,019,300</i>	13300	\$25	<i>\$332,500</i>	<i>\$9,351,800</i>	470	13,300	\$355	<i>\$4,721,500</i>	\$380

- Actual previous or present fee amounts are in Italics and Blue as set by District Board of Trustees

Continues at 13,300 AF

- Fee amounts are estimated amounts and set annually by District Board of Trustees

EXHIBIT “C”
TO WATER PURCHASE AGREEMENT

Payment Pricing Schedule
Eagle Mountain Prepayment Summary

CWP Original FY2010 A2 Agreement

(A)	(B)	(C)	(F)	(H)	(J)	(K)
Fiscal Year (ie FY2008-09 = July 1, 2008 - June 30, 2009)	Estimated One Time Development Take Down Fee Set By CUWCD Board of Trustees* (\$/AF)	Annual Volume of Purchased Water For Which One Time Development Fee is Due (AF)	Capital Recovery Component of Annual Fee <i>Actual</i> and Estimated for Volume of Water in Column D As Determined By CUWCD* (\$/AF)	OM&R Component of Annual Fee <i>Actual</i> and Estimated for Deliverable Water in Column E As Determined By CUWCD* (\$/AF)	Annual Fee <i>Actual</i> and Estimated Future As set annually by CUWCD* (Columns G+I) (\$/AF)	Capital Prepayment Amount <i>Actual</i> and Estimated Future (One-Time Development Fee + NPV of Future Capital Components of Annual Fee)
2008-09	\$5,850	0			\$300	
2009-10	\$6,200	0			\$314	
2010-11	\$7,000	0			\$328	
2011-12	\$7,800	0			\$343	
2012-13	\$8,400	0			\$358	
2013-14	\$8,500	0			\$374	
2014-15	\$9,100	0	\$222	\$169	\$391	
2015-16	\$9,370	0	\$140	\$268	\$408	
2016-17	\$9,600	0	\$219	\$208	\$427	
2017-18	\$9,840	0	\$280	\$166	\$446	
2018-19	\$10,090	0	\$310	\$156	\$466	
2019-20	\$10,340	0	\$346	\$141	\$487	
2020-21	\$10,600	220	\$364	\$145	\$509	\$16,935
2021-22	\$10,870	470	\$344	\$188	\$532	\$17,008
2022-23	\$11,140	470	\$362	\$194	\$556	\$18,112
2023-24	\$11,420	470	\$381	\$200	\$581	\$18,195
2024-25	\$11,720	470	\$395	\$209	\$604	\$18,274
2025-26	\$11,990	470	\$410	\$218	\$628	\$18,303
2026-27	\$12,290	470	\$425	\$228	\$653	\$18,340
2027-28	\$12,600	470	\$441	\$238	\$679	\$18,366
2028-29	\$12,920	470	\$458	\$249	\$707	\$18,378
2029-30	\$13,240	470	\$470	\$260	\$730	\$18,365
2030-31	\$13,570	470	\$481	\$272	\$753	\$18,341
2031-32	\$13,910	470	\$493	\$285	\$778	\$18,308
2032-33	\$14,260	470	\$504	\$299	\$803	\$18,262
2033-34	\$14,610	470	\$516	\$313	\$829	\$18,196
2034-35	\$14,980	470	\$528	\$328	\$856	\$18,126
2035-36	\$15,350	470	\$540	\$344	\$884	\$18,034
2036-37	\$15,740	470	\$552	\$361	\$913	\$17,937
2037-38	\$16,130	470	\$564	\$378	\$942	\$17,817
2038-39	\$16,530	470	\$576	\$397	\$973	\$17,681
2039-40	\$16,950	470	\$589	\$416	\$1,005	\$17,539
2040-41	\$17,370	470	\$0	\$436	\$436	\$17,370
2041-42	\$17,800	470	\$0	\$458	\$458	\$17,800
2042-43	\$18,250	470	\$0	\$480	\$480	\$18,250
2043-44	\$18,700	470	\$0	\$503	\$503	\$18,700
2044-45	\$19,170	470	\$0	\$528	\$528	\$19,170

EXHIBIT “D”
TO WATER PURCHASE AGREEMENT
Owner’s Water Rights

WATER RIGHT No.	Approximate Quantity
54-1333	~70.596 AF
54- 37	~653.72 AF
54- 77	~16.34 AF
54-80	~3.3 AF
54-1268	~256.044 AF
TOTAL = ~1000 AF	

EXHIBIT “E”
TO WATER PURCHASE AGREEMENT
Form of Transfer of Well and the Real Property on Which it is Located

[see following pages]

Eagle Mountain City
1650 Stagecoach Run
Eagle Mountain, UT 84005

SPECIAL WARRANTY DEED

See Attached **Exhibit A**

Dated _____, 20__.

Title: _____

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, the _____ of White Hills Water Company, Inc., a Utah Corporation.

1

EXHIBIT A
To Special Warranty Deed

The Property referenced in the foregoing instrument is located in Salt Lake County, Utah and is more particularly described as:

EXHIBIT “F”
TO WATER PURCHASE AGREEMENT
Form of Water Banking Agreement

[see following pages]

WATER DEDICATION AND BANKING AGREEMENT

This Water Credit and Banking Agreement ("**Agreement**") is entered effective the ____ day of _____, 20____ (the "**Effective Date**") by and among the City of Eagle Mountain, Utah, a municipal corporation of the State of Utah ("**City**"), and Oquirrh Wood Ranch, LLC, a Utah limited liability company ("**Developer**"). The parties may be collectively referred to herein as the Parties or individually as a Party.

RECITALS

- A. The City is a Municipal Corporation and operates a water diversion and delivery system within its municipal boundaries.
- B. The City owns and manages water rights and sources in providing municipal water service to its customers within the service area of the City.
- C. The City allows developers to dedicate water rights to the City in advance of development in exchange for banked water development credits as specified in Section 3 of this Agreement ("Water Credits") from the City.
- D. The City will only accept for dedication water rights subject to an approved Permanent Change Application allowing the water rights to be diverted and used within the City's water system ("Approved Change Application").
- E. The Developer is developing the Firefly project ("Project") in the City which consists of residential, commercial, and industrial development.
- F. The Developer owns Water Right Nos. _____ and _____ for the irrigation of ____ acres, the stock watering needs of ____ equivalent livestock units, and the domestic watering needs of ____ equivalent domestic units, for a total volume of _____ acre feet, and _____ Share Certificates _____ and _____, which represent the right to use ____ acre feet of water ("Water Right"). Information pertaining to the Water Right is attached as Exhibit A. The Developer intends to dedicate the Water Right to the City in exchange for Water Credits.
- G. The Developer wishes to receive Water Credits from the City in exchange for the Developer transferring the Water Right.
- H. The City wishes to receive the Water Right from the Developer in exchange, subject to the terms and conditions of this Agreement, for issuing Water Credits to the Developer.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Transfer of the Water Right.** Subject to the terms, conditions, and contingencies and in consideration of the mutual promises and covenants set forth in this Agreement, the Developer agrees to convey to the City the Water Right by warranty deed and endorsement of water shares (if applicable). The Developer will provide a Water Right Addendum for each conveyance. In exchange, the City will provide Water Credits to the Developer as provided in this Agreement.
2. **Change Application.** The Parties acknowledge that the City will only provide Water Credits for the Water Right that are subject to an Approved Change Application allowing the City's use of the Water Right within its service area and from its points of diversion.
 - 2.1. Following execution of this Agreement, the City shall prepare and file, with the Utah State Engineer, an Application for Permanent Change of Water seeking to change the points of diversion, place of use, and nature of use of the Water Right to municipal use from the City's wells ("**Change Application**"). The Change Application shall also be signed by the Developer and shall be attached as Exhibit B.

- 2.2. Developer shall provide a map identifying the irrigated acreage that has been beneficially irrigated with the Water Right that will be retired with the approval of the Change Application.
- 2.3. The City shall be responsible for the preparation, filing, and prosecution of the Change Application to a final non-appealable Order of the State Engineer. The Developer shall assist the City, as may be necessary, in prosecuting the Change Application to a final non-appealable Order.
- 2.4. If an Order of the State Engineer limits or rejects the Change Application for any reason, the Developer will have the right to decide whether to accept the limitation or pursue an appeal of the State Engineer's Order upon providing the City written notice within 15 calendar days of the State Engineer's Order. If the Developer decides a rejection or limitation of the Change Application is unacceptable, the relevant portions of this Agreement will terminate without further action. If the Developer elects to terminate this Agreement in part, the respective Change Application, deeds, and share certificates shall be transferred, endorsed, assigned, and conveyed, by the respective Parties, back to the respective Parties. If the Developer does not notify the City within 15 calendar days of the State Engineer's Order, the parties shall proceed to closing pursuant to this Agreement within 10 business days or within an otherwise mutually agreeable period.

3. **Banking of Water Credits.** In exchange for the receipt of a Water Right Deed for the Water Right, a Water Deed Addendum, assignment of the Approved Change Application, endorsement of share certificates, and any other document or item required pursuant to UAR 655-3 and Utah Code Ann. § 73-1-10, the City shall issue the Water Credits to the Developer, subject to and in conformance with the following:

- 3.1. **In Satisfaction of Water Right Dedication Requirements.** The Developer shall receive Water Credits for each acre-foot of water approved for use under an Approved Change Application. The Water Credits shall be first used to fulfill the water right dedication requirements pursuant to City regulations as currently adopted or as may be amended from time to time ("**Water Right Dedication Requirements**").
- 3.2. **Quantification of Water Credits.** The Water Credits shall represent credit in the amount of water that is approved for use within the City's service area under an Approved Change Application. The Water Credits shall be allocated for development purposes, pursuant to the City's Water Right Dedication Requirements according to lot size, irrigable acreage, and the nature of connection in conformance with the City Code.
- 3.3. **City's Representations and Warranties.** The City hereby represents and warrants to the Developer as follows: (i) this Agreement is binding and enforceable against the City in accordance with its terms; (ii) The City will not sell, assign, encumber, hypothecate, or otherwise transfer the Water Credits to any person other than the Developer, subject to and in conformance with the terms and provisions of this Agreement; and (iii) subject to the installation by the Developer of all required storage, distribution, and transmission improvements required by City standards and payment of all impact fees (other than water right dedication fees), the City presently has the ability to fully service all of the Water Credits and will perpetually maintain such ability for the benefit of the Developer subject to the Developer continuing to hold the Water Credits.
- 3.4. **Tender of Water Credits for the Project.** In conformance with the terms and conditions of this Agreement, Water Credits may be tendered by the Developer, or its assigns, to the City as follows:
 - 3.4.1. The Developer, or its assigns, shall tender to the City the required amount of Water Credits necessary for the development of property in satisfaction of the Water Right Dedication Requirements for the Project. The tendered amount of Water Credits shall be deducted from the previous balance of Water Credits of record, if any, and the City shall, upon request, send an account statement acknowledging its approval and acceptance of the tendered Water Credits and setting forth the number of Water Credits, if any, which remain vested in the Developer or its assigns.

- 3.4.2. Upon tender of Water Credits and acceptance of the same by the City, the Developer or its assigns shall be entitled to connect the Project to the City's water system and receive water service from the City for the Project subject to: (a) this Agreement; (b) the installation of all required storage, distribution, and transmission facilities per City regulations or agreements between the Parties; (c) payment of all impact and connection fees (if applicable); and (d) all other applicable City regulations, in the same manner and on the same basis as any other customer of the City.
- 3.5. **Assignment of Water Credits.** The Water Credits shall be fully assignable by the Developer to a substitute developer for development, subject to the obligations set forth in this Section and in conformance with the following:
- 3.5.1. An assignment shall be accomplished through the execution of an Assignment of Ownership Interest ("Assignment") in a form approved by the City's attorney and executed by Assignor, Assignee, and City and acknowledged by a notary public or City Recorder, as applicable. The Assignment shall, among other things: (i) identify the assignee; (ii) acknowledge the City's approval of the assignment of the ownership interest; (iii) set forth the amount of Water Credits assigned; (iv) acknowledge that any portion of the Water Credits not assigned shall remain in force and effect under the Developer's account; and (v) affirm that the assignee takes the interest in the Water Credits subject to the terms, provisions, and conditions of this Agreement. Subsequent to the execution of the Assignment by the City, the City will, upon request, provide the Developer an account statement verifying the amount of Water Credits, if any, that remains vested in the Developer subsequent to the Assignment.
- 3.6. **Compliance with City Code.** Except as otherwise provided herein, the Developer shall comply with and abide by all other requirements of the City's code and regulations incident to the development of the Developer's property within the City including, without limitation, land use ordinances, improvement requirements, development agreements, exactions, conditions of approval, and the payment of deposits and applicable development fees, including reservation fees and water service fees.
- 3.7. **Option to Buy-back Water Credits.** If the Developer, or its assign, does not use the Water Credits within ten (10) years of the Effective Date, the City has the option to purchase and retire the Water Credits at the then-current appraised value of the underlying Water Credits. To exercise the option, the City must provide written notice to the Developer, or its assign, of the City's intent to exercise the option. The City, at its sole expense, will obtain an appraisal to determine the current fair market value of the portion of the Water Credits the City intends to buy back.
- 3.8. **Mutual Agreement to Sell Excess Water Credits.** The Developer and City may mutually agree at any time to sell any excess Water Credits that Developer does not need for the development of the Project. At such time, Developer and City shall obtain an appraisal to determine the current fair market value of the Water Credits to be sold to the City, which appraisal costs shall be equally shared between the Parties. Developer and City may also mutually agree to an acceptable purchase price without obtaining an appraisal. Each party shall bear its own costs associated with the sale of excess Water Credits.
4. **Closing Conditions.** The transactions under this Agreement are expressly conditioned for each closing upon satisfaction of the following conditions with respect to the water shares involved with such closing:
- 4.1. The absence of pending or threatened litigation relating to the Water Right and the absence of pending or threatened litigation relating to this Agreement; and
- 4.2. The State Engineer issuing final, non-appealable Orders on a Change Application satisfactory to the Developer and the City.

5. **Developer's Costs and Expenses**. The Developer shall bear its own costs and professional fees related to the negotiation and performances required under this Agreement, except as otherwise set forth herein.

6. **Developer's Representations, Warranties, and Covenants**. The Developer hereby represents, warrants, covenants, and agrees as follows:

- 6.1. **Title**. The Developer represents it has a good and marketable title to the Water Right, which title is free and clear of all liens, encumbrances, reservations, restrictions, and adverse claims.
- 6.2. **Use and Legal Compliance**. To the best of the Developer's knowledge, the Water Right and Change Application are valid and are not subject to forfeiture for any period of non-use, and the Developer is in full compliance with all requirements applicable to relevant federal, state, and local laws, rules, and regulations with regard to the Water Right.
- 6.3. **No Violations**. The Developer has not received any written notices from any governmental agencies with respect to any violations concerning the Water Right and Change Application.
- 6.4. **No Proceedings**. There are no attachments, levies, executions, assignments for the benefit of creditors, receivership, conservatorship, or voluntary or involuntary proceedings in bankruptcy (or pursuant to any other debt or relief laws) contemplated or filed by the Developer (with respect to the Developer) or, to the Developer's actual knowledge, pending or threatened in any current judicial or administrative proceedings against the Developer.

7. **Parties' Representations, Warranties, and Covenants**. Each Party ("**Representing Party**") hereby represents, warrants, covenants, and agrees as follows:

- 7.1. **Valid Entities**. The Representing Party is an entity duly formed, validly existing, and in good standing under relevant laws and has the legal power, right, and authority to enter into this Agreement and the instruments to be executed by the Representing Party pursuant to this Agreement and to consummate the transaction contemplated hereby.
- 7.2. **Authority**. The individuals executing this Agreement and the instruments to be executed by the Representing Party pursuant to this Agreement on behalf of the Representing Party have the legal power, right, and authority to bind the Representing Party to the terms and conditions of this Agreement and such instruments.
- 7.3. **Binding Contract**. This Agreement executed when and delivered constitutes a valid and binding obligation enforceable against the Representing Party in accordance with its terms, and will not result in any violation of, or any default under, any other agreement to which the Representing Party is subject.
- 7.4. **Consents and Approvals**. Other than those specifically mentioned above, no consent, approval, authorization, declaration, filing, or registration with or of any third party, including any governmental or regulatory authority, is required in connection with the execution, delivery, and performance of this Agreement by the Representing Party.

8. **Preservation of Water Right and Change Application**. From and after the Effective Date and until the closing, the Parties shall not:

- 8.1. sell or contract to sell, lease, license, transfer, pledge, mortgage, hypothecate, or otherwise dispose of or encumber the Water Right or Change Application or any interest in such;
- 8.2. enter into any transaction with, or solicit or encourage submission of inquiries, proposals, or offers from, any other person relative to any potential disposition or encumbrance of the Water Right or Change Application or any part thereof;
- 8.3. provide further information to any person other than the Developer or the City relating to any possible disposition or encumbrance of the Water Right or Change Application or any parts thereof; or

8.4. fail to take actions necessary to preserve the Water Right and Change Application.

9. **Notice.** Any notice which this Agreement requires or permits to be given to the Developer or the City must be in writing and must be delivered to such person either personally or by depositing it in the United States mail, certified mail, addressed to such person at the address set below, and the notice will be deemed complete when received. The parties to this Agreement may hereafter designate in writing a different address or person to whom such notices must be given.

If to Developer: Oquirrh Wood Ranch, LLC
Attn: Nate Shipp
14034 South 145 East, Suite 204
Draper, UT 84020
nate@daiutah.com

If to City: Eagle Mountain City
Attn: City Manager
1650 Stagecoach Run
Eagle Mountain, UT 84005
pjerome@emcity.org

10. **Brokerage/Indemnification.** Neither Party has entered into any contract or had any dealings regarding this Agreement with a licensed real estate broker or any person who can claim a right to commission or finder's fee as a result of actions contemplated by this Agreement. Each Party shall indemnify and hold the other Parties harmless against and from any claims for a real estate commission or other fee with respect to the closing contemplated by this Agreement as the result of the conduct of such indemnifying Party. This Section shall survive closing.

11. **Attorney's Fees.** In any action arising out of this Agreement, including without limitation, an alleged breach or default by any Party, each prevailing Party will be entitled to recover from the non-prevailing Party or Parties its costs and reasonable attorneys' fees incurred in such action. The venue for such an action shall be Utah County, Utah. This Section shall survive closing.

12. **Time is of the Essence.** Time is of the essence regarding the dates and time constraints set forth in this Agreement. This Section shall survive closing.

13. **Governing Law.** This Agreement is governed by, construed, and enforced in accordance with the laws of the State of Utah.

14. **Successors and Assigns.** This Agreement and all of the terms and provisions contained herein shall inure to the benefit of and shall be binding upon the Parties and their respective representatives, successors, and approved assigns.

15. **Modification of Agreement.** Any modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement shall be binding only if evidenced in writing which is signed by the Parties.

16. **Necessary Acts and Cooperation.** The Parties hereby agree to do any act or thing and to execute any and all instruments required by this Agreement, or which are necessary and proper to make effective the provisions of and transaction contemplated by this Agreement.

17. **Warranties to Survive the Closing.** All representations, warranties, covenants, and indemnities of the Parties contained herein shall survive the closing and shall not be deemed merged in any document delivered pursuant hereto.

18. **Captions.** The Section headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement.

19. **Relationship.** None of the terms or provisions of this Agreement shall be deemed to create a partnership among the Parties, nor cause them to be considered as a principal, agent, employer or employee of the other Party. This Agreement is not intended, nor shall it be construed, to create any third-party beneficiary rights in any person or entity.

20. **Counterparts.** This Agreement may be executed in any number of counterpart originals, each of which shall be deemed an original instrument for all purposes, but all of which shall comprise one and the same instrument. The Parties agree that signatures transmitted by e-mail or facsimile shall be binding as if they were original signatures

21. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes any prior understanding, representation, or agreement of the Parties regarding the subject matter hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement.

DEVELOPER

OQUIRRH WOOD RANCH, LLC
A Utah limited liability company

Signature: _____

Print Name: _____

Title: _____

STATE OF _____

COUNTY OF _____

)
: ss.
)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by _____ as the _____ of Oquirrh Wood Ranch, LLC, a Utah limited liability company.

NOTARY PUBLIC

EAGLE MOUNTAIN CITY

Signature: _____

Print Name: _____

Title: _____

ATTEST

_____, City Recorder

_____, City Attorney
Approved as to form and legality

EXHIBIT A
TO WATER BANKING AGREEMENT
DWRi Water Right Information

See Attached

SAMPLE

EXHIBIT B
TO WATER BANKING AGREEMENT
APPROVED FORM OF CHANGE APPLICATION

See Attached

SAMPLE

DRAFT REVIEWED WITH EMC ON 12/8/22

Redlined 12/9/22

INTERNAL

WATER PURCHASE AGREEMENT

This WATER PURCHASE AGREEMENT (“Agreement”) is made and entered as of the ____ day of January, 2023 (the “Effective Date”), by and between Eagle Mountain City, a political subdivision of the State of Utah; and Oquirrh Wood Ranch, LLC, a Utah limited liability company (“OWR”). The City and OWR are collectively referred to as the “Parties” and, individually as a “Party”.

RECITALS

A. The City has entered into an agreement with the Central Utah Water Conservancy District (“District”) on February 24, 2016 entitled “AMENDED AND RESTATED WATER SUPPLY AGREEMENT BETWEEN CENTRAL UTAH WATER CONSERVANCY DISTRICT AND EAGLE MOUNTAIN CITY FOR SALE OF CWP MUNICIPAL AND INDUSTRIAL WATER” (which was an amendment and restatement of a prior agreement from 2009 between the same parties commonly referred to as the “A2 Agreement”). This 2016 Amended and Restated Agreement is referred to herein at the “Amended A2 Agreement” and is attached hereto as Exhibit “A”. The Amended A2 Agreement provides for the City to purchase over time up to 11,500-acre feet of Municipal and Industrial water (“M&I Water”) at varying prices and subject to the terms of the Amended A2 Agreement.

B. The City has entered into an agreement with the District on April 26, 2017 entitled “FOURTH AMENDED AND RESTATED WATER SUPPLY AGREEMENT BETWEEN CENTRAL UTAH WATER CONSERVANCY DISTRICT AND EAGLE MOUNTAIN CITY FOR SALE OF CWP MUNICIPAL AND INDUSTRIAL WATER” (which was a fourth amendment and restatement of various prior agreements originating from 2008 between the same parties originally referred to as the “2,500 Gallon Agreement”). This 2017 Amended and Restated Agreement is referred to herein at the “1,800 AF Agreement” and is attached hereto as Exhibit “B”. The 1,800 AF Agreement provides for the City to purchase over time up to 1,800-acre feet of M&I Water at varying prices and subject to the terms of the 1,800 AF Agreement (the amount of water available for purchase having been reduced from the 2,500 Gallon Agreement of 2009).

C. The total amount of M&I Water available for purchase by the City from the District pursuant to the Amended A2 Agreement and the 1,800 AF Agreement is, thus, 13,300-acre feet (“Total CUP Water”).

D. As of the date of this Agreement the City has either purchased from the District or committed to other potential users within the City to purchase the total amount of approximately 7,000-acre feet leaving available for future purchase approximately 6,300-acre feet ~~as shown on Exhibit “C”~~.

E. The price for the City to acquire M&I Water from the District pursuant to the Amended A2 Agreement and the 1,800 AF Agreement varies over time, and the price that the City charges for the M&I Water varies over time. The City currently charges for the M&I Water based on the amount of the one-time development fee and the net present value of the capital recovery component of the annual fee for the takedown year for which the City has available water under the Amended A2 Agreement (the “Water Purchase Price Methodology”). A chart showing the purchase price for each takedown year based on the Water Purchase Price Methodology is attached hereto as “Exhibit “~~C~~” (the “Takedown Schedule”). For

example, as of the Effective Date, the City is selling water for takedown year 2030-2031, which results in a price of \$18,341.00. If the City sold all the water available for 2030-2031, the City would then sell water for 2031-2032, which would be at a price of \$18,262.00.

F. OWR desires to purchase 4,000 ~~total-~~acre~~-~~feet of the Total CUP Water (“Purchased 4,000 AF”) subject to the terms expressed below.

G. In order to facilitate the Purchased 4,000 AF, the City will need to obtain a further agreement with the CWP for ~~an additional 31,000-acre feet~~ more water than the City is currently under contract with the District to acquire (“~~the~~ Additional 31,000 AF”) in order to have water to service other potential users.

H. OWR controls a well for culinary water in Pole Canyon which is identified in the records of the Utah State Engineer as Well Permit # 9347 and which is located on a portion of Utah County Parcel No. 59:053:0019 (“Well”).

I. As a part of this Agreement OWR will transfer ownership of the Well and a 100’ x 100’ portion of the real property on which the Well is located to the City subject to the provisions described in Section 5, below.

J. OWR owns or controls certain water rights as more fully specified in Exhibit “DE” (“Owner’s Water Rights”).

K. As a part of this Agreement, OWR agrees to transfer ownership of the Owner’s Water Rights to the City subject to the “banking” provisions described in Section 6, below.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby conclusively acknowledged, the City and OWR hereby agree to the following:

AGREEMENT

1. OWR Purchase of 4,000 acre feet.

1.1. **Purchase.** Subject to the terms and conditions contained herein, with specific reference to the City’s obligation to acquire the Additional 3,000 AF as set forth in Section 2 hereof, OWR hereby covenants to purchase the Purchased 4,000 AF ~~assuming that the City acquires the Additional 1,00 AF.~~

1.2. Takedown Schedule. OWR shall purchase:

- 1.2.1. 333-acre feet on or before January 2, 2023;
- 1.2.2. 333-acre feet on or before January 2, 2024;
- 1.2.3. 334-acre feet on or before January 2, 2025;
- 1.2.4. 333-acre feet on or before January 2, 2026;
- 1.2.5. 333-acre feet on or before January 2, 2027;
- 1.2.6. 333-acre feet on or before January 2, 2028;
- 1.2.7. 333-acre feet on or before January 2, 2029;

- 1.2.8. 333-acre feet on or before January 2, 2030;
- 1.2.9. 333-acre feet on or before January 2, 2031;
- 1.2.10. 333-acre feet on or before January 2, 2032;
- 1.2.11. 333-acre feet on or before January 2, 2033;
- 1.2.12. 336-acre feet on or before January 2, 2034;
- 1.2.13. The purchase dates above shall be adjusted to the next business day if the 2nd of any year falls on a weekend or holiday.

1.3. **Early Takedowns.** OWR can take down any greater amounts of the Purchased 4,000 AF on any earlier dates as, from time to time, OWR determines in its sole discretion.

1.4. **Credit for Excess Takedown.** If in any given year OWR takes down more than the required yearly minimum that excess amount of the Purchased 4,000 AF shall be credited against the next required future takedown or takedowns depending on the amount of the excess.

1.5. **The Water Purchase Price.** OWR shall pay the City the applicable water purchase price for any of the Purchased 4,000 AF based on the purchase price established in the City's Consolidated Fee Schedule as of the date that the Purchased 4,000 AF is taken down. For example, as of the Effective Date, the City is selling water for takedown year 2030-2031 based on the Takedown Schedule for the amount of \$18,341 per acre foot. The City reserves the right to adjust the Water Purchase Price Methodology and the water purchase price for all purchasers. However, if the water purchase price is more than 10% higher than the price reflected in the Takedown Schedule at any time in the 365 days preceding a scheduled takedown by OWR, OWR may, in its option, chooses to not takedown the water for that year and that determination shall not be an event of default. For example, OWR is required to takedown 334-acre feet on or before January 2, 2025. If the City sets the price of water (as reflected in the Consolidated Fee Schedule) more than 10% higher than price reflected in the Takedown Schedule at any time between January 3, 2024 and January 2, 2025, OWR may, at its option, not takedown the 334 acre feet required to be taken down on or before January 2 2025.

1.6. **Failure to Make Required Takedown.**

- 1.6.1. *Interest.* Unless otherwise excused from doing so as permitted herein, if OWR fails to make any takedown of the Purchased 4,000 AF as required hereunder, OWR shall pay the City interest on the Water Purchase Price in the amount of the Zions Bank Prime Rate plus 3% per year until OWR purchases the water or OWR forfeits its right to purchase the water pursuant to Section 1.6.2.
- 1.6.2. *Forfeiture.* If OWR fails to make any required takedown, the City may, in its sole option, give Notice to OWR that if OWR does not cure the default by taking down the required amount of water and pay the accrued interest within thirty (30) days that OWR's right to purchase that takedown shall be forfeited. The rights of OWR to make any future takedowns shall not be affected by the forfeiture of any other takedown right.

1.6.3. Development or Reimbursement Agreement. OWR acknowledges and agrees that City may include in future development or reimbursement agreements with OWR, or any amendments to existing development or reimbursement agreements, a provision that makes breach of this Agreement an event of default under the development or reimbursement agreement.

1.7. Location of the Use of Purchased Water. The water purchased pursuant to this Agreement may not be used on property outside the jurisdiction of the City without the prior written approval of the City in the City's sole discretion.

1.6.3.1.8. Conditions on Usage of Purchased Water. The water from the District purchased pursuant to this Agreement shall be used pursuant to the water usage requirements of the District.

2. **The Additional 34,000 AF.**

2.1. **Failure of 2024 Trigger.** If the City fails to obtain the Additional 34,000 AF before January 2, 2024, then OWR may, in its sole discretion, take three years off from the takedown schedule in Section 1.2. If this section is triggered, OWR, in its sole discretion, may give Notice to the City on or before November 1 of any year that OWR chooses to not takedown any water for the next year.

2.2. **Future Acquisition of the Additional 34,000 AF.** If the City obtains the Additional 34,000 AF after the January 2, 2024 trigger in Section 2.1 above, then the right of OWR to take the hiatus in Section 2.1 shall terminate. If OWR has exercised any of its hiatus rights before the subsequent, post January 2, 2024 trigger, then the future takedowns shall be adjusted *pro rata* for any future takedowns to provide that the total Purchased 4,000 AF shall be completed by January 2, 2034.

3. **Economic Development.** One of the primary purposes for the City to enter into this Agreement is to provide OWR with guaranteed water to attract and develop commercial and industrial uses on the property owned by OWR. Accordingly, OWR shall not reduce the size of the Industrial Planning Areas in the Community Plan exhibit to the Amended and Restated Master Development Agreement between the parties (and others) without the written consent of the City.

4. **Responsibilities of the City.** The City shall take all actions necessary to ensure that the Amended A2 Agreement and the 1,800 AF Agreement remain in full force and effect with the District so that OWR may exercise its rights under this Agreement. If an agreement is entered into for the Additional 34,000 AF then City shall take all actions necessary to ensure that the agreement for the Additional 34,000 AF remains in full force and effect with the District so that OWR may exercise its rights under this Agreement. The City shall notify OWR of any proposed changes or modifications to the Amended A2 Agreement, the 1,800 AF Agreement or, if it is executed, the agreement for the Additional 34,000 AF. No changes to the Amended A2 Agreement, the 1,800 AF Agreement or, if it is executed, the agreement for the Additional 34,000 AF shall be agreed to by the City with the District that will impact in any material negative way any rights of OWR pursuant to this Agreement. If the City is ever in default of the Amended A2 Agreement, the 1,800 AF Agreement or, if it is executed, the agreement for the Additional 34,000 AF the City shall give notice to OWR of that default and assist OWR in stepping into the shoes of the City or otherwise protecting OWR's rights under this Agreement to the maximum extent legally permissible. Subject to the foregoing, City shall not be liable to OWR if the District is not able to provide the M&I Water or if the District terminates or amends the Amended A2 Agreement or the 1,800 AF Agreement through no fault of the City.

5. **Transfer of the Well.**

5.1. **Condition~~s~~ Precedent.** The City shall provide reasonable assurances to OWR that the City has sufficient funds available and budgeted to rehabilitate the Well to the City's standards or that the City has sufficient funds available and budgeted to complete a replacement well at the same location. Additionally, OWR's obligation to transfer the Well hereunder will only be triggered when the City enters into the Agreement with the District for the Additional 3,000 AF and the Additional 3,000 AF becomes available for purchase by OWR as provided herein.

5.2. **Transfer of the Well.** Upon the City's satisfaction of the Condition~~s~~ Precedent in Section 5.1 OWR and the City's written request to OWR to transfer the Well to the City, OWR shall transfer to the City the Well and the real property on which the Well is located in the form attached as Exhibit "EF".

5.3. **Failure of City to Satisfy Condition Precedent.** The failure of the City to satisfy the Condition Precedent in Section 5.1 and, thus, of the City to obtain ownership of the Well and the real property on which the Well is located, shall not affect the validity of this Agreement. The only consequence shall be that the City shall not obtain ownership of the Well and the real property on which the Well is located until the Condition Subsequent is later satisfied.

5.4. **Well Transferred "As Is".** The Parties agree and acknowledge that the Well and the real property on which the Well is located are to be transferred on an "as is", "where is", "with all faults" basis. The Parties further understand that OWR has no obligation to repair any damage to or defect in the Well or the real property on which the Well is located. Additionally, OWR, in connection with the transfer of the Well and real property on which the well is located, shall not be required to provide any owners policy of title insurance and the City agrees to waive any such condition.

6. **Transfer of the Owner's Water Rights.** On or before January 2, 2034, OWR shall transfer the Owner's Water Rights to the City in the form of the City's standard "water banking" form attached as Exhibit "EG". Any transfer, lease, or forfeiture of the Owner's Water Rights by OWR prior to January 2, 20~~23~~34 that would preclude OWR from complying with its obligation to transfer the Owner's Water Rights to the City shall be an event of default. Nothing in this Agreement shall be construed to obligate the City to accept the Owner's Water Rights and provide development credits in exchange for the Owner's Water Rights, provided that OWR shall not be in breach of this Agreement if City refuses to accept the Owner's Water Rights or provide development credits in exchange for the Owner's Water Rights. OWR, in connection with the transfer of the Owner's Water Rights, shall not be required to provide any owners policy of title insurance and the City agrees to waive any such condition as to the Owner's Water Rights.

7. **Default.**

7.1. **Event of Default.** If OWR or the City fails to perform their respective obligations hereunder or to comply with the terms hereof that shall be a "Default". Specifically, if OWR fails to pay the City the Water Purchase Price for any required takedown of the Purchased 4,000 AF more than one hundred eighty (180) days after the Water Purchase Price was due that shall be an event of Default.

7.2. **Notice.** The Party believing that a Default has occurred shall provide Notice to the other Party.

7.3. **Contents of the Notice of Default.** The Notice of Default shall:

7.3.1. ***Specific Claim.*** Specify the claimed event of Default;

7.3.2. ***Applicable Provisions.*** Identify with particularity the provisions of any

applicable law, rule, regulation or provision of this Agreement that is claimed to be in Default;

7.3.3. **Materiality.** Identify why the Default is claimed to be material; and

7.4. Remedies.

7.4.1. Missed Takedowns. The provisions of this Section shall not apply to a failure to make a required takedown payment as addressed in Section 1.6. The remedies for any failure to make a required takedown payment are specified in Section 1.6.

7.4.7.4.2. Other Defaults. For any other Default, the Parties may have as remedies all rights and remedies available at law and in equity, including, but not limited to, injunctive relief and/or specific performance. These remedies shall be determined pursuant to the Dispute Resolution in Section 8.

8. **Dispute Resolution.** Any alleged Default shall be resolved as follows:

8.1. **Failure to make a required Periodic Purchase Payment.** OWR's failure to make a required purchase payment shall not be subject to the requirements of this Section.

8.2. **Meet and Confer regarding Default.** The Parties shall meet within fifteen (15) business days of any Notice of Default to resolve the issues specified in the Default.

8.3. **Mediation of Disputes.**

8.3.1. **Mediation Process.** If the City and OWR are unable to resolve a claimed Default the Parties shall attempt within ten (10) business days to appoint a mutually acceptable mediator with knowledge of the legal or factual issue of the Default. If the Parties are unable to agree on a single acceptable mediator they shall each, within ten (10) business days, appoint their own representative. These two representatives shall, between them, choose the single mediator. The Party disputing the claimed Default shall pay the fees of the chosen mediator. The chosen mediator shall within fifteen (15) business days, review the positions of the parties regarding the Dispute and promptly attempt to mediate the claimed Default. If the Parties are unable to reach agreement, the mediator shall notify the Parties in writing of the resolution that the mediator deems appropriate. The mediator's opinion shall not be binding on the Parties nor admissible in any arbitration.

8.4. **Arbitration of Claimed Default.**

8.4.1. **Arbitration Process.** If the City and OWR are unable to resolve a claimed Default through mediation, the Parties shall attempt within ten (10) business days to appoint a mutually acceptable expert in the professional discipline(s) of the claimed Default. If the Parties are unable to agree on a single acceptable arbitrator they shall each, within ten (10) business days, appoint their own individual appropriate expert. These two experts shall, between them, choose the single arbitrator. The Party disputing the resolution proposed by the mediator shall pay the fees of the chosen arbitrator. The chosen arbitrator shall

within fifteen (15) business days, review the positions of the Parties regarding the claimed and render a decision. The arbitrator shall ask the prevailing Party to draft a proposed order for consideration and objection by the other side. Upon adoption by the arbitrator, and consideration of such objections, the arbitrator's decision shall be final and binding upon the Parties. If the arbitrator determines as a part of the decision that the City's or OWR's position was not only incorrect but was also maintained unreasonably and not in good faith then the arbitrator may order the City or OWR to pay the arbitrator's fees.

8.5. **Confirmation Order by District Court.** The determination of the arbitrator shall be confirmed by an Order of the Fourth District Court pursuant to Section 78B-11-123, Utah Code Ann. (2022).

9. **Notices.** All notices required or permitted under this Amended Development Agreement shall, in addition to any other means of transmission, be given in writing by certified mail and regular mail to the following address:

To OWR: Oquirrh Wood Ranch, LLC
Attn: Nathan Shipp
14034 South 145 East, Suite 204
Draper, Utah 84020
nate@daiutah.com

With a Copy to: Bruce R. Baird, Esq.
Bruce R. Baird PLLC
2150 South 1300 East, Fifth Floor
Salt Lake City, UT 84106
bbaird@difficultdirt.com

To City: Eagle Mountain City
Attn: City Administrator
1650 East Stagecoach Run
Eagle Mountain, UT 84005
pjerome@emcity.org

9.1. **Effectiveness of Notice.** Any Notice shall be effective and shall be deemed delivered on the earlier of:

9.1.1. **Hand Delivery.** The day it is delivered personally or by courier service.

9.1.2. **Electronic Delivery.** Its actual receipt if delivered electronically by email provided that a copy of the email is printed out in physical form and mailed or personally delivered as set forth herein on the same day and the sending party has an electronic receipt of the delivery of the Notice. If the copy is not sent on the same day, then notice shall be deemed effective the date that the mailing or personal delivery occurs.

9.1.3. **Mailing.** On the day the Notice is postmarked for mailing, postage prepaid, by First Class or Certified United States Mail and actually deposited in or delivered to the United States Mail. Any party may change its address for Notice under this Agreement by giving written Notice to the other party in

accordance with the provisions of this Section.

10. Relationship to Master Development Agreement. If there is any conflict between this Agreement and any provisions in an agreement styled “Pole Canyon Annexation and Master Development Agreement entered into on January 19, 2010, as amended by the First Amendment on July 1, 2014, and by the Second Amendment on April 19, 2016, and by the Third Amendment on August 7, 2018, then the provisions of this Agreement shall control.

10.11. Estoppel Certificate. Upon twenty (20) days prior written request by OWR, the City will execute an estoppel certificate to any third party certifying that OWR at that time is not in default of the terms of this Agreement.

11.12. Headings. The captions used in this Agreement are for convenience only and are not intended to be substantive provisions or evidence of intent.

12.13. No Third-Party Rights/No Joint Venture. this Agreement does not create a joint venture relationship, partnership or agency relationship between the City and Owner. Further, the Parties do not intend this Agreement to create any third-party beneficiary rights.

13.14. Assignability. The rights and responsibilities of Owner under this Agreement may be assigned in whole or in part by Owner with the consent of the City as provided herein.

13.1.14.1. Related Entity. Owners’ transfer to any entity “related” to any Owners (as defined by regulations of the Internal Revenue Service) or Owners’ entry into a joint venture or Owner’s pledging of its rights under this Agreement as security for financing shall not be deemed to be an “assignment” subject to the above-referenced approval by the City. Owner shall give the City Notice of any event specified in this sub-section within ten (10) days after the event has occurred. Such Notice shall include providing the City with all necessary contact information for the newly responsible party.

13.2.14.2. Notice. Owners and Master Developer shall give Notice to the City of any proposed assignment not subject to Section 12.1 and provide such information regarding the proposed assignee that the City may reasonably request in making the evaluation permitted under this Section. Such Notice shall include providing the City with all necessary contact information for the proposed assignee.

13.3.14.3. Time for Objection. Unless the City objects in writing within ten (10) business days of notice, the City shall be deemed to have approved of and consented to the assignment.

13.4.14.4. Partial Assignment. If any proposed assignment is for less than all of Owner’s rights and responsibilities then the assignee shall be responsible for the performance of each of the obligations contained in this Agreement to which the assignee succeeds. Upon any such approved partial assignment, Owner shall be released from any future obligations as to those obligations which are assigned but shall remain responsible for the performance of any obligations that were not assigned.

13.5.14.5. Denial. The City may only withhold its consent if the City is not reasonably satisfied of the assignee’s financial

ability to perform the obligations of Owner proposed to be assigned or there is an existing breach of an obligation owed to the City under this Agreement that has not either been cured or in the process of being cured in a manner acceptable to the City.

~~13.6.14.6.~~ **Assignees Bound by this Agreement.** Any assignee shall consent in writing to be bound by the assigned terms and conditions of this Agreement as a condition precedent to the effectiveness of the assignment.

~~14.15.~~ **No Waiver.** Failure of any party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such Party to exercise at some future date any such right or any other right it may have.

~~15.16.~~ **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid for any reason, the Parties consider and intend that this Agreement shall be deemed amended to the extent necessary to make it consistent with such decision and the balance of this Agreement shall remain in full force and affect.

~~16.17.~~ **Force Majeure.** Any prevention, delay or stoppage of the performance of any obligation under this Agreement which is due to strikes, labor disputes, inability to obtain labor, materials, equipment or reasonable substitutes therefor; acts of nature, governmental restrictions, regulations or controls, judicial orders, enemy or hostile government actions, wars, civil commotions, fires or other casualties or other causes beyond the reasonable control of the Party obligated to perform hereunder shall excuse performance of the obligation by that Party for a period equal to the duration of that prevention, delay or stoppage.

~~17.18.~~ **Time is of the Essence.** Time is of the essence to this Agreement and every right or responsibility shall be performed within the times specified.

~~18.19.~~ **Appointment of Representatives.** To further the commitment of the parties to cooperate in the implementation of this Agreement, the City and Owner shall each designate and appoint a representative to act as a liaison between the City and its various departments and Owner. The initial representative for the City shall be the City Administrator. The Owner's Representative shall be Nate Shipp. The Parties may change their designated representatives by Notice. The representatives shall be available at all reasonable times to discuss and review the performance of the Parties to this Agreement and the development of the Project.

~~19.20.~~ **Mutual Drafting.** Each party has participated in negotiating and drafting this Agreement and therefore no provision of this Agreement shall be construed for or against either party based on which party drafted any particular portion of this Agreement.

~~20.21.~~ **Applicable Law.** This Agreement is entered into in Utah County in the State of Utah and shall be construed in accordance with the laws of the State of Utah irrespective of Utah's choice of law rules.

~~21.22.~~ **Venue.** Any action to enforce this Agreement shall be brought only in the Fourth District Court for the State of Utah, Utah County.

~~22,23.~~

Entire

Agreement. This Agreement, and all Exhibits thereto, is the entire agreement between the Parties and may not be amended or modified except either as provided herein or by a subsequent written amendment signed by all Parties.

~~23,24.~~

Author

ity. The Parties to this Agreement each warrant that they have all of the necessary authority to execute this Agreement. Specifically, on behalf of the City, the signature of the Mayor of the City is affixed to this Agreement lawfully binding the City pursuant to Resolution No. _____ adopted by the City Council on _____, 20____.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by and through their respective, duly authorized representatives as of the day and year first herein above written.

EAGLE MOUNTAIN CITY

TOM WESTMORELAND, Mayor

ATTEST

FIONNUALA B. KOFOED, City Recorder

MARCUS DRAPER, City Attorney
Approved as to form and legality

OQUIRRH WOOD RANCH, LLC
A Utah limited liability company

NATHAN SHIPP, Manager

TABLE OF EXHIBITS

Exhibit “A”	Amended A2 Agreement
Exhibit “B”	1,800 AF Agreement
Exhibit “C”	Table of Purchased or Committed Total CUP Water
Exhibit “ C D”	Payment Pricing Schedule
Exhibit “ D E”	Owner’s Water Rights
Exhibit “ E F”	Form of transfer of Well and the real property on which is located
Exhibit “ F G”	Form of Water Banking of the Owner’s Water Rights

EXHIBIT “A”
TO WATER PURCHASE AGREEMENT
Amended and Restated A2 Agreement

EXHIBIT “B”
TO WATER PURCHASE AGREEMENT
1,800 AF Agreement

EXHIBIT “C”
TO WATER PURCHASE AGREEMENT
~~Table of Purchase or Committed CUP Water~~

EXHIBIT “CD”
TO WATER PURCHASE AGREEMENT
Payment Pricing Schedule

Eagle Mountain Prepayment Summary

CWP Original FY2010 A2 Agreement

(A)	(B)	(C)	(F)	(H)	(J)	(K)
Fiscal Year (ie FY2008-09 = July 1, 2008 - June 30, 2009)	Estimated One Time Development Take Down Fee Set By CUWCD Board of Trustees* (\$/AF)	Annual Volume of Purchased Water For Which One Time Development Fee is Due (AF)	Capital Recovery Component of Annual Fee <i>Actual</i> and Estimated for Volume of Water in Column D As Determined By CUWCD* (\$/AF)	OM&R Component of Annual Fee <i>Actual</i> and Estimated for Deliverable Water in Column E As Determined By CUWCD* (\$/AF)	Annual Fee <i>Actual</i> and Estimated Future As set annually by CUWCD* (Columns G+I) (\$/AF)	Capital Prepayment Amount <i>Actual</i> and Estimated Future (One-Time Development Fee + NPV of Future Capital Components of Annual Fee)
2008-09	\$5,850	0			\$300	
2009-10	\$6,200	0			\$314	
2010-11	\$7,000	0			\$328	
2011-12	\$7,800	0			\$343	
2012-13	\$8,400	0			\$358	
2013-14	\$8,500	0			\$374	
2014-15	\$9,100	0	\$222	\$169	\$391	
2015-16	\$9,370	0	\$140	\$268	\$408	
2016-17	\$9,600	0	\$219	\$208	\$427	
2017-18	\$9,840	0	\$280	\$166	\$446	
2018-19	\$10,090	0	\$310	\$156	\$466	
2019-20	\$10,340	0	\$346	\$141	\$487	
2020-21	\$10,600	220	\$364	\$145	\$509	\$16,935
2021-22	\$10,870	470	\$344	\$188	\$532	\$17,008
2022-23	\$11,140	470	\$362	\$194	\$556	\$18,112
2023-24	\$11,420	470	\$381	\$200	\$581	\$18,195
2024-25	\$11,720	470	\$395	\$209	\$604	\$18,274
2025-26	\$11,990	470	\$410	\$218	\$628	\$18,303
2026-27	\$12,290	470	\$425	\$228	\$653	\$18,340
2027-28	\$12,600	470	\$441	\$238	\$679	\$18,366
2028-29	\$12,920	470	\$458	\$249	\$707	\$18,378
2029-30	\$13,240	470	\$470	\$260	\$730	\$18,365
2030-31	\$13,570	470	\$481	\$272	\$753	\$18,341
2031-32	\$13,910	470	\$493	\$285	\$778	\$18,308
2032-33	\$14,260	470	\$504	\$299	\$803	\$18,262
2033-34	\$14,610	470	\$516	\$313	\$829	\$18,196
2034-35	\$14,980	470	\$528	\$328	\$856	\$18,126
2035-36	\$15,350	470	\$540	\$344	\$884	\$18,034
2036-37	\$15,740	470	\$552	\$361	\$913	\$17,937
2037-38	\$16,130	470	\$564	\$378	\$942	\$17,817
2038-39	\$16,530	470	\$576	\$397	\$973	\$17,681
2039-40	\$16,950	470	\$589	\$416	\$1,005	\$17,539
2040-41	\$17,370	470	\$0	\$436	\$436	\$17,370
2041-42	\$17,800	470	\$0	\$458	\$458	\$17,800
2042-43	\$18,250	470	\$0	\$480	\$480	\$18,250
2043-44	\$18,700	470	\$0	\$503	\$503	\$18,700
2044-45	\$19,170	470	\$0	\$528	\$528	\$19,170

|

EXHIBIT “DE”
TO WATER PURCHASE AGREEMENT
Owner’s Water Rights

|
|
EXHIBIT “EF”
TO WATER PURCHASE AGREEMENT
Form of Transfer of Well and the Real Property on Which it is Located

[see following pages]

Eagle Mountain City
1650 Stagecoach Run
Eagle Mountain, UT 84005

SPECIAL WARRANTY DEED

See Attached **Exhibit A**

Dated _____, 20____.

WHITE HILLS WATER COMPANY, INC.

Title: _____

STATE OF UTAH)
 : ss.
COUNTY SALT LAKE)

NOTARY PUBLIC

EXHIBIT A
To Special Warranty Deed

The Property referenced in the foregoing instrument is located in Salt Lake County, Utah and is more particularly described as:

|

|

EXHIBIT “FG”
TO WATER PURCHASE AGREEMENT
Form of Water Banking Agreement

[see following pages]

WATER DEDICATION AND BANKING AGREEMENT

This Water Credit and Banking Agreement ("**Agreement**") is entered effective the ____ day of _____, 20____ (the "**Effective Date**") by and among the City of Eagle Mountain, Utah, a municipal corporation of the State of Utah ("**City**"), and Oquirrh Wood Ranch, LLC, a Utah limited liability company ("**Developer**"). The parties may be collectively referred to herein as the Parties or individually as a Party.

RECITALS

A. The City is a Municipal Corporation and operates a water diversion and delivery system within its municipal boundaries.

B. The City owns and manages water rights and sources in providing municipal water service to its customers within the service area of the City.

C. The City allows developers to dedicate water rights to the City in advance of development in exchange for banked water development credits as specified in Section 3 of this Agreement ("Water Credits") from the City.

D. The City will only accept for dedication water rights subject to an approved Permanent Change Application allowing the water rights to be diverted and used within the City's water system ("Approved Change Application").

E. The Developer is developing the Firefly project ("Project") in the City which consists of residential, commercial, and industrial development.

F. The Developer owns Water Right Nos. _____ and _____ for the irrigation of ____ acres, the stock watering needs of ____ equivalent livestock units, and the domestic watering needs of ____ equivalent domestic units, for a total volume of _____ acre feet, and _____ Share Certificates ____ and _____, which represent the right to use ____ acre feet of water ("Water Right"). Information pertaining to the Water Right is attached as Exhibit A. The Developer intends to dedicate the Water Right to the City in exchange for Water Credits.

G. The Developer wishes to receive Water Credits from the City in exchange for the Developer transferring the Water Right.

H. The City wishes to receive the Water Right from the Developer in exchange, subject to the terms and conditions of this Agreement, for issuing Water Credits to the Developer.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Transfer of the Water Right.** Subject to the terms, conditions, and contingencies and in consideration of the mutual promises and covenants set forth in this Agreement, the Developer agrees to convey to the City the Water Right by warranty deed and endorsement of water shares (if applicable). The Developer will provide a Water Right Addendum for each conveyance. In exchange, the City will provide Water Credits to the Developer as provided in this Agreement.

2. **Change Application.** The Parties acknowledge that the City will only provide Water Credits for the Water Right that are subject to an Approved Change Application allowing the City's use of the Water Right within its service area and from its points of diversion.

2.1. Following execution of this Agreement, the City shall prepare and file, with the Utah State Engineer, an Application for Permanent Change of Water seeking to change the points of diversion, place of use, and nature of use of the Water Right to municipal use from the City's wells ("**Change Application**"). The Change Application shall also be signed by the Developer and shall be attached as Exhibit B.

- 2.2. Developer shall provide a map identifying the irrigated acreage that has been beneficially irrigated with the Water Right that will be retired with the approval of the Change Application.
- 2.3. The City shall be responsible for the preparation, filing, and prosecution of the Change Application to a final non-appealable Order of the State Engineer. The Developer shall assist the City, as may be necessary, in prosecuting the Change Application to a final non-appealable Order.
- 2.4. If an Order of the State Engineer limits or rejects the Change Application for any reason, the Developer will have the right to decide whether to accept the limitation or pursue an appeal of the State Engineer's Order upon providing the City written notice within 15 calendar days of the State Engineer's Order. If the Developer decides a rejection or limitation of the Change Application is unacceptable, the relevant portions of this Agreement will terminate without further action. If the Developer elects to terminate this Agreement in part, the respective Change Application, deeds, and share certificates shall be transferred, endorsed, assigned, and conveyed, by the respective Parties, back to the respective Parties. If the Developer does not notify the City within 15 calendar days of the State Engineer's Order, the parties shall proceed to closing pursuant to this Agreement within 10 business days or within an otherwise mutually agreeable period.

3. **Banking of Water Credits.** In exchange for the receipt of a Water Right Deed for the Water Right, a Water Deed Addendum, assignment of the Approved Change Application, endorsement of share certificates, and any other document or item required pursuant to UAR 655-3 and Utah Code Ann. § 73-1-10, the City shall issue the Water Credits to the Developer, subject to and in conformance with the following:

- 3.1. **In Satisfaction of Water Right Dedication Requirements.** The Developer shall receive Water Credits for each acre-foot of water approved for use under an Approved Change Application. The Water Credits shall be first used to fulfill the water right dedication requirements pursuant to City regulations as currently adopted or as may be amended from time to time ("**Water Right Dedication Requirements**").
- 3.2. **Quantification of Water Credits.** The Water Credits shall represent credit in the amount of water that is approved for use within the City's service area under an Approved Change Application. The Water Credits shall be allocated for development purposes, pursuant to the City's Water Right Dedication Requirements according to lot size, irrigable acreage, and the nature of connection in conformance with the City Code.
- 3.3. **City's Representations and Warranties.** The City hereby represents and warrants to the Developer as follows: (i) this Agreement is binding and enforceable against the City in accordance with its terms; (ii) The City will not sell, assign, encumber, hypothecate, or otherwise transfer the Water Credits to any person other than the Developer, subject to and in conformance with the terms and provisions of this Agreement; and (iii) subject to the installation by the Developer of all required storage, distribution, and transmission improvements required by City standards and payment of all impact fees (other than water right dedication fees), the City presently has the ability to fully service all of the Water Credits and will perpetually maintain such ability for the benefit of the Developer subject to the Developer continuing to hold the Water Credits.
- 3.4. **Tender of Water Credits for the Project.** In conformance with the terms and conditions of this Agreement, Water Credits may be tendered by the Developer, or its assigns, to the City as follows:
 - 3.4.1. The Developer, or its assigns, shall tender to the City the required amount of Water Credits necessary for the development of property in satisfaction of the Water Right Dedication Requirements for the Project. The tendered amount of Water Credits shall be deducted from the previous balance of Water Credits of record, if any, and the City shall, upon request, send an account statement acknowledging its approval and acceptance of the tendered Water Credits and setting forth the number of Water Credits, if any, which remain vested in the Developer or its assigns.

- 3.4.2. Upon tender of Water Credits and acceptance of the same by the City, the Developer or its assigns shall be entitled to connect the Project to the City's water system and receive water service from the City for the Project subject to: (a) this Agreement; (b) the installation of all required storage, distribution, and transmission facilities per City regulations or agreements between the Parties; (c) payment of all impact and connection fees (if applicable); and (d) all other applicable City regulations, in the same manner and on the same basis as any other customer of the City.
- 3.5. **Assignment of Water Credits.** The Water Credits shall be fully assignable by the Developer to a substitute developer for development, subject to the obligations set forth in this Section and in conformance with the following:
- 3.5.1. An assignment shall be accomplished through the execution of an Assignment of Ownership Interest ("Assignment") in a form approved by the City's attorney and executed by Assignor, Assignee, and City and acknowledged by a notary public or City Recorder, as applicable. The Assignment shall, among other things: (i) identify the assignee; (ii) acknowledge the City's approval of the assignment of the ownership interest; (iii) set forth the amount of Water Credits assigned; (iv) acknowledge that any portion of the Water Credits not assigned shall remain in force and effect under the Developer's account; and (v) affirm that the assignee takes the interest in the Water Credits subject to the terms, provisions, and conditions of this Agreement. Subsequent to the execution of the Assignment by the City, the City will, upon request, provide the Developer an account statement verifying the amount of Water Credits, if any, that remains vested in the Developer subsequent to the Assignment.
- 3.6. **Compliance with City Code.** Except as otherwise provided herein, the Developer shall comply with and abide by all other requirements of the City's code and regulations incident to the development of the Developer's property within the City including, without limitation, land use ordinances, improvement requirements, development agreements, exactions, conditions of approval, and the payment of deposits and applicable development fees, including reservation fees and water service fees.
- 3.7. **Option to Buy-back Water Credits.** If the Developer, or its assign, does not use the Water Credits within ten (10) years of the Effective Date, the City has the option to purchase and retire the Water Credits at the then-current appraised value of the underlying Water Credits. To exercise the option, the City must provide written notice to the Developer, or its assign, of the City's intent to exercise the option. The City, at its sole expense, will obtain an appraisal to determine the current fair market value of the portion of the Water Credits the City intends to buy back.
- 3.8. **Mutual Agreement to Sell Excess Water Credits.** The Developer and City may mutually agree at any time to sell any excess Water Credits that Developer does not need for the development of the Project. At such time, Developer and City shall obtain an appraisal to determine the current fair market value of the Water Credits to be sold to the City, which appraisal costs shall be equally shared between the Parties. Developer and City may also mutually agree to an acceptable purchase price without obtaining an appraisal. Each party shall bear its own costs associated with the sale of excess Water Credits.
4. **Closing Conditions.** The transactions under this Agreement are expressly conditioned for each closing upon satisfaction of the following conditions with respect to the water shares involved with such closing:
- 4.1. The absence of pending or threatened litigation relating to the Water Right and the absence of pending or threatened litigation relating to this Agreement; and
- 4.2. The State Engineer issuing final, non-appealable Orders on a Change Application satisfactory to the Developer and the City.

5. **Developer's Costs and Expenses**. The Developer shall bear its own costs and professional fees related to the negotiation and performances required under this Agreement, except as otherwise set forth herein.

6. **Developer's Representations, Warranties, and Covenants**. The Developer hereby represents, warrants, covenants, and agrees as follows:

- 6.1. **Title**. The Developer represents it has a good and marketable title to the Water Right, which title is free and clear of all liens, encumbrances, reservations, restrictions, and adverse claims.
- 6.2. **Use and Legal Compliance**. To the best of the Developer's knowledge, the Water Right and Change Application are valid and are not subject to forfeiture for any period of non-use, and the Developer is in full compliance with all requirements applicable to relevant federal, state, and local laws, rules, and regulations with regard to the Water Right.
- 6.3. **No Violations**. The Developer has not received any written notices from any governmental agencies with respect to any violations concerning the Water Right and Change Application.
- 6.4. **No Proceedings**. There are no attachments, levies, executions, assignments for the benefit of creditors, receivership, conservatorship, or voluntary or involuntary proceedings in bankruptcy (or pursuant to any other debt or relief laws) contemplated or filed by the Developer (with respect to the Developer) or, to the Developer's actual knowledge, pending or threatened in any current judicial or administrative proceedings against the Developer.

7. **Parties' Representations, Warranties, and Covenants**. Each Party ("**Representing Party**") hereby represents, warrants, covenants, and agrees as follows:

- 7.1. **Valid Entities**. The Representing Party is an entity duly formed, validly existing, and in good standing under relevant laws and has the legal power, right, and authority to enter into this Agreement and the instruments to be executed by the Representing Party pursuant to this Agreement and to consummate the transaction contemplated hereby.
- 7.2. **Authority**. The individuals executing this Agreement and the instruments to be executed by the Representing Party pursuant to this Agreement on behalf of the Representing Party have the legal power, right, and authority to bind the Representing Party to the terms and conditions of this Agreement and such instruments.
- 7.3. **Binding Contract**. This Agreement executed when and delivered constitutes a valid and binding obligation enforceable against the Representing Party in accordance with its terms, and will not result in any violation of, or any default under, any other agreement to which the Representing Party is subject.
- 7.4. **Consents and Approvals**. Other than those specifically mentioned above, no consent, approval, authorization, declaration, filing, or registration with or of any third party, including any governmental or regulatory authority, is required in connection with the execution, delivery, and performance of this Agreement by the Representing Party.

8. **Preservation of Water Right and Change Application**. From and after the Effective Date and until the closing, the Parties shall not:

- 8.1. sell or contract to sell, lease, license, transfer, pledge, mortgage, hypothecate, or otherwise dispose of or encumber the Water Right or Change Application or any interest in such;
- 8.2. enter into any transaction with, or solicit or encourage submission of inquiries, proposals, or offers from, any other person relative to any potential disposition or encumbrance of the Water Right or Change Application or any part thereof;
- 8.3. provide further information to any person other than the Developer or the City relating to any possible disposition or encumbrance of the Water Right or Change Application or any parts thereof; or

8.4. fail to take actions necessary to preserve the Water Right and Change Application.

9. **Notice.** Any notice which this Agreement requires or permits to be given to the Developer or the City must be in writing and must be delivered to such person either personally or by depositing it in the United States mail, certified mail, addressed to such person at the address set below, and the notice will be deemed complete when received. The parties to this Agreement may hereafter designate in writing a different address or person to whom such notices must be given.

If to Developer: Oquirrh Wood Ranch, LLC
Attn: Nate Shipp
14034 South 145 East, Suite 204
Draper, UT 84020
nate@daiutah.com

If to City: Eagle Mountain City
Attn: City Manager
1650 Stagecoach Run
Eagle Mountain, UT 84005
pjerome@emcity.org

10. **Brokerage/Indemnification.** Neither Party has entered into any contract or had any dealings regarding this Agreement with a licensed real estate broker or any person who can claim a right to commission or finder's fee as a result of actions contemplated by this Agreement. Each Party shall indemnify and hold the other Parties harmless against and from any claims for a real estate commission or other fee with respect to the closing contemplated by this Agreement as the result of the conduct of such indemnifying Party. This Section shall survive closing.

11. **Attorney's Fees.** In any action arising out of this Agreement, including without limitation, an alleged breach or default by any Party, each prevailing Party will be entitled to recover from the non-prevailing Party or Parties its costs and reasonable attorneys' fees incurred in such action. The venue for such an action shall be Utah County, Utah. This Section shall survive closing.

12. **Time is of the Essence.** Time is of the essence regarding the dates and time constraints set forth in this Agreement. This Section shall survive closing.

13. **Governing Law.** This Agreement is governed by, construed, and enforced in accordance with the laws of the State of Utah.

14. **Successors and Assigns.** This Agreement and all of the terms and provisions contained herein shall inure to the benefit of and shall be binding upon the Parties and their respective representatives, successors, and approved assigns.

15. **Modification of Agreement.** Any modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement shall be binding only if evidenced in writing which is signed by the Parties.

16. **Necessary Acts and Cooperation.** The Parties hereby agree to do any act or thing and to execute any and all instruments required by this Agreement, or which are necessary and proper to make effective the provisions of and transaction contemplated by this Agreement.

17. **Warranties to Survive the Closing.** All representations, warranties, covenants, and indemnities of the Parties contained herein shall survive the closing and shall not be deemed merged in any document delivered pursuant hereto.

18. **Captions.** The Section headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement.

19. **Relationship.** None of the terms or provisions of this Agreement shall be deemed to create a partnership among the Parties, nor cause them to be considered as a principal, agent, employer or employee of the other Party. This Agreement is not intended, nor shall it be construed, to create any third-party beneficiary rights in any person or entity.

20. **Counterparts.** This Agreement may be executed in any number of counterpart originals, each of which shall be deemed an original instrument for all purposes, but all of which shall comprise one and the same instrument. The Parties agree that signatures transmitted by e-mail or facsimile shall be binding as if they were original signatures

21. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes any prior understanding, representation, or agreement of the Parties regarding the subject matter hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement.

DEVELOPER

OQUIRRH WOOD RANCH, LLC

A Utah limited liability company

Signature: _____

Print Name: _____

Title: _____

STATE OF

COUNTY OF

)
: ss.
)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by _____ as the _____ of Oquirrh Wood Ranch, LLC, a Utah limited liability company.

NOTARY PUBLIC

EAGLE MOUNTAIN CITY

Signature: _____

Print Name: _____

Title: _____

ATTEST

_____, City Recorder

_____, City Attorney
Approved as to form and legality

EXHIBIT A
TO WATER BANKING AGREEMENT
DWRi Water Right Information

See Attached

EXHIBIT B
TO WATER BANKING AGREEMENT
APPROVED FORM OF CHANGE APPLICATION

See Attached



**EAGLE MOUNTAIN CITY
CITY COUNCIL MEETING
JANUARY 17, 2023**

TITLE:	Financial Report		
ITEM TYPE:	Communication Item		
FISCAL IMPACT:			
APPLICANT:			
GENERAL PLAN DESIGNATION	CURRENT ZONE	ACREAGE	COMMUNITY
PUBLIC HEARING: No	RECOMMENDATION:		
PREPARED BY: Kimberly Ruesch, Admin	BACKGROUND:		
PRESENTED BY:	ITEMS FOR CONSIDERATION:		
	REQUIRED FINDINGS:		
	PLANNING COMMISSION ACTION/RECOMMENDATION:		
	ATTACHMENTS: December 2022 Executive Summary 2022 Final Financial Statements		

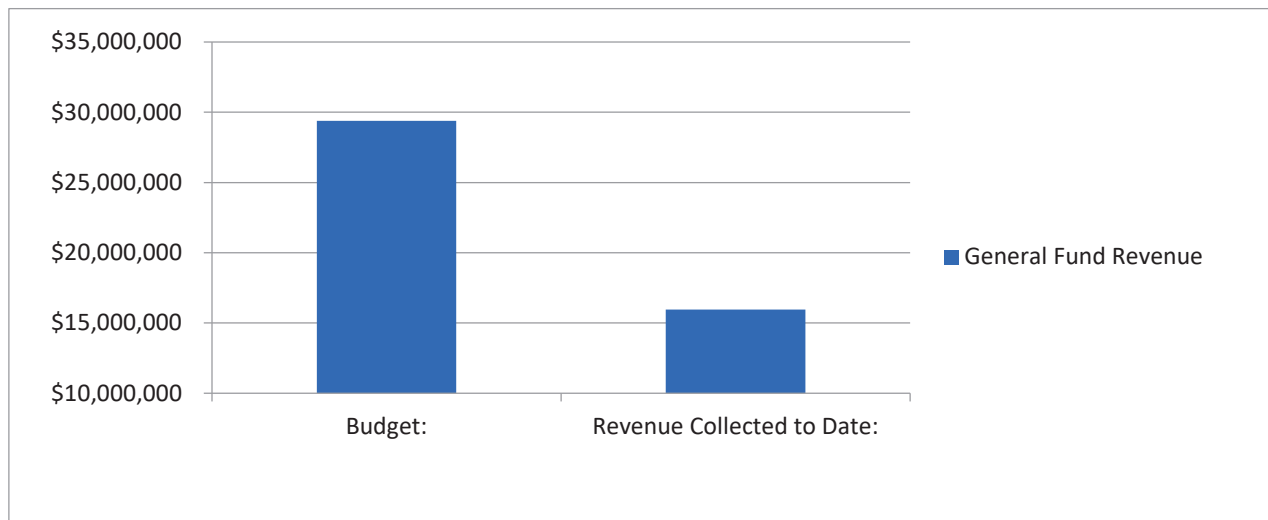
EXECUTIVE SUMMARY OF REVENUES AND EXPENSES*

Through December 2022

GENERAL FUND

General Fund Revenues

Budget:	\$ 29,380,967
Revenue Collected to Date:	\$ 15,961,176
Percent of Total Budget Collected:	54%
Percent of Year Completed:	50%

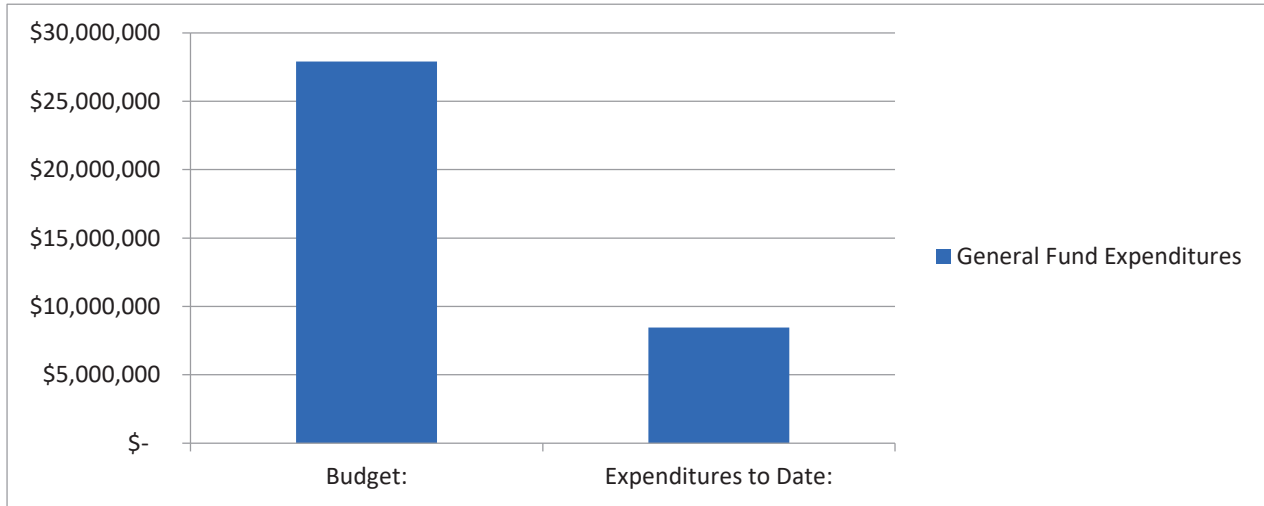


Revenue Analysis

Major Revenue Sources	Budget	To Date	% Collected
Taxes	\$ 16,430,317	\$ 8,884,154	54.07%
Licenses and Permits	\$ 25,000	\$ 11,336	45.34%
Planning Building & Eng Fees	\$ 5,756,500	\$ 1,218,711	21.17%
Intergovernmental Revenue	\$ 4,251,534	\$ 3,469,741	81.61%
Charges for Services	\$ 186,000	\$ 225,701	121.34%
Recreation	\$ 93,000	\$ 109,797	118.06%
Utility Revenue	\$ 3,500	\$ 4,983	142.37%
Fines & Forfeitures	\$ 107,000	\$ 145,752	136.22%
Miscellaneous Revenues	\$ 158,400	\$ 272,708	172.16%
Interfund Transfers	\$ 1,659,716	\$ 819,724	49.39%
Special Revenues & Resources	\$ 710,000	\$ 798,569	112.47%

General Fund Expenditures

Budget: \$ 27,904,217
Expenditures to Date: \$ 8,448,842
Percent of Total Budget Expended: 30%
Percent of Year Completed: 50%



Expense Analysis

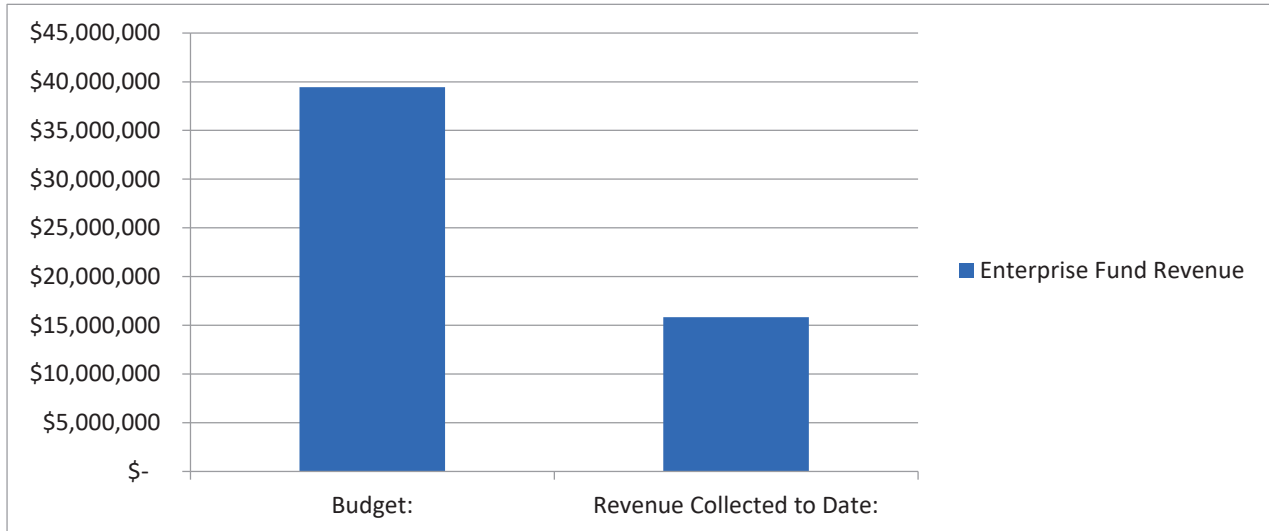
	Budget	To Date	% Expended
11 Executive	\$ 3,428,666	\$ 1,408,417	41%
18 Boards Commissions & Councils	\$ 2,513,963	\$ 731,085	29%
19 Non-Departmental	\$ 2,427,123	\$ 1,243,442	51%
21 Public Safety	\$ 5,461,011	\$ 1,410,902	26%
32 Planning & Zoning	\$ 1,495,081	\$ 420,797	28%
33 Building Inspections	\$ 1,576,899	\$ 593,403	38%
41 Public Works	\$ 6,223,338	\$ 2,640,795	42%
61 Interfund Transfers	\$ 4,778,136	\$ -	0%

Note:

ENTERPRISE FUNDS

Enterprise Fund Revenues

Budget: \$ 39,432,774
Revenue Collected to Date: \$ 15,837,797
Percent of Total Budget Collected: 40%
Percent of Year Completed: 50%



Revenue Analysis

	Budget	To Date	% Received
51 Water Fund	\$ 23,783,425	\$ 8,704,417	37%
52 Sewer Fund	\$ 12,140,349	\$ 5,243,198	43%
57 Solid Waste Fund	\$ 2,263,000	\$ 1,195,808	53%
59 Storm Drain Fund	\$ 1,246,000	\$ 694,375	56%

Fund 51 - Water Fund:

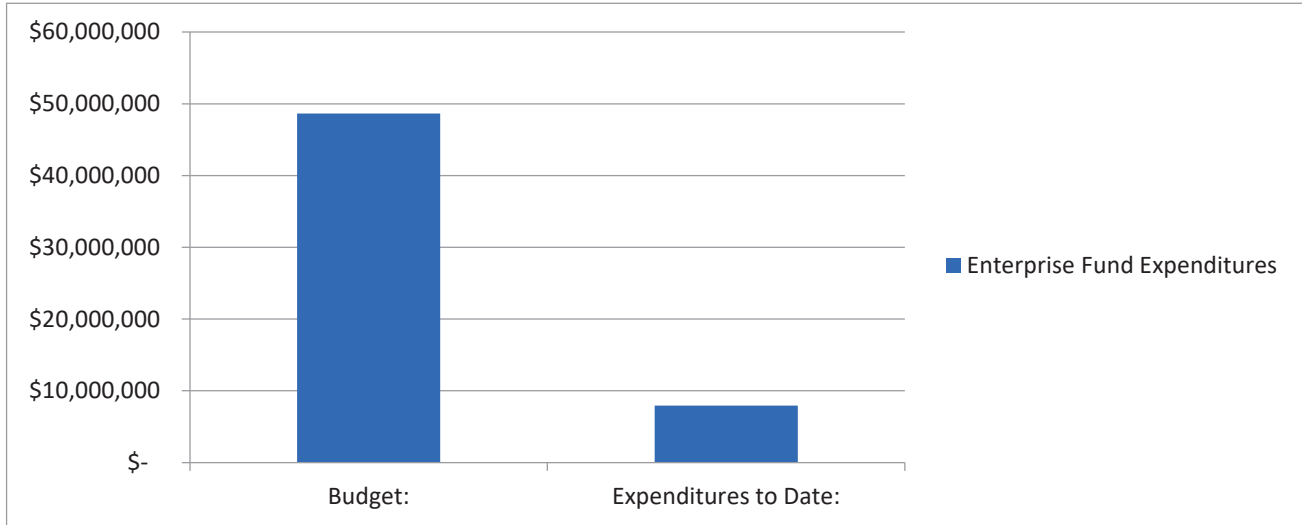
Fund 52 - Wastewater Fund:

Fund 57 - Solid Waste Fund:

Fund 59 - Storm Water Fund:

Enterprise Fund Expenditures

Budget:	\$	48,653,493
Expenditures to Date:	\$	7,959,393
Percent of Total Budget Expended:		16%
Percent of Year Completed:		50%



Expense Analysis

	Budget	To Date	% Expended	% Yr. Completed
51 Water Fund	\$ 31,296,275	\$ 3,246,850	10%	50%
52 Sewer Fund	\$ 13,380,023	\$ 3,619,909	27%	50%
57 Solid Waste Fund	\$ 2,791,712	\$ 762,759	27%	50%
59 Storm Drain Fund	\$ 1,185,483	\$ 329,877	28%	50%

Note:

Water Fund includes \$22 M. for capital project funding.

Sewer Fund includes \$5.1 M. for capital project funding.

IMPACT FEE FUNDS

Fund Balance - current total balance in the fund.

Committed Balance - restricted to pay reimbursement agreements, and budgeted expenses

Available Balance - amount in the fund that is available for future projects in the Capital Facilities plan.

Projected Available Balance - amount projected through building trends to be available for projects in the Capital Facilities Plan by the end of the current fiscal year.

FUND NAME	Fund Balance as of 12/31/2022	Committed Balance	Available Balance	Projected Available Balance by 6/30/23**
11 - Water Impact Fee Fund	\$22,938,053	\$12,372,389	\$10,565,664	\$11,693,098
12 - Wastewater Impact Fee Fund	\$2,365,402	\$3,481,235	(\$1,115,833)	(\$460,930)
15 - Parks/Trails Impact Fee Fund	\$6,186,613	\$5,992,889	\$193,724	\$1,329,234
16- Public Safety Impact Fee Fund	\$58,055	\$0	\$58,055	\$78,798
17 -Stormwater Impact Fee Fund	\$3,046,489	\$2,359,670	\$686,819	\$853,033
18 -Transportation Impact Fee Fund	\$3,869,430	\$1,827,047	\$2,042,383	\$2,478,793

****Available balance + the average of the future facilities impact fee collected and projected out.**

*Unaudited figures - adjusting entries will be done throughout the fiscal year.



GILBERT & STEWART

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
ESTABLISHED 1974

RANDEL A. HEATON, CPA
LYNN A. GILBERT, CPA
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BEN H. PROBST, CPA
RONALD J. STEWART, CPA

SIDNEY S. GILBERT, CPA
JAMES E. STEWART, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of City Council
Eagle Mountain, Utah

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Eagle Mountain City, Utah (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2022, the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Eagle Mountain City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Eagle Mountain's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our objectives to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Eagle Mountain City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Eagle Mountain City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, and the required supplementary information regarding pensions, as noted in the table of contents, 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, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements.

The combining statements and budgetary comparisons, as listed as supplemental information in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and budgetary comparisons are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Gilbert & Stewart

GILBERT & STEWART, CPA, PC
Provo, Utah
December 21, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Eagle Mountain City, we offer the readers of the financial statements this narrative overview and analysis of the financial activities of Eagle Mountain City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- In the Government Wide Statement of Net Position, the total net position of \$359,954,747 is made up of \$260,700,534 in net investment in capital assets, \$63,671,099 in restricted net position, and \$35,583,114 in unrestricted net position. Total net position increased by \$58,534,351 from the prior year.
- As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$66,017,074. Of this amount, \$34,272,798 must only be spent on projects for which the money is restricted. \$3,234,155 is committed by the City Council for capital projects, \$17,067,999 is assigned by the City administration and is divided as follows: \$217,249 for debt service, \$503,413 for special revenues and \$16,347,337 for capital projects. The remaining \$11,442,122 is unassigned in the general fund.
- In the enterprise (proprietary) funds, operating revenues increased by \$1,669,938. Corresponding operating expenses decreased by \$19,728,101. This decrease is due to a large payment in fiscal year 2021 for access to water from Central Utah Water Conservancy District.

Reporting the City as a Whole

This discussion and analysis is intended to serve as an introduction to Eagle Mountain City's basic financial statements. Eagle Mountain City'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 Eagle Mountain City's finances, in a manner similar to a private-sector business.

- The *statement of net position* presents information on all of Eagle Mountain City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Eagle Mountain City is improving or deteriorating. However, you will also need to consider other non-financial factors.
- The *statement of activities* presents information showing how the City's net position changed during the fiscal year reported. All changes in net position 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.

Both of the government-wide financial statements distinguish functions of Eagle Mountain City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The government-wide financial statements can be found on pages 12 and 13 of this report.

Reporting the City's Most Significant Funds

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Eagle Mountain City also uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

- Governmental funds – These funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. These fund statements focus on how money flows into and out of these funds and on the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps users determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation included with the fund financial statements.

The governmental fund financial statements can be found on pages 14-17 of this report.

The major governmental funds (as determined by generally accepted accounting principles) are the general fund and certain debt service funds. The balance of the governmental funds are determined to be nonmajor and are included in the combined statements within this report.

- Proprietary funds – The City reports proprietary fund types as enterprise funds. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Eagle Mountain City uses enterprise funds to account for its water utility, sewer utility, garbage, and storm drain.

The basic proprietary fund financial statements can be found on pages 18-20 of this report.

- Additionally, the City reports the following fund types:

The Internal Service Fund accounts for the fleet management, utility billing, and GIS services provided to other departments of the government on a cost reimbursement basis.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Eagle Mountain City, assets and deferred outflows exceed liabilities and deferred inflows by \$359,954,747.

One of the largest portions of Eagle Mountain City's net position (72%) reflects its investment in capital assets (e.g., land, buildings, infrastructure assets, and machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table summarizes the City's net position. Comparative figures for fiscal years 2022 and 2021 are shown below:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 108,906,416	\$ 54,739,265	\$ 74,577,636	\$ 53,890,588	\$ 183,484,052	\$ 108,629,853
Capital Assets	139,368,610	120,764,687	141,134,253	123,605,813	280,502,863	244,370,500
Total assets	248,275,026	175,503,952	215,711,889	177,496,401	463,986,915	353,000,353
Deferred Outflows of Resources	732,901	531,802	861,820	892,400	1,594,721	1,424,202
Long-term debt outstanding	27,626,159	2,793,571	18,206,961	19,765,657	45,833,120	22,559,228
Other liabilities	24,949,596	16,368,004	21,109,021	11,028,200	46,058,617	27,396,204
Total liabilities	52,575,755	19,161,575	39,315,982	30,793,857	91,891,737	49,955,432
Deferred Inflows of Resources	13,329,462	2,793,571	505,690	255,156	13,835,152	3,048,727
Net position:						
Net investment in capital assets,	137,057,292	119,838,195	123,643,242	104,644,731	260,700,534	224,482,926
Restricted	34,272,798	13,194,849	29,398,301	23,710,217	63,671,099	36,905,066
Unrestricted	11,872,620	21,047,564	23,710,494	18,984,840	35,583,114	40,032,404
Total net assets	\$ 183,202,710	\$ 154,080,608	\$ 176,752,037	\$ 147,339,788	\$ 359,954,747	\$ 301,420,396

The following table summarizes the changes in net position:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 8,449,940	\$ 12,068,623	\$ 28,266,925	\$ 26,739,371	\$ 36,716,865	\$ 38,807,994
Operating grants & contrib.	2,115,144	3,805,907	-	-	2,115,144	3,805,907
Capital grants & contrib.	30,651,138	17,155,525	13,806,665	28,075,972	44,457,803	45,231,497
General revenues:						
Property taxes	5,470,054	2,210,764	-	-	5,470,054	2,210,764
General sales & use tax	8,653,171	6,914,164	-	-	8,653,171	6,914,164
Franchise tax	3,410,186	2,730,163	-	-	3,410,186	2,730,163
Interest earnings	(181,963)	226,399	-	-	(181,963)	226,399
Total revenues	<u>58,567,670</u>	<u>45,111,545</u>	<u>42,073,590</u>	<u>54,815,343</u>	<u>100,641,260</u>	<u>99,926,888</u>
Expenses:						
General government	\$ 4,210,857	\$ 4,114,283	\$ -	\$ -	\$ 4,210,857	\$ 4,114,283
Public safety	4,693,496	3,921,185	-	-	4,693,496	3,921,185
Highways & public works	8,840,825	9,215,444	-	-	8,840,825	9,215,444
Community development	6,481,068	2,592,049	-	-	6,481,068	2,592,049
Planning	426,098	439,936	-	-	426,098	439,936
Interest on long-term debt	249,625	178,385	-	-	249,625	178,385
Water utility	-	-	7,923,646	28,511,496	7,923,646	28,511,496
Sewer utility	-	-	6,044,020	5,487,893	6,044,020	5,487,893
Storm drain	-	-	1,326,680	1,207,876	1,326,680	1,207,876
Non-major business	-	-	1,910,594	1,518,858	1,910,594	1,518,858
Total expenses	<u>24,901,969</u>	<u>20,461,282</u>	<u>17,204,940</u>	<u>36,726,123</u>	<u>42,106,909</u>	<u>57,187,405</u>
Increase (decrease) in net assets						
before transfers	33,665,701	24,650,263	24,868,650	18,089,220	58,534,351	42,739,483
Transfers	<u>(4,543,599)</u>	<u>-</u>	<u>4,543,599</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decr.) in net assets	29,122,102	24,650,263	29,412,249	18,089,220	58,534,351	42,739,483
Net position - beginning	154,080,608	129,430,345	147,339,788	139,176,765	301,420,396	268,607,110
Restatement of net position	-	-	-	(9,926,197)	-	(9,926,197)
Net position - ending	<u>\$ 183,202,710</u>	<u>\$ 154,080,608</u>	<u>\$ 176,752,037</u>	<u>\$ 147,339,788</u>	<u>\$ 359,954,747</u>	<u>\$ 301,420,396</u>

Governmental Activities

Governmental activities increased the City's net position by \$29,122,102. The increase is primarily a result of the bond proceeds received during the year in the amount of \$22,915,000 that will be used to fund major road infrastructure projects. Continued land development has also helped fuel the increase in revenues.

Business-type activities

Business-type activities increased the City's net position by \$29,412,249. As of the end of the current fiscal year, all of the City's business-type funds reported positive net position.

Financial Analysis of the Government's Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

At the end of the current fiscal year, the City's governmental funds reported combined fund balances of \$66,017,074. Of this total amount, 48% constitutes assigned and unassigned fund balances. \$3,234,155 is committed by the City Council and will be used for capital projects. \$17,067,999 is assigned by the administration of the City and will be used for the following: \$217,249 for debt service, \$716,347,337 for capital projects, and \$503,413 for special revenues. \$11,442,122 is unassigned and is available for spending at the government's discretion.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$11,442,122, a decrease of \$2,512,563 from fiscal year 2021. The total fund balance was \$14,723,961, a decrease of \$1,090,526 from the prior year. The decrease in fund balance was a result of transfers to the capital project fund for future investment in infrastructure. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 60% of total general fund expenditures, while total fund balance represents 78% of that same amount.

The City has two major Governmental Funds

1. General Capital Projects fund. The fund was created to account for financial resources to be used for the acquisition and construction of major capital facilities within the City. At the end of fiscal year 2022 the fund balance is \$41,350,638 which is an increase of \$36,147,694. This increase is due to bond proceeds in the amount of \$25,225,958 and transfers from the general fund in the amount of \$10,334,357 toward the investment of future infrastructure.
2. Parks Impact Fee Fund. The fund was created to account for impact fees received and the related capital expenditures of those collected impact fees. At the end of fiscal year 2022 the fund balance is \$5,588,380 a decrease of \$1,656,291 This decrease is due to transfers to the capital project fund primarily for improvements to the Cory Wride Memorial Park.

The City maintains enterprise funds to account for the business-type activities of the City. The information is found in the government-wide financial statements, but in more detail.

Unrestricted net position of the combined enterprise funds at the end of the year amounted to \$21,676,320. The net investment in capital assets in these same funds is \$123,643,242.

- As mentioned in the financial highlights, operational revenues and expenditures in the enterprise funds increased by \$1,669,938 and decreased by \$19,728,101, respectively. The decrease is due to a large payment in fiscal year 2021 for access to water from Central Utah Water Conservancy District. All enterprise funds showed an increase in operating revenue during the year.

The water and sewer funds showed a positive change in net position of \$24,665,795, after non-operating revenues/expenses, contributions, and transfers are considered. The storm drain and garbage fund net position increased by \$4,180,146, and \$301,272, respectively. The major reasons for the increase in net position is the impact fees collected of \$11,913,094 and the contributed capital from developers in the water, sewer, and storm drain funds in the amount of \$13,806,665.

General Fund Budgetary Highlights

During the fiscal year, the general fund's original budget was amended from an original budget of \$21,112,191 to a final budget of \$34,433,910. The increase reflects an increased contribution to capital projects in the amount of \$7,470,978 for future infrastructure improvements for a total contribution of \$10,334,357 and a contribution of ARPA funds to the wastewater fund in the amount of \$4,543,599 for the purchase of land needed for wastewater treatment.

Capital Assets and Debt Administration

Capital Assets - Eagle Mountain City's investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$280,932,863 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress.

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 6,682,458	\$ 6,682,458	\$ 8,842,178	\$ 3,690,765	\$ 15,524,636	\$ 10,373,223
Water Shares	-	-	1,498,676	1,498,676	1,498,676	1,498,676
Buildings	3,366,128	3,228,542	1,543,005	1,646,965	4,909,133	4,875,507
Improvements	10,470,355	4,844,589	-	-	10,470,355	4,844,589
Equipment	2,992,081	3,000,701	127,617,579	91,458,355	130,609,660	94,459,056
Infrastructure	108,094,644	86,718,199	-	-	108,094,644	86,718,199
Right to use assets	-	-	141,019	-	141,019	-
Construction in progress	8,192,944	16,290,198	1,491,796	25,311,052	9,684,740	41,601,250
Total net assets	<u>\$ 139,798,610</u>	<u>\$ 120,764,687</u>	<u>\$ 141,134,253</u>	<u>\$ 123,605,813</u>	<u>\$ 280,932,863</u>	<u>\$ 244,370,500</u>

Additional information on the City's capital assets can be found in Note 8 on pages 41-42 in the notes to this financial report.

Long-term debt. At the end of the current year, the City had total bonded debt outstanding of \$40,594,000. Of this amount, \$415,000 is from special assessment bonds. The remaining \$40,179,000 is secured solely by specific revenue sources (i.e., revenue bonds and sales tax revenue bonds).

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Special assessment bonds	\$ 415,000	\$ 595,000	\$ -	\$ -	\$ 415,000	\$ 595,000
Sales tax revenue bonds	22,915,000	-	-	-	22,915,000	-
Revenue bonds	-	-	17,264,000	18,841,000	17,264,000	18,841,000
Total bonds	<u>\$ 23,330,000</u>	<u>\$ 595,000</u>	<u>\$ 17,264,000</u>	<u>\$ 18,841,000</u>	<u>\$ 40,594,000</u>	<u>\$ 19,436,000</u>

During fiscal year 2022, the City's total outstanding debt increased by a net amount of \$21,158,000. Sales Tax bonds in the amount of \$22,915,000 were issued during the year.

State statutes limit the amount of general obligation debt a governmental entity may issue to 4% of its total taxable value of \$4,028,518,573. The current limitations for the City are \$161,140,743. In addition, state statutes allow for an additional 4% to be used for water, sewer, or other projects, thus resulting in a debt limit of 8% of total taxable value. Total limitation is \$322,281,486. Eagle Mountain City's outstanding debt of \$40,594,000 is significantly below the statutory debt limit.

Additional information on the City's long-term debt can be found in Note 9 beginning on page 43 of this financial report.

Economic Factors and Next Year's Budgets and Rates

- Eagle Mountain City issued 1,440 new residential building permits in fiscal year 2022. This reflects a decrease of 169 new residential building permits over the previous fiscal year. With continued inflationary pressures and steep increases to interest rates, the City expects to see a continued decline in single family residential building permits for the next 12-18 months.
- Eagle Mountain City administration has a conservative approach to budgeting. The fiscal year 2023 budget was adopted in the amount of \$119,345,123 which is a decrease in the amount of \$11,687,681 from the 2022 final budget. While the City still anticipates strong economic growth the new budget reflects a softening of the housing market which is expected to continue through 2024.
- In March of 2022 the City Council adopted rate changes that went into effect for water, sewer, and storm water services in May of 2022. The full impact of the rate changes won't be seen until fiscal year 2023. The rates adopted include automatic increases annually beginning July 1, 2023 for water of 4%, and sewer of 2.5%. There is no automatic increase for storm water.
- With Eagle Mountain City's high desert location, the city entered into an agreement with the Central Utah Water Conservancy District to purchase 1800 acre feet of water from fiscal year 2012 through fiscal year 2021. As of fiscal year 2021, the city has purchased all of that original 1800 acre foot contract and is well into the next contract for 11,500 additional acre feet. Due to demand from development, the City was able to purchase water shares two years ahead of the contracted schedule in FY 2021 and should be able to continue to do so into the foreseeable future. The contract has been renegotiated several times with CUWCD to purchase additional water when new users come on to the system and have need for this specific water source.

Request for Information

This financial report is designed to provide a general overview of Eagle Mountain City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Kimberly Ruesch, Finance Director at kruesch@emcity.org or Eagle Mountain City, Finance Director, 1650 East Stagecoach Run, Eagle Mountain, UT 84005.

EAGLE MOUNTAIN CITY

Statement of Net Position

June 30, 2022

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Cash and cash equivalents	\$ 29,153,293	\$ 40,564,742	\$ 69,718,035
Restricted cash and cash equivalents	34,490,047	29,398,301	63,888,348
Investments	22,977,045	-	22,977,045
Accounts receivable			
Customers (net of allowance)	187,372	2,240,039	2,427,411
Intergovernmental	2,758,170	-	2,758,170
Interest	97,365	-	97,365
Assessments receivable	348,037	-	348,037
Taxes receivable	13,471,726	-	13,471,726
Notes receivable	6,073,603	-	6,073,603
Internal balances	(2,034,174)	2,034,174	-
Net pension asset	1,383,932	340,380	1,724,312
Capital assets (net of accumulated depreciation):			
Land	6,252,458	8,842,178	15,094,636
Water Shares	-	1,498,676	1,498,676
Buildings	3,366,128	1,543,005	4,909,133
Improvements	10,470,355	-	10,470,355
Equipment and systems	2,992,081	127,617,579	130,609,660
Infrastructure	108,094,644	-	108,094,644
Right to use assets	-	141,019	141,019
Construction in progress	8,192,944	1,491,796	9,684,740
Total assets	<u>248,275,026</u>	<u>215,711,889</u>	<u>463,986,915</u>
DEFERRED OUT FLOW OF RESOURCES			
Pension related costs	732,901	191,550	924,451
Bond refunding costs	-	670,270	670,270
Total deferred outflow of resources	<u>732,901</u>	<u>861,820</u>	<u>1,594,721</u>
LIABILITIES			
Accounts payable and accrued liabilities	7,970,885	2,235,139	10,206,024
Deposits	16,681,308	103,500	16,784,808
Bond interest payable	197,403	86,310	283,713
Unearned revenue	-	18,684,072	18,684,072
Long-term liabilities			
Due within one year	1,459,391	1,678,154	3,137,545
Due in more than one year	26,166,768	16,528,807	42,695,575
Total liabilities	<u>52,475,755</u>	<u>39,315,982</u>	<u>91,791,737</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related costs	1,893,489	505,690	2,399,179
Deferred property taxes levied for future years	11,435,973	-	11,435,973
Total deferred inflow of resources	<u>13,329,462</u>	<u>505,690</u>	<u>13,835,152</u>
NET POSITION			
Net investment in capital assets	137,057,292	123,643,242	260,700,534
Restricted			
Impact fees	9,269,497	28,593,558	37,863,055
Capital projects	25,003,301	-	25,003,301
Debt service	-	804,743	804,743
Unrestricted	11,872,620	23,710,494	35,583,114
Total net position	<u>\$ 183,202,710</u>	<u>\$ 176,752,037</u>	<u>\$ 359,954,747</u>

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
Statement of Activities
For the Year Ended June 30, 2022

Function/Programs	Program Revenues				Net (Expense) Revenue & Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 4,210,857	\$ 1,767,411	\$ -	\$ -	\$ (2,443,446)	\$ -	\$ (2,443,446)
Public safety	4,693,496	18,874	69,912	-	(4,604,710)	-	(4,604,710)
Public works	8,840,825	5,500	2,032,604	30,651,138	23,848,417	-	23,848,417
Community development	6,481,068	304,349	-	-	(6,176,719)	-	(6,176,719)
Planning	426,098	6,353,806	12,628	-	5,940,336	-	5,940,336
Interest on long-term debt	249,625	-	-	-	(249,625)	-	(249,625)
Total governmental activities	<u>24,901,969</u>	<u>8,449,940</u>	<u>2,115,144</u>	<u>30,651,138</u>	<u>16,314,253</u>	<u>-</u>	<u>16,314,253</u>
Business-type activities:							
Water	7,923,646	14,200,001	-	5,679,444	-	11,955,799	11,955,799
Sewer	6,044,020	10,215,606	-	4,210,953	-	8,382,539	8,382,539
Storm Drain	1,326,680	1,628,183	-	3,916,268	-	4,217,771	4,217,771
Non major business-type	1,910,594	2,223,135	-	-	-	312,541	312,541
Total business-type activities	<u>17,204,940</u>	<u>28,266,925</u>	<u>-</u>	<u>13,806,665</u>	<u>-</u>	<u>24,868,650</u>	<u>24,868,650</u>
Total primary government	<u>\$ 42,106,909</u>	<u>\$ 36,716,865</u>	<u>\$ 2,115,144</u>	<u>\$44,457,803</u>	<u>16,314,253</u>	<u>24,868,650</u>	<u>41,182,903</u>
General revenues:							
Property taxes					\$ 5,470,054	\$ -	\$ 5,470,054
General sales and use tax					8,653,171	-	8,653,171
Franchise taxes					3,410,186	-	3,410,186
Interest earnings					(181,963)	-	(181,963)
Transfers					(4,543,599)	4,543,599	-
Total general revenues and transfers					<u>12,807,849</u>	<u>4,543,599</u>	<u>17,351,448</u>
Change in net Position					29,122,102	29,412,249	58,534,351
Net position- beginning					<u>154,080,608</u>	<u>147,339,788</u>	<u>301,420,396</u>
Net position - ending					<u>\$ 183,202,710</u>	<u>\$ 176,752,037</u>	<u>\$ 359,954,747</u>

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY

Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	General Capital Projects	Special Revenue Impact Fee Parks	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 9,741,757	\$ 14,205,840	\$ -	\$ 3,231,492	\$ 27,179,089
Restricted cash	47,684	25,003,301	5,588,380	3,850,682	34,490,047
Investments	19,725,793	3,251,252			22,977,045
Receivables (net):					
Accounts	133,500	53,447		-	186,947
Taxes	4,215,182	-		9,256,544	13,471,726
Intergovernmental	2,758,170	-		-	2,758,170
Interest	97,365	-	-	-	97,365
Special assessments	-	58,448		289,589	348,037
Notes receivable	-	6,073,603			6,073,603
Total assets	<u>\$ 36,719,451</u>	<u>\$ 48,645,891</u>	<u>\$ 5,588,380</u>	<u>\$ 16,628,307</u>	<u>\$ 107,582,029</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable & accrued liabilities	\$ 3,111,130	\$ 1,924,558		\$ 2,728,079	\$ 7,763,767
Deposits	16,681,308	-		-	16,681,308
Deferred revenue	-	-		-	-
Total liabilities	<u>19,792,438</u>	<u>1,924,558</u>	<u>-</u>	<u>2,728,079</u>	<u>24,445,075</u>
Deferred inflows of resources:					
Deferred property taxes levied for future years	2,179,429	-		9,256,544	11,435,973
Deferred property taxes-delinquent	23,623	-		-	23,623
Deferred - receivables		5,370,695			5,370,695
Unavailable special improvement assessments	-	-		289,589	289,589
Total deferred inflows of resources	<u>2,203,052</u>	<u>5,370,695</u>	<u>-</u>	<u>9,546,133</u>	<u>17,119,880</u>
Fund Balances:					
Fund balances restricted for:					
Roads	-	-		-	-
Impact fees	47,684	-	5,588,380	3,633,433	9,269,497
Capital projects		25,003,301			25,003,301
Committed					
Capital projects	3,234,155				3,234,155
Assigned, for:					
Special revenues	-	-		503,413	503,413
Debt service	-	-		217,249	217,249
Capital projects	-	16,347,337		-	16,347,337
Unassigned:	<u>11,442,122</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,442,122</u>
Total fund balances	<u>14,723,961</u>	<u>41,350,638</u>	<u>5,588,380</u>	<u>4,354,095</u>	<u>66,017,074</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 36,719,451</u>	<u>\$ 48,645,891</u>	<u>\$ 5,588,380</u>	<u>\$ 16,628,307</u>	<u>\$ 107,582,029</u>

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
Balance Sheet Reconciliation to
Statement of Net Assets
June 30, 2022

Total fund balances - governmental fund types:	\$ 66,017,074
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	139,368,610
Long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	5,683,907
Net pension assets and deferred outflows of resources are not available financial resources and are not reported in the governmental funds.	2,116,833
Long-term liabilities, including bonds payable and pension liabilities, are not due and payable in the current period and therefore are not reported in the funds.	(27,823,562)
Deferred inflows of resources related to pensions are not available financial resources and are not reported in the governmental funds.	(1,893,489)
Internal service funds are used by management to charge the costs of fleet management to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.	(266,663)
Net assets of government activities	<u><u>\$ 183,202,710</u></u>

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	General Fund	General Capital Projects	Special Revenue Impact Fee Parks	Nonmajor Governmental Fund	Total Governmental Funds
REVENUES					
Taxes	\$ 14,233,890	\$ -	\$ -	\$ 3,295,560	\$ 17,529,450
Special assessments	-	-	-	195,754	195,754
Licenses and permits	6,384,743	-	-	-	6,384,743
Intergovernmental	6,933,678	44,533	-	-	6,978,211
Charges for services	2,128,537	-	-	75,330	2,203,867
Contributions	879,868	724,291	-	-	1,604,159
Impact fees	47,684	-	4,812,755	1,888,302	6,748,741
Miscellaneous	345,955	(87,616)	(1,823)	1,131	257,647
Total revenues	<u>30,954,355</u>	<u>681,208</u>	<u>4,810,932</u>	<u>5,456,077</u>	<u>41,902,572</u>
EXPENDITURES					
Current:					
General government	4,543,769	-	-	-	4,543,769
Public safety	4,690,939	-	-	-	4,690,939
Public works	5,504,196	-	136,152	376,944	6,017,292
Planning and zoning	630,500	-	-	-	630,500
Community development	3,410,084	-	-	3,012,463	6,422,547
Debt service:					
Principal retirement	25,773	-	-	365,184	390,957
Interest and fiscal charges	1,227	-	-	82,094	83,321
Bond issuance costs	-	-	-	-	-
Capital outlay	-	8,603,999	-	-	8,603,999
Total expenditures	<u>18,806,488</u>	<u>8,603,999</u>	<u>136,152</u>	<u>3,836,685</u>	<u>31,383,324</u>
Excess revenues over (under) expenditures	<u>12,147,867</u>	<u>(7,922,791)</u>	<u>4,674,780</u>	<u>1,619,392</u>	<u>10,519,248</u>
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	430,000	-	-	-	430,000
Proceeds from capital lease	-	25,220,958	-	-	25,220,958
Bond issuance costs	-	(220,958)	-	-	(220,958)
Transfers in	1,209,563	19,070,485	-	-	20,280,048
Transfers out	(14,877,956)	-	(6,331,071)	(3,614,621)	(24,823,648)
Total other financing sources and uses	<u>(13,238,393)</u>	<u>44,070,485</u>	<u>(6,331,071)</u>	<u>(3,614,621)</u>	<u>20,886,400</u>
Net change in fund balance	<u>(1,090,526)</u>	<u>36,147,694</u>	<u>(1,656,291)</u>	<u>(1,995,229)</u>	<u>31,405,648</u>
Fund balances - beginning of year	<u>15,814,487</u>	<u>5,202,944</u>	<u>7,244,671</u>	<u>6,349,324</u>	<u>34,611,426</u>
Fund balances - end of year	<u>\$ 14,723,961</u>	<u>\$ 41,350,638</u>	<u>\$ 5,588,380</u>	<u>\$ 4,354,095</u>	<u>\$ 66,017,074</u>

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balance of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2022

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$ 31,405,648
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	5,675,811
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase (decrease) net assets.	
- Current year capital contributions from developers and loss on transfer of assets	12,940,112

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	3,294,499
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The issuance of long-term debt (e.g., bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(24,773,118)
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Internal service funds are used by management to charge the cost of the fleet management to the individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	84,799
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in as expenditures in the governmental funds	494,351
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Change in net assets of governmental activities	<u><u>\$ 29,122,102</u></u>
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See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY

Statement of Net Position

Proprietary Funds

June 30, 2022

	Business-Type Activities - Enterprise					Governmental Activities Internal Service Funds
	Water	Sewer	Storm Drain	NonMajor Garbage	Total	
<u>ASSETS</u>						
Current assets:						
Cash and cash equivalents	\$ 31,599,041	\$ 6,977,222	\$ 417,139	1,571,340	\$ 40,564,742	\$ 1,974,204
Accounts receivable - net	1,126,679	760,142	133,977	219,241	2,240,039	425
Total current assets	32,725,720	7,737,364	551,116	1,790,581	42,804,781	1,974,629
Noncurrent assets:						
Restricted cash and cash equivalents	22,380,453	4,074,988	2,942,860	-	29,398,301	-
Net pension asset	184,157	133,979	22,244	-	340,380	87,768
Land, equipment, buildings and improv.	87,176,355	74,044,061	26,533,177	38,730	187,792,323	4,902,490
Less: Accumulated depreciation	(24,025,376)	(17,720,826)	(4,897,306)	(14,562)	(46,658,070)	(2,976,802)
Total noncurrent assets	85,715,589	60,532,202	24,600,975	24,168	170,872,934	2,013,456
Total assets	118,441,309	68,269,566	25,152,091	1,814,749	213,677,715	3,988,085
<u>DEFERRED OUTFLOWS OF RESOURCES</u>						
Bond refunding costs - net	288,216	382,054	-	-	670,270	-
Pension related costs	93,371	72,564	25,615	-	191,550	50,756
Total deferred outflow of resources	381,587	454,618	25,615	-	861,820	50,756
<u>LIABILITIES</u>						
Current liabilities:						
Accounts payable and accrued liabilities	1,476,558	572,331	28,412	157,838	2,235,139	207,118
Debt interest payable	27,266	59,044	-	-	86,310	-
Current - compensated absences	13,701	11,378	5,048	-	30,127	-
Current portion of long-term debt	437,627	1,210,400	-	-	1,648,027	58,299
Total current liabilities	1,955,152	1,853,153	33,460	157,838	3,999,603	265,417
Noncurrent liabilities:						
Deposits	103,500	-	-	-	103,500	-
Unearned Revenue	18,684,072	-	-	-	18,684,072	-
Compensated absences- (net of current)	15,451	16,375	7,895	-	39,721	13,339
Long-term debt (net of current portion)	6,415,711	10,073,375	-	-	16,489,086	-
Total noncurrent liabilities	25,218,734	10,089,750	7,895	-	35,316,379	13,339
Total liabilities	27,173,886	11,942,903	41,355	157,838	39,315,982	278,756
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Pension related costs	237,248	189,015	79,427	-	505,690	135,226
Total deferred outflow of resources	237,248	189,015	79,427	-	505,690	135,226
<u>NET POSITION</u>						
Net investment in capital assets	56,585,857	45,421,514	21,635,871	-	123,643,242	1,888,253
Restricted - impact fees	22,229,946	3,420,752	2,942,860	-	28,593,558	-
Restricted debt service	150,507	654,236	-	-	804,743	-
Unrestricted	12,445,452	7,095,764	478,193	1,656,911	21,676,320	1,736,606
Total net position	\$ 91,411,762	\$ 56,592,266	\$ 25,056,924	1,656,911	\$ 174,717,863	\$ 3,624,859
Adjustment to reflect the consolidation of internal service fund activities to the enterprise funds					2,034,174	
Net position business-type activities					\$ 176,752,037	

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds					Governmental Activities Internal Service Fund
	Water	Sewer	Storm Drain	Nonmajor Garbage	Total	
Operating revenues:						
Charges for services	\$ -	\$ -	\$ 880,016	\$ 2,222,398	\$ 3,102,414	\$ 1,815,989
Charges for services pledged as security on revenue bonds	6,608,907	6,802,667	-	-	13,411,574	-
Other operating income	7,539	-	-	-	7,539	52,128
Total operating revenues	6,616,446	6,802,667	880,016	2,222,398	16,521,527	1,868,117
Operating expenses:						
Salaries and wages	666,444	596,400	295,241	3,281	1,561,366	352,852
Purchased services	3,825,954	2,875,542	275,182	1,851,520	8,828,198	137,784
Supplies and materials	890,167	480,934	36,681	58,704	1,466,486	333,874
Depreciation and amortization	2,345,805	1,692,049	725,278	7,746	4,770,878	618,389
Miscellaneous	14,389	14,746	3,312	612	33,059	4,608
Total operating expenses	7,742,759	5,659,671	1,335,694	1,921,863	16,659,987	1,447,507
Operating income	(1,126,313)	1,142,996	(455,678)	300,535	(138,460)	420,610
Nonoperating revenues (expenses):						
Interest revenue	(164,139)	(3,522)	(772)	737	(167,696)	794
Developer reimbursements	(55,887)	(205,049)	(28,611)	-	(289,547)	-
Bond refunding cost amortization	(28,822)	(38,205)	-	-	(67,027)	-
Interest expense and fiscal charges	(187,116)	(266,299)	-	-	(453,415)	(3,866)
Total nonoperating revenues (expenses)	(435,964)	(513,075)	(29,383)	737	(977,685)	(3,072)
Net income (loss) before contributions and transfers	(1,562,277)	629,921	(485,061)	301,272	(1,116,145)	417,538
Developer contributions	5,679,444	4,210,953	3,916,268	-	13,806,665	-
Impact fees	7,747,694	3,416,461	748,939	-	11,913,094	-
Transfers in	-	4,543,599	-	-	4,543,599	-
Transfers out	-	-	-	-	-	-
Total contributions and transfers	13,427,138	12,171,013	4,665,207	-	30,263,358	-
Change in net position	11,864,861	12,800,934	4,180,146	301,272	29,147,213	417,538
Total net position - beginning	79,546,901	43,791,332	20,876,778	1,355,639		3,207,321
Total net position - ending	\$ 91,411,762	\$ 56,592,266	\$ 25,056,924	\$ 1,656,911		\$ 3,624,859
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds					265,035	
Change in net position of business-type activities					\$ 29,412,248	

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds					Governmental Activities Internal Service Fund
	Water	Sewer	Storm Drain	Nonmajor Garbage	Total BTAs	
Cash Flows From Operating Activities						
Receipts from customers	\$ 15,731,852	\$ 6,611,229	\$ 822,886	\$ 2,202,220	\$ 25,368,187	\$ 1,867,942
Payments to suppliers	(3,922,246)	(3,519,640)	(312,228)	(1,896,024)	(9,650,138)	(392,732)
Payments to employees	(754,473)	(662,212)	(296,037)	(3,281)	(1,716,003)	(308,571)
Net cash provided (used) by operating activities	11,055,133	2,429,377	214,621	302,915	14,002,046	1,166,639
Cash Flows From Noncapital Financing Activities						
Transfers in	-	4,543,599	-	-	4,543,599	-
Transfers out	-	-	-	-	-	-
Net cash provided (used) by noncapital financing activities	-	4,543,599	-	-	4,543,599	-
Cash Flows From Capital and Related Financing Activities						
Purchases of capital assets	(1,471,027)	(6,903,344)	(36,175)	-	(8,410,546)	(576,622)
Impact fees collected	7,747,694	3,416,461	748,939	-	11,913,094	-
Contributions	-	61,664	3,400	-	65,064	-
Payments for developer reimbursements	(55,887)	(205,049)	(28,611)	-	(289,547)	-
Principal paid on capital debt	(409,390)	(1,175,900)	-	-	(1,585,290)	(56,397)
Interest paid on capital debt	(228,765)	(319,848)	-	-	(548,613)	(3,866)
Net cash provided (used) by capital and related financing activities	5,582,625	(5,126,016)	687,553	-	1,144,162	(636,885)
Cash Flows From Investing Activities						
Interest and dividends received	(164,139)	(3,522)	(772)	737	(167,696)	794
Net increase (decrease) in cash and cash equivalents	16,473,619	1,843,438	901,402	303,652	19,522,111	530,548
Cash and cash equivalents - beginning	37,505,875	9,208,772	2,458,597	1,267,688	50,440,932	1,443,656
Cash and cash equivalents (deficit) - ending	<u>\$ 53,979,494</u>	<u>\$ 11,052,210</u>	<u>\$ 3,359,999</u>	<u>\$ 1,571,340</u>	<u>\$ 69,963,043</u>	<u>\$ 1,974,204</u>
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income	\$ (1,126,313)	\$ 1,142,996	\$ (455,678)	\$ 300,535	\$ (138,460)	\$ 420,610
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation and amortization expense	2,345,805	1,692,049	725,278	7,746	4,770,878	618,389
(Increase)/decrease in accounts rec.	(290,775)	(191,438)	(57,130)	(20,178)	(559,521)	(175)
(Increase)/decrease in net pension asset	(184,157)	(133,979)	(22,244)	-	(340,380)	(87,768)
(Increase)/decrease in deferred outflows	(31,550)	(17,612)	12,714	-	(36,448)	(7,825)
Increase/(decrease) in accounts payable	809,764	(148,418)	2,947	14,812	679,105	167,695
Increase/(decrease) in compensated absences	6,649	70	1,362	-	8,081	1,194
Increase/(decrease) in net pension liability	(14,518)	(12,905)	(9,001)	-	(36,424)	(10,082)
Increase/(decrease) in deferred inflows	135,547	98,614	16,373	-	250,534	64,601
Increase/(decrease) in deferred revenue	9,406,181	-	-	-	9,406,181	-
Increase/(decrease) in deposits	(1,500)	-	-	-	(1,500)	-
Total adjustments	12,181,446	1,286,381	670,299	2,380	14,140,506	746,029
Net cash provided (used) by operating activities	<u>\$ 11,055,133</u>	<u>\$ 2,429,377</u>	<u>\$ 214,621</u>	<u>\$ 302,915</u>	<u>\$ 14,002,046</u>	<u>\$ 1,166,639</u>
Noncash investing, capital, and financing activities						
Contributions by developers	\$ 5,679,445	\$ 4,149,289	\$ 3,916,268	\$ -	\$ 13,745,002	\$ -
Total noncash investing, capital and financing activities	<u>\$ 5,679,445</u>	<u>\$ 4,149,289</u>	<u>\$ 3,916,268</u>	<u>\$ -</u>	<u>\$ 13,745,002</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Eagle Mountain (the City) financial statements are prepared in accordance with generally accepted accounting principles (GAAP) accepted in the United States of America as applicable to Governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for accounting and financial reporting principles.

A. Reporting Entity

Eagle Mountain City was incorporated December 1996, under laws of the State of Utah. Under the present form of government, administrative and legislative powers are vested in a governing body consisting of the Mayor and a five-member City Council. They are assisted by a City Administrator, who also is the City's budget officer. The treasurer is currently responsible for the financial matters of the City, including money management, accounts payable, financial statements, utility billing, and accounts receivable. The City provides the following services as mandated by law: Public Safety, Highways and Streets, Sanitation, Parks, Water, Public Improvements, Planning and Zoning, and General Administrative Services.

The General Purpose Financial Statements of the City include the financial statements for all activities of the City based upon the criteria set forth in Governmental Accounting Standards Board (GASB) Statement 14. The primary criterion for including a board or agency in this report is financial accountability, which determines whether an entity is a component unit of the financial reporting entity. Blended component units, although legally separate entities, are in substance part of the government's operations, and therefore, data from these units are combined with data of the primary government. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize they are legally separate from the City.

- The Redevelopment Agency of Eagle Mountain City is considered a blended component unit and is included in the governmental funds of the City. It was established to prepare and carry out plans to improve, rehabilitate and redevelop blighted areas within the City. The RDA is governed by a board of trustees composed of the Mayor and members of the City Council. Although it is a legally separate entity for the City, the RDA is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the RDA. The RDA is included in these financial statements as the Redevelopment Agency Special Revenue fund. Separate financial statements are not issued for the RDA.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after the year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt. Expenditures related to compensated absences, claims, and judgments are also recorded, but only when payment is due.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Property taxes, sales taxes, franchise taxes, and earned but unreimbursed state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual, and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following **major governmental funds**:

The *general fund* is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.

The *general capital projects fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary funds.)

The government reports the following **major proprietary funds**:

The *water fund* accounts for the activities of the City's water operations.

The *sewer fund* accounts for the activities of the City's sewer operations.

The *storm drain fund* accounts for the activities of the City's storm drain operations.

Additionally, the government reports the following fund types:

The *internal service fund* accounts for the fleet management, utility billing, and GIS services provided to other departments of the government on a cost reimbursement basis.

As a general rule, the effect of inter fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments to the general fund by the various enterprise funds for providing administrative services for such funds. Elimination of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

D. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

The City's temporary cash investments consist of amounts deposited with Utah Public Treasurer's Investment Fund and money market funds. Investments are stated at cost, which approximates fair value.

E. Interfund Transactions

During normal operations, the City has transactions between funds to distribute administrative costs and distribute grant proceeds. These transactions are generally reflected as operating transfers, which are transfers from a fund authorized to receive certain revenues to the fund through which the resources are to be expended. The general fund billed the respective enterprise funds for administrative costs associated with billing and collection of utility charges. These changes are reflected as revenues and expenses in the respective funds.

F. Restricted Assets

The City maintains cash balances as required by bond covenants. These amounts are reflected in the financial statements as restricted cash. It is the City's policy to use restricted assets first and then unrestricted assets.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and structures	30-50
Improvements other than buildings	20-50
Infrastructure	30-50
Machinery and equipment	5-10
Furniture and fixtures	5-10

H. Compensated Absences

City employees accrue earned vacation, sick leave, long-term sick leave, and comp time throughout the year. They are allowed to carry forward all accrued comp, long term sick leave, and up to 240 hours of vacation time into the next calendar year but are encouraged to take their vacation leave within the calendar year in which it is earned. Upon termination of employment, an employee will be compensated for up to 240 hours of unused person time off leave but will forfeit any accumulated sick leave.

Vacation pay is accrued when incurred in proprietary funds and reported as a fund liability. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it.

I. Taxes

In Utah, county governments assess, levy, collect, and disburse two principal types of tax: (1) personal property tax, which is assessed on business assets other than real estate, and (2) tax on real estate and improvements. Business personal property and real estate taxes attach as an enforceable lien on property as of January 1. Taxes are levied on all business personal property on January 1, and real estate and improvement taxes are levied on January 1 and are payable by November 30. The real property taxes, which are due in November, are reported as a receivable from property taxes on the financial statements. Because these taxes are not considered available to liquidate liabilities of the current period, they are offset by deferred revenue.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

The City Council is authorized by state statute to levy a tax against all real and personal property located within its boundaries. The Council must set a tax rate by June 22 each year.

The County Treasurer, acting as a tax collector, must settle and disburse all tax collections to all taxing entities on a routine basis.

J. Long-Term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the accrual debt proceeds received, are reported as debt service expenditures. Interest expense is not included in the functions of governmental activities.

K. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. Deferred Outflows/Inflows of Resources

Beginning with 2013, the City implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and Statement No. 65, *Items Previously Reported as Assets and Liabilities*. These Statements provide financial reporting guidance to standardize the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. They also establish accounting standards

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

and financial reporting standards that reclassify certain items as deferred outflows of resources or deferred inflows of resources that were previously reported as assets and liabilities and recognizes certain items as outflows of resources or inflows of resources that were previously reported as assets and liabilities.

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items, bond refunding costs and pension related costs that are reported on the statement of net position as a deferred outflow.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items, one of which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and pension related costs. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The item, *revenue for future year*, is reported in both the statement of net position and the governmental funds balance sheet. These amounts account for property taxes levied on January 1, 2021, for the 2022 fiscal year.

M. Leases

During the year ended June 30, 2022, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. The new standard establishes a single model for lease accounting based on the principle that leases are financing of a right-to-use-asset. The statements require a lessee to recognize a lease liability and an intangible right-to-use asset, and a lessor to recognize a lease receivable and a deferred inflow of resources. There was no impact to beginning net position in the government-wide financial statements or beginning fund balances as a result of adopting this standard.

Lessee - The City is a lessee for a noncancelable leases of equipment and building. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Key estimates and judgments related to leases include how the City determines (a) the discount rate it uses to discount the expected lease payments to present value, (b) lease term, and (c) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

N. Fund Equity

The governmental fund financial statements present fund balances based on a hierarchy that shows, from highest to lowest, the level or form of constraints on fund balance resources and the extent to which the City is bound to honor them. The City first determines and reports non-spendable balances, then restricted, then committed, and so forth. The City's governmental funds beginning balances have been restated to reflect the below classifications. Fund balance classifications are summarized as follows:

- **Non spendable.** This category includes fund balance amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories, prepaid expenditures, and endowments are classified as non-spendable.
- **Restricted.** This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either (a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Restricted fund balance amounts include the following:

- a) Unspent Impact fees.
- b) Special Assessments.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Committed.** This category includes amounts that can only be used for specific purposes established by formal action of the City Council. Fund balance commitments can only be removed or changed by the same type of resolution of the City Council. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City Council has not committed any fund balance amounts.
- **Assigned.** This category includes Governmental Fund balance amounts that the City intends to be used for a specific purpose but that are neither restricted nor committed. This intent is expressed by formal action of the City's administration comprised of the City administrative council. This category also includes the remaining positive fund balance for other governmental funds. The City has assigned debt service requirement, storm drain charges, and capital projects.
- **Unassigned.** Residual balances in the Governmental Funds are classified as unassigned.

It is the City's policy to use restricted, committed, assigned, and then unassigned fund balance.

Below is fund balance detail for each category of fund balance in the governmental funds:

	General Fund	Capital Projects Fund	Special Revenue Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balance:					
Restricted:					
Capital improvements	\$ 47,684	\$ 25,003,301	\$ 5,588,380	\$ 3,633,433	\$ 34,272,798
Special assessments	-	-	-	-	-
	<u>47,684</u>	<u>25,003,301</u>	<u>5,588,380</u>	<u>3,633,433</u>	<u>34,272,798</u>
Committed:					
Capital improvements	<u>3,234,155</u>	-	-	-	<u>3,234,155</u>
	<u>3,234,155</u>	-	-	-	<u>3,234,155</u>
Assigned:					
Capital improvements	-	16,347,337	-	-	16,347,337
Debt service	-	-	-	217,249	217,249
Redevelopment	-	-	-	303,414	303,414
Cemetery	-	-	-	199,999	199,999
	<u>-</u>	<u>16,347,337</u>	<u>-</u>	<u>720,662</u>	<u>17,067,999</u>
Unassigned	<u>11,442,122</u>	-	-	-	<u>11,442,122</u>
Total fund balances	<u>\$ 14,723,961</u>	<u>\$ 41,350,638</u>	<u>\$ 5,588,380</u>	<u>\$ 4,354,095</u>	<u>\$ 66,017,074</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

N. Use of Estimates

Presenting financial statements in conformity with Generally Accepted Accounting Principles requires management to make certain estimates concerning assets, liabilities, revenues, and expenses. Actual results may vary from these estimates.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets.

This difference primarily results from the long-term economic focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheets.

1. Capital related items:

When capital assets (property, plant, and equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets is reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the city as a whole.

Cost of capital assets	\$190,023,609
Accumulated depreciation	<u>(50,654,999)</u>
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net-assets – governmental activities</i>	<u>\$139,368,610</u>

2. Long-term assets:

Long-term assets applicable to the City's governmental activities are not available to pay for expenditures of the current period and are, therefore, deferred in the governmental balance sheet.

Special assessment revenue	\$ (195,754)
Notes receivable	5,875,700
Delinquent property taxes	<u>3,961</u>
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i>	<u>\$5,683,907</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (*Continued*)

3. Long-term debt transactions:

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the fund statements. All liabilities (both current and long-term) are reported in the statement of net assets.

Bonds payable	(\$23,330,000)
Leases Payable	(212,938)
Note Payable	(1,460,369)
Bond interest payable	(197,403)
Bond premium	(2,311,312)
Net Pension Liability	(-)
Compensated absences	(311,540)

Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>(\$27,823,562)</u>
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B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.”

Capital outlay	\$ 10,765,893
Depreciation expense	(5,090,082)
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 5,675,811</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

Another element of that reconciliation states, “The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

Principal payments:	
Issuance of long-term debt	\$ (22,915,000)
Bond Premium	(2,305,958)
Amortization of bond premiums	486
Principal paid on bonds and leases	<u>447,354</u>
Net adjustment to increase <i>net changes in fund</i>	
<i>balances – total governmental funds to arrive</i>	
<i>at changes in net position of governmental activities</i>	<u>\$ (24,773,118)</u>

Another element of that reconciliation states that certain expenses reported in the statement of activities do not require the use of current financial resources and are, therefore, not reported as expenditures in the governmental funds.

Accrued bond interest	\$ (166,304)
Pension related costs	687,990
Compensated absences	<u>(30,630)</u>
Net adjustment to increase <i>net changes in fund</i>	
<i>balances – total governmental funds to arrive</i>	
<i>at changes in net assets of governmental activities</i>	<u>\$ 491,056</u>

NOTE 3 - BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are prepared and adopted in accordance with the Uniform Fiscal Procedures Act adopted by the State of Utah. Once a budget has been adopted, it remains in effect until it has been formally revised. Furthermore, in accordance with state law, all appropriations lapse at the end of the budget year. If any obligations are contracted for and are in excess of adopted budget, they are not a valid or enforceable claim against the City. Budgets are adopted on a basis consistent with generally accepted accounting principles. All funds of the City have legally adopted budgets.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 3 - BUDGETS AND BUDGETARY ACCOUNTING *(Continued)*

The City adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- A. On or before the first regularly scheduled meeting of the City Council in May, the City Administrator, authorized under state statute to be appointed budget officer, submits a proposed operating budget. The operating budget includes proposed expenditures and the means of financing them.
- B. A public hearing is held, at which time the taxpayers' comments are heard. Notice of the hearing is given in the local newspaper at least seven days prior to the hearing. Copies of the proposed budget are made available for public inspection ten days prior to the public hearing.
- C. On or before June 22, a final balanced budget must be adopted through passage of a resolution for the subsequent fiscal year beginning July 1.
- D. Control of budgeted expenditures is exercised, under state law, at the departmental level. The City Administrator, however, acting as budget officer, has the authority to transfer budget appropriations between line items within any department of any budgetary fund. The City Council, by resolution, has the authority to transfer budget appropriations between the individual departments of any budgetary fund.
- E. Budget appropriations for any department may be reduced by resolution.
- F. A public hearing, as required in (B) above, must be held to increase the total appropriations of any one governmental fund type; however, after the original public hearing, operating and capital budgets of proprietary fund types may be increased by resolution without an additional hearing.
- G. Encumbrances lapse at year end. Encumbered amounts carry over to the following year and are subject to reappropriation. Therefore, no encumbrances are presented in the financial statements.

During the budget year, the City modified the budget using the above procedures.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 4 – CASH EQUIVALENTS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. At June 30, 2022, the City's cash balance consisted of the following:

	<u>All Fund Types</u>
Cash, cash equivalents, and temporary cash investments	\$ 69,718,035
Cash, cash equivalents, restricted	<u>63,888,348</u>
Total cash and cash equivalents	<u><u>\$ 133,606,383</u></u>

While the City's carrying amount of deposits was \$133,918,554, the balance in the City's bank account and cash on hand was \$133,606,304 with the difference being due to outstanding checks and deposits in transit.

A. Deposits

Deposits – Custodial Credit Risk. Custodial risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City follows the requirements of the Utah Money Management Act in handling its depository and investing transactions. The City considers the actions of the State Money Management Council to be necessary and sufficient for adequate protection of its uninsured bank deposits. City funds are deposited in qualified depositories as defined by the Act. The City does not have a deposit policy for custodial credit risk. As of June 30, 2022, the City's custodial credit risk, for deposits were as follows:

<u>Depository Account</u>	<u>Custodial Credit Risk</u>	<u>Balance June 30, 2022</u>
Checking and savings	Insured and collateralized	\$ 250,000
Checking and savings	Uninsured and uncollateralized	25,914,977
Investment sweep	Uninsured and uncollateralized	<u>35,569,864</u>
Total deposits		<u><u>\$ 61,734,841</u></u>

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EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 4 – CASH EQUIVALENTS AND INVESTMENTS (*Continued*)

B. Investments

The Money Management Act defines the types of securities authorized as appropriate investments for the City and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

Statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard and Poor's; bankers' acceptances; obligations of the U.S. Treasury, including bills, notes, and bonds; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurer's Investment Fund. All investments held by the City on June 30, 2022, comply with the provisions of the Act.

The Utah State Treasurer's Office operates the Public Treasurer's Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer. The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Section 51-7, Utah Code Annotated, 1953, as amended. The Act established the Money Management Council, which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. The PTIF is considered a cash equivalent for the purposes of the financial statements.

Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

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 participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares. There are no required participation and no minimum balance or minimum/maximum participant withdrawal requirements.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets
- *Level 2:* Observable inputs other than quoted market prices
- *Level 3:* Unobservable inputs

At June 30, 2022, the City had the following recurring fair value measurements.

Investments	Investment Maturities (in Years)				Quality Ratings
	Less Than 1	1-5	6-10	More than 10	
Utah Public Treasurer's Investment Fund	\$ 71,885,491	\$ -	\$ -	\$ -	\$ -
Morten Asset Management Account	-	22,977,045	-	-	-
Total investments	<u>\$ 71,885,491</u>	<u>\$ 22,977,045</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches:

- Utah Public Treasurer's Investment Fund – Application of the June 30, 2022, fair value factor, as calculated by the Utah State Treasurer, to the City's ending balances in the fund.

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EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 4 – CASH EQUIVALENTS AND INVESTMENTS (Continued)

The City's investments are managed through participation in the State Public Treasurer's Investment Fund and through a trust arrangement with a local bank, and a liquid asset management account. As of June 30, 2022, the City had the following investments:

Investments	Investment Maturities (in Years)				Quality Ratings
	Less Than 1	1-5	6-10	More than 10	
Utah Public Treasurer's Investment Fund	\$ 72,183,712	\$ -	\$ -	\$ -	\$ -
Morten Asset Management Account	-	22,977,045	-	-	-
Total investments	<u>\$ 72,183,712</u>	<u>\$ 22,977,045</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investments – Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, interest rate risk is managed by compliance with the Utah Money Management Act, which provides guidance for handling depository and investing transactions in order to minimize interest rate risk.

Investments – Credit Risk. The City follows the requirements of the Utah Money Management Act in handling its depository and investing transactions. The City funds are deposited in qualified depositories as defined by the Act. The Act also authorizes the City to invest in the Utah Public Treasurers Investment Fund (PTIF), certificates of deposit, U.S. Treasury obligations, U.S. agency issues, restricted mutual funds, and obligations of governmental entities within the State of Utah. The City's investments are invested in accordance with the Act. The State Money Management Council provides regulatory oversight for the investments. The degree of risk of the investments depends on the underlying portfolio. The Act and Council rules govern the financial reporting requirements of qualified depositories in which public funds may be deposited and prescribe the conditions under which the designation of a depository shall remain in effect. If a qualified depository should become ineligible to

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 4 – CASH EQUIVALENTS AND INVESTMENTS *(Continued)*

hold public funds, public treasurers are notified immediately. The City considers the actions of the Council to be necessary and sufficient for adequate protection of its investments. The City has no investment policy that would further limit its investment choices.

The PTIF operates and reports to participants on a amortized cost basis. The income, gains, and losses (net of administration fees) of the PTIF are allocated based on the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

Investments	Fair Value	Quality Ratings			
		AAA	AA	More than A	Unrated
Utah Public Treasurer's Investment Fund	\$71,885,491	\$ -	\$ -	\$ -	\$ 71,885,491
Morten Asset Management Account	22,977,045	6,882,619	-	11,138,812	4,955,614
Total investments	<u>\$94,862,536</u>	<u>\$ 6,882,619</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,841,105</u>

Investments Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment arrangements primarily invest in the Utah Public Treasurer's Investment fund and agencies or in instrumentalities of the United States that meet the allowable investments of the Utah Money Management Act. The City does not have an investment policy for custodial credit risk.

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EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 5 - RECEIVABLES

Receivables as of year end for the government's individual major and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

	General	Capital Projects	Water	Sewer	Storm Drain	Non major Enterprise	Non major Govt'l	Total
Receivables:								
Accounts	\$ 134,064	\$ 53,447	\$ 1,145,990	\$ 775,676	\$ 136,662	\$ 233,803		\$ 2,479,642
Interest	97,365							97,365
Taxes	4,215,182		-	-	-	-	9,256,544	13,471,726
Special								
Assessments	-	58,448	-	-	-	-	289,589	348,037
Intergovernmental	2,758,170		-	-	-	-	-	2,758,170
Less: allowance for uncollectible accounts	(564)		(19,311)	(15,534)	(2,685)	(14,562)	-	(52,656)
	<u>\$ 7,204,217</u>	<u>\$ 111,895</u>	<u>\$ 1,126,679</u>	<u>\$ 760,142</u>	<u>\$ 133,977</u>	<u>\$ 219,241</u>	<u>\$ 9,546,133</u>	<u>\$ 19,102,284</u>

NOTE 6 – NOTE RECEIVABLE

During fiscal year 2012, the City sold the golf course to an outside party for \$550,000. The purchase was financed with a note receivable to the City of \$550,000. The note has no interest rate. The outside party will pay the City 10% of its net income annually until the debt is repaid. The note is treated as long term on the financial statements. During fiscal year 2017 the City negotiated with the golf course to amend the original contract to include unpaid utility fees owed to the City in the amount of \$152,908. As of June 30, 2022, the outstanding note balance was \$702,908. This note is reported in the capital projects fund.

During fiscal year 2019, the City entered into an agreement with Mountain Land Association of Governments, in which they agreed to reimburse the City for construction cost of new roads within the City. The construction project is complete, and the City has requested reimbursement. The note will be paid when the Association receives funding in the 2023 funding cycle. As of June 30, 2022, the note balance was \$1,345,718. This note is reported in the capital projects fund.

During fiscal year 2022, the City entered into an agreement with Mountain Land Association of Governments, in which they agreed to reimburse the City for construction cost of new roads within the City. The construction project is complete, and the City has requested reimbursement. The note will be paid when the Association receives funding in the 2023 funding cycle. As of June 30, 2022, the note balance was \$4,024,977. This note is reported in the capital projects fund.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 7 – INTERFUND RECEIVABLES AND TRANSFERS

The operating transfers of the City consist of the following:

Transfer In:	<u>General</u>	<u>Capital Projects</u>	<u>Park Impact Fee</u>	<u>Nonmajor Govnmntl.</u>	<u>Total</u>
General	\$ -	\$ -	\$ -	\$ 1,209,563	\$ 1,209,563
Nonmajor govtl.	-	-	-	-	-
Capital projects	10,334,357	-	6,331,071	2,405,058	19,070,486
Internal Service	-	-	-	-	-
Business type	<u>4,543,599</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,543,599</u>
Total transfer out	<u>\$ 14,877,956</u>	<u>\$ -</u>	<u>\$ 6,331,071</u>	<u>\$ 3,614,621</u>	<u>\$ 24,823,648</u>

The City transferred monies to support capital project payments in the capital projects fund. The City also transferred monies to support operations in the economic development fund. The General fund transferred monies from the federal ARPA funds to the Sewer fund. The funds were used in the construction of a sewer plant expansion.

Governmental funds report *deferred inflows* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred inflows* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable (general fund)	\$ 2,179,429	\$ 2,179,429
Property tax receivable (RDA fund)	9,256,544	9,256,544
Property tax delinquent	23,623	
Notes receivable	5,370,695	
Special assessments (special revenue fund)	<u>289,589</u>	
Total	<u>\$17,119,880</u>	<u>\$ 11,435,973</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

Primary Government	Beginning			Ending
Governmental activities:	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Land	\$ 6,682,458	\$ -	\$ 430,000	\$ 6,252,458
Construction in progress	16,290,198	6,856,090	14,953,344	8,192,944
Total capital assets not being depreciated	22,972,656	6,856,090	15,383,344	14,445,402
Capital assets being depreciated:				
Buildings	4,701,443	264,330	-	4,965,773
Improvements	5,730,728	5,829,012	-	11,559,740
Machinery and equipment	7,101,110	840,103	-	7,941,213
Infrastructure	125,823,667	25,287,814	-	151,111,481
Total capital assets being depreciated	143,356,948	32,221,259	-	175,578,207
Less accumulated depreciation for:				
Buildings	1,472,901	126,744	-	1,599,645
Improvements	886,139	203,246	-	1,089,385
Machinery and equipment	4,100,409	848,723	-	4,949,132
Infrastructure	39,105,468	3,911,369	-	43,016,837
Total accumulated depreciation	45,564,917	5,090,082	-	50,654,999
Total capital assets, being depreciated, net	97,792,031	27,131,177	-	124,923,208
Governmental activities capital assets, net	\$ 120,764,687	\$ 33,987,267	\$ 15,383,344	\$ 139,368,610
Business-type activities:	Beginning	Increases	Decreases	Ending
	Balance			Balance
Capital assets not being depreciated:				
Construction in progress	\$ 25,311,052	\$ 888,830	\$ 24,708,086	\$ 1,491,796
Land	3,690,765	5,151,413	-	8,842,178
Water shares	1,498,676	-	-	1,498,676
Total capital assets not being depreciated	30,500,493	6,040,243	24,708,086	11,832,650
Capital assets being depreciated:				
Buildings	3,715,254	-	-	3,715,254
Equipment and systems	131,277,257	40,820,010	-	172,097,268
Right to use assets		147,150		147,150
Total capital assets being depreciated	134,992,511	40,967,160	-	175,959,672
Less accumulated depreciation for:				
Buildings	2,068,289	103,960	-	2,172,249
Equipment and systems	39,818,902	4,660,787	-	44,479,689
Right to use assets		6,131		6,131
Total accumulated depreciation	41,887,191	4,770,878	-	46,658,069
Total capital assets, being depreciated, net	93,105,320	36,196,282	-	129,301,603
Business-type activities capital assets, net	\$ 123,605,813	\$ 42,236,525	\$ 24,708,086	\$ 141,134,253

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

Primary Government	Beginning			Ending
Governmental activities:	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Land	\$ 6,682,458	\$ -	\$ 430,000	\$ 6,252,458
Construction in progress	16,290,198	6,856,090	14,953,344	8,192,944
Total capital assets not being depreciated	22,972,656	6,856,090	15,383,344	14,445,402
Capital assets being depreciated:				
Buildings	4,701,443	264,330	-	4,965,773
Improvements	5,730,728	5,829,012	-	11,559,740
Machinery and equipment	7,101,110	840,103	-	7,941,213
Infrastructure	125,823,667	25,287,814	-	151,111,481
Total capital assets being depreciated	143,356,948	32,221,259	-	175,578,207
Less accumulated depreciation for:				
Buildings	1,472,901	126,744	-	1,599,645
Improvements	886,139	203,246	-	1,089,385
Machinery and equipment	4,100,409	848,723	-	4,949,132
Infrastructure	39,105,468	3,911,369	-	43,016,837
Total accumulated depreciation	45,564,917	5,090,082	-	50,654,999
Total capital assets, being depreciated, net	97,792,031	27,131,177	-	124,923,208
Governmental activities capital assets, net	<u>\$ 120,764,687</u>	<u>\$ 33,987,267</u>	<u>\$ 15,383,344</u>	<u>\$ 139,368,610</u>
Business-type activities:	Beginning			Ending
	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Construction in progress	\$ 25,311,052	\$ 888,830	\$ 24,708,086	\$ 1,491,796
Land	3,690,765	5,151,413	-	8,842,178
Water shares	1,498,676	-	-	1,498,676
Total capital assets not being depreciated	30,500,493	6,040,243	24,708,086	11,832,650
Capital assets being depreciated:				
Buildings	3,715,254	-	-	3,715,254
Equipment and systems	131,277,257	40,820,010	-	172,097,268
Right to use assets		147,150		147,150
Total capital assets being depreciated	134,992,511	40,967,160	-	175,959,672
Less accumulated depreciation for:				
Buildings	2,068,289	103,960	-	2,172,249
Equipment and systems	39,818,902	4,660,787	-	44,479,689
Right to use assets		6,131		6,131
Total accumulated depreciation	41,887,191	4,770,878	-	46,658,069
Total capital assets, being depreciated, net	93,105,320	36,196,282	-	129,301,603
Business-type activities capital assets, net	<u>\$ 123,605,813</u>	<u>\$ 42,236,525</u>	<u>\$ 24,708,086</u>	<u>\$ 141,134,253</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT

Bonds, notes, and leases payable at June 30, 2022, are comprised of the following:

1. \$2,400,000 Eagle Mountain City Special Assessment Bond 2014 (SAA-2014)

This bond requires semiannual payments of interest and annual payments of principal due November 1, 2014 through May 1, 2033, bearing a variable interest rate ranging from 2-5%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 30,000	\$ 20,750	\$ 50,750
2024	30,000	19,662	49,662
2025	30,000	18,088	48,088
2026	35,000	16,512	51,512
2027	35,000	14,674	49,674
2028-2032	205,000	44,588	249,588
2033	50,000	2,500	52,500
Total	<u>\$ 415,000</u>	<u>\$ 136,774</u>	<u>\$ 551,774</u>

2. \$6,665,000 Eagle Mountain City Sewer Water Quality Board Bond Series 2008

This bond was issued for the construction of a waste water treatment plant expansion. This bond requires annual payments of interest and principal beginning December 2009 through December 2028, bearing an interest rate of 1%. The bond is a reimbursement bond. The total amount of the bond is \$6,665,000. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 774,000	\$ 32,570	\$ 806,570
2024	430,000	24,830	454,830
2025	460,000	20,530	480,530
2026	495,000	15,830	510,830
2027	530,000	10,980	540,980
2028-2029	568,000	5,760	573,760
Total	<u>\$ 3,257,000</u>	<u>\$ 110,500</u>	<u>\$ 3,367,500</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

3. \$11,085,000 Eagle Mountain City Gas & Electric Revenue Bond Series 2012

This bond was issued for the construction of a utilities building and redundancy lines within the City. During 2015 the bond was defeased through an advanced refunding. The City used a portion of the proceeds from the sale of the Utility System to advance refund \$9,195,000 of outstanding 2012 series Gas and Electric revenue-bonds. As of June 30, 2022, \$7,735,000 of the original debt is still outstanding.

4. \$2,536,000 Eagle Mountain City Water Quality Revenue Bond Series 2013

This bond was issued for water system improvements within the City. The bond requires annual principal beginning May 2015, and interest payments beginning May 2014 through May 2034, bearing an interest rate of 1.72%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 114,000	\$ 28,982	\$ 142,982
2024	131,000	27,038	158,038
2025	133,000	25,076	158,076
2026	136,000	22,824	158,824
2027	138,000	20,536	158,536
2028-2032	726,000	66,856	792,856
2033-2034	194,000	9,958	203,958
Total	<u>\$ 1,572,000</u>	<u>\$ 201,270</u>	<u>\$ 1,773,270</u>

5. \$9,685,000 2014 Water and Sewer Refunding Bond

This bond was used to refund a portion of the original Water and Sewer Bonds. This bond requires annual installments of principal beginning November 2021, and interest due beginning November 2015 through November 2031, bearing interest of 4.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 225,000	\$ 367,225	\$ 592,225
2024	235,000	360,325	595,325
2025	255,000	351,700	606,700
2026	285,000	340,900	625,900
2027	890,000	317,400	1,207,400
2028-2032	7,490,000	867,200	8,357,200
Total	<u>\$ 9,380,000</u>	<u>\$ 2,604,750</u>	<u>\$ 11,984,750</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

6. \$3,690,000 2018A Water and Sewer Refunding Bond

This bond was used to refund the remaining portion of the original 2007 Water and Sewer Bonds. The refunding created future debt savings of \$357,879 and an economic gain of \$306,842.90. This bond requires annual installments of principal beginning November 2018, and interest due beginning May 2018 through May 2026, bearing interest ranging from 4.75-5.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 495,000	\$ 63,920	\$ 558,920
2024	520,000	43,600	563,600
2025	545,000	22,300	567,300
2026	285,000	5,700	290,700
Total	<u>\$ 1,845,000</u>	<u>\$ 135,520</u>	<u>\$ 1,980,520</u>

7. \$1,283,000 Series 2018B Water and Sewer Refunding Bond

The Bond was issued to fund various projects in the sewer fund. This bond requires annual principal and semiannual interest payments beginning December 2018 through December 2048, bearing an interest rate of 1%. The debt service requirement to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 26,000	\$ 12,100	\$ 38,100
2024	27,000	11,840	38,840
2025	28,000	11,570	39,570
2026	28,000	11,290	39,290
2027	29,000	11,010	40,010
2028-2032	155,000	50,600	205,600
2033-2037	180,000	42,350	222,350
2038-2042	201,000	32,880	233,880
2043-2047	214,000	22,570	236,570
2048-2049	322,000	6,000	328,000
Total	<u>\$ 1,210,000</u>	<u>\$ 212,210</u>	<u>\$ 1,422,210</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

8. \$22,915,000 2022 Sales Tax Revenue Bonds

The bond was issued to fund road projects within the City. The bond requires annual principal and semi-annual interest payments beginning March 2023 through March 2042, bearing interest ranging from 2.1% to 3.72% the debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 1,030,000	\$ 779,747	\$ 1,809,747
2024	715,000	1,094,250	1,809,250
2025	755,000	1,058,500	1,813,500
2026	790,000	1,020,750	1,810,750
2027	830,000	981,250	1,811,250
2028-2032	4,815,000	4,221,000	9,036,000
2033-2037	6,135,000	2,911,489	9,046,489
2038-2042	7,845,000	1,215,100	9,060,100
Total	<u>\$ 22,915,000</u>	<u>\$ 9,155,497</u>	<u>\$ 18,090,497</u>

9. \$2,000,000 Note Payable Utah Department of Transportation

The note was issued to fund road projects within the City. A grant was authorized by the State of Utah to fund the project. The Grant funds will not be available until 2023. The Note was issued to fund the project until the grant funds become available. The note requires annual principal and interest payments beginning December 2019 through December 2028, bearing an interest rate of 2.98%. The debt service requirement is as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 190,703	\$ 43,519	\$ 234,222
2024	196,386	37,836	234,222
2025	202,238	31,984	234,222
2026	208,265	25,957	234,222
2027	214,471	19,751	234,222
2028-2030	448,306	20,138	468,444
Total	<u>\$ 1,460,369</u>	<u>\$ 179,185</u>	<u>\$ 1,639,554</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

10. Leases payable

At the end of the year, the City has entered into 4 lease agreements for machinery, buildings and equipment. The combined leases have a combined present value of \$ 351,797. Due to the implementation of Government Accounting Standards Board (GASB) 87, Leasing Standard, the City has recorded these lease obligations as intangible right-to-use or financed purchases in the governmental and business type activities. The intangible right-to-use lease assets will be amortized over the lease term remaining. These assets are recorded in the business type activity funds. The financed purchase leases will be depreciated over the useful lives of the assets. These leases are recorded in the governmental activity funds. There are no residual value guarantees in the lease provisions.

The financed purchase leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 84,072	\$ 1,227	\$ 85,299
2024	25,774	1,227	27,001
2025	25,773	1,227	27,000
2026	25,773	1,227	27,000
2027	25,773	1,227	27,000
2028	25,773	1,227	27,000
Total	<u>\$ 212,938</u>	<u>\$ 7,362</u>	<u>\$ 220,300</u>

The right to use asset leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 14,027	\$ 1,557	\$ 15,584
2024	14,192	1,392	15,584
2025	14,361	1,224	15,585
2026	14,530	1,054	15,584
2027	14,702	883	15,585
2028-2032	67,047	1,789	68,836
Total	<u>\$ 138,859</u>	<u>\$ 7,899</u>	<u>\$ 146,758</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

11. Changes in long term liabilities.

Changes in bonds payable, deferred items, capital leases, and compensated absences during the fiscal year June 30, 2022, were as follows:

	July 1 2021	Additions	Reductions	June 30 2022	Due in One Yr
Governmental Activities:					
Bonds Payable					
2014 Special assessment bond	\$ 595,000	\$ -	\$ 180,000	\$ 415,000	\$ 30,000
Unamortized bond premium	5,840	-	486	5,354	-
2022 Sales Tax Bond	-	22,915,000	-	22,915,000	1,030,000
Unamortized bond premium	-	2,305,958	-	2,305,958	-
Total bonds payable	600,840	25,220,958	180,486	25,641,312	1,060,000
Leases payable	295,108	-	82,170	212,938	84,072
Notes payable	1,645,553	-	185,184	1,460,369	190,703
Net pension liability	124,891	-	124,891	-	-
Compensated absences	279,716	161,726	129,902	311,540	124,616
Gov't activities long-term debt	<u>\$ 2,946,108</u>	<u>\$ 25,382,684</u>	<u>\$ 702,633</u>	<u>\$ 27,626,159</u>	<u>\$ 1,459,391</u>
Business-Type Activities:					
Bonds payable:					
2009 sewer revenue bond	\$ 4,026,000	\$ -	\$ 769,000	\$ 3,257,000	\$ 774,000
2013 water quality revenue bond	1,685,000	-	113,000	1,572,000	114,000
2014 water and sewer refunding bond	9,565,000	-	185,000	9,380,000	225,000
Unamortized bond premium	677,250	-	61,568	615,682	-
2018A water and sewer refunding bond	2,330,000	-	485,000	1,845,000	495,000
Unamortized bond premium	148,216	-	29,644	118,572	-
2018B water and sewer revenue bond	1,235,000	-	25,000	1,210,000	26,000
Total bonds payable	19,666,466	-	1,668,212	17,998,254	1,634,000
Leases payable	-	147,149	8,290	138,859	14,027
Net pension liability	36,424	-	36,424	-	-
Compensated absences	62,767	33,900	26,819	69,848	30,127
Business type long-term debt	<u>\$ 19,765,657</u>	<u>\$ 181,049</u>	<u>\$ 1,739,745</u>	<u>\$ 18,206,961</u>	<u>\$ 1,678,154</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS

Description of plans – Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System), which is a multiple employer, cost sharing, public employee retirement system.
- Tier 2 Public Employees contributory Retirement System (Tier 2 Public Employees System), which is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems are members of the Tier 2 Retirement System.

The Utah Retirement System (URS) is established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The URS's defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report which can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website:

www.urs.org

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

Benefits Provided – URS Provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final average salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year to to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

**with actuarial reductions*

***All post-retirement cost of living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.*

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Contributions – As a condition of participation in the plans, employers and/or employees are required to contribute certain percentages of salary and wages, as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates are as follows:

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates	Employer rate for 401(k) Plan
Contributory System				
111 - Local Governmental Division Tier 2	N/A	N/A	16.070%	0.620%
Noncontributory				
15 - Local Governmental Division Tier 1	N/A	N/A	16.470%	N/A
Firefighters Retirement				
32 - Other Division B	16.71	N/A	7.240%	N/A
132 -Tier 2 DB Hybrid Firefighters	2.27	N/A	14.080%	N/A
Tier 20 DC Only				
211 Local Government	N/A	N/A	6.690%	10.000%
232 - Firefighters	N/A	N/A	0.080%	14.000%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans. For the fiscal year ended June 30, 2022, the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 381,839	N/A
Tier 2 Public Employee System	418,026	-
Tier 2 DC Only System	31,890	N/A
	<u>\$ 831,755</u>	<u>\$ -</u>

Contributions reported are the URS Board approved required contributions by the System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities of the Tier 1 Systems.

Combined Pension assets, liabilities, expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2022 the City reported a net pension asset of \$1,724,312 and a net pension liability of \$0.

	(Measurement Date): December 31, 2021				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2020	Change (Decrease)
Noncontributory System	\$ 1,671,384	\$ -	0.2918374%	0.2809756%	0.0108618%
Tier 2 Public Employees System	52,928	-	0.1250546%	0.1195348%	0.0055198%
Total Net Pension Asset/Liability	<u>\$ 1,724,312</u>	<u>\$ -</u>			

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Combined Pension assets, liabilities, expense, and deferred outflows of resources and deferred inflows of resources related to pensions *(Continued)*

The net pension asset and liability were measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability were determined by an actuarial valuation as of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the System during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2022, the City recognized pension expense of (\$22,598).

At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 200,772	\$ 6,819
Changes in assumptions	206,217	11,288
Net difference between projected and actual earnings on the pension plan investments	-	2,381,072
Changes in proportion and differences between contributions and proportionate shares of contributions	83,958	-
Contributions subsequent to the measurement date	433,504	-
Total	<u>\$ 924,451</u>	<u>\$ 2,399,179</u>

\$433,504 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (359,939)
2023	(655,920)
2024	(566,035)
2025	(386,773)
2026	10,541
Thereafter	49,894

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of \$(206,663) for the noncontributory system. At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to noncontributory pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 175,059	\$ -
Changes in assumptions	-	10,738
Net difference between projected and actual earnings on the pension plan investments	-	2,250,294
Changes in proportion and differences between contributions and proportionate shares of contributions	51,459	-
Contributions subsequent to the measurement date	196,807	-
Total	<u>\$ 423,325</u>	<u>\$ 2,261,032</u>

\$196,807 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (335,646)
2023	(624,697)
2024	(543,461)
2025	(373,894)
2026	-
Thereafter	-

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Tier 2 public employees system pension expense, and deferred outflows and inflows of resources

For the year ended June 30, 2022, the City recognized pension expense of \$184,065. At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,713	\$ 6,819
Changes in assumptions	49,351	500
Net difference between projected and actual earnings on the pension plan investments	-	130,778
Changes in proportion and differences between contributions and proportionate shares of contributions	32,499	-
Contributions subsequent to the measurement date	236,697	-
Total	<u>\$ 344,260</u>	<u>\$ 138,097</u>

\$236,697 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (24,294)
2023	(31,223)
2024	(22,574)
2025	(12,879)
2026	10,541
Thereafter	49,894

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (*Continued*)

Actuarial assumptions – The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25-9.25 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expenses, including inflation

Mortality rates were developed from actual experience and mortality tables are based on gender, occupation and age as appropriate, with future adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2021, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation *percentage* and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		Long-Term Expected Portfolio Real Rate of Return
	Target Asset Allocation	Real Return Arithmetic Basis	
Equity securities	37%	6.30%	2.33%
Debt securities	20%	0.00%	0.00%
Real assets	15%	6.19%	0.93%
Private equity	12%	9.50%	11.40%
Absolute return	16%	2.75%	0.44%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.84%
	Inflation		2.50%
	Expected arithmetic nominal return		7.34%

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50% and a real return of 4.35% that is net of investment expense.

Discount rate – The discount rate used to measure the total pension liability was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced from 6.95% to 6.85% from the prior measurement date.

Sensitivity of the City's proportionate share of the net pension asset and liability to changes in the discount rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.85%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85%) or 1-percentage-point higher (7.85%) than the current rate:

	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Proportion Share of			
Noncontributory Systems	\$ 898,754	\$ (1,671,384)	\$ (3,815,663)
Tier 2 Public Employees System	315,355	(52,928)	(335,693)
Total	<u>\$ 1,214,109</u>	<u>\$ (1,724,312)</u>	<u>\$ (4,151,356)</u>

Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but they may also be used as a primary retirement plan. These plans are voluntary tax advantaged retirement savings programs authorized under sections 401(k) and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Eagle Mountain City participates in the following Defined Contribution Savings plans with the Utah Retirement Systems:

- 401(k) Plan
- 457(b) Plan
- Roth IRA plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for the fiscal year ended June 30, were as follows:

	2022	2021	2020
401(k) Plan			
Employer Contributions	\$ 174,303	\$ 131,040	\$ 90,199
Employee Contributions	78,150	62,453	53,295
457 Plan			
Employer Contributions	246,546	237,828	233,773
Employee Contributions	201,577	175,792	173,596
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	47,051	46,174	32,185

NOTE 12 - LITIGATION

The City is a defendant in certain legal actions and pending actions or is in process for miscellaneous claims. The ultimate liability that might result from the final resolution of the above matters is not presently determinable. City management is of the opinion that the final outcome of the cases will not have an adverse material affect on the City's financial statements.

NOTE 13 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in the Utah Local Governments Trust (a public entity risk pool). All claims are submitted to the Utah Local Governments Trust, which acts as a commercial insurer. The Association is obligated to pay all claims covered by its plan. All claims are subject to a \$5,000 deductible. The deductible is accrued as a current liability when the claim is incurred. The Utah Local Governments Trust covers claims up to \$10,000,000. The City has not incurred a claim in excess of its coverage for any of the past three fiscal years.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 7 – INTERFUND RECEIVABLES AND TRANSFERS

The operating transfers of the City consist of the following:

Transfer In:	General	Capital Projects	Park Impact Fee	Nonmajor Govrnmntl.	Total
General	\$ -	\$ -	\$ -	\$ 1,209,563	\$ 1,209,563
Nonmajor govtl.	-	-	-	-	-
Capital projects	10,334,357	-	6,331,071	2,405,058	19,070,486
Internal Service	-	-	-	-	-
Business type	4,543,599	-	-	-	4,543,599
Total transfer out	<u>\$ 14,877,956</u>	<u>\$ -</u>	<u>\$ 6,331,071</u>	<u>\$ 3,614,621</u>	<u>\$ 24,823,648</u>

The City transferred monies to support capital project payments in the capital projects fund. The City also transferred monies to support operations in the economic development fund. The General fund transferred monies from the federal ARPA funds to the Sewer fund. The funds were used in the construction of a sewer plant expansion.

Governmental funds report *deferred inflows* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred inflows* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable (general fund)	\$ 2,179,429	\$ 2,179,429
Property tax receivable (RDA fund)	9,256,544	9,256,544
Property tax delinquent	23,623	
Notes receivable	5,370,695	
Special assessments (special revenue fund)	<u>289,589</u>	
Total	<u>\$17,119,880</u>	<u>\$ 11,435,973</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

Primary Government	Beginning			Ending
Governmental activities:	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Land	\$ 6,682,458	\$ -	\$ 430,000	\$ 6,252,458
Construction in progress	16,290,198	6,856,090	14,953,344	8,192,944
Total capital assets not being depreciated	22,972,656	6,856,090	15,383,344	14,445,402
Capital assets being depreciated:				
Buildings	4,701,443	264,330	-	4,965,773
Improvements	5,730,728	5,829,012	-	11,559,740
Machinery and equipment	7,101,110	840,103	-	7,941,213
Infrastructure	125,823,667	25,287,814	-	151,111,481
Total capital assets being depreciated	143,356,948	32,221,259	-	175,578,207
Less accumulated depreciation for:				
Buildings	1,472,901	126,744	-	1,599,645
Improvements	886,139	203,246	-	1,089,385
Machinery and equipment	4,100,409	848,723	-	4,949,132
Infrastructure	39,105,468	3,911,369	-	43,016,837
Total accumulated depreciation	45,564,917	5,090,082	-	50,654,999
Total capital assets, being depreciated, net	97,792,031	27,131,177	-	124,923,208
Governmental activities capital assets, net	<u>\$ 120,764,687</u>	<u>\$ 33,987,267</u>	<u>\$ 15,383,344</u>	<u>\$ 139,368,610</u>
Business-type activities:	Beginning			Ending
	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Construction in progress	\$ 25,311,052	\$ 888,830	\$ 24,708,086	\$ 1,491,796
Land	3,690,765	5,151,413	-	8,842,178
Water shares	1,498,676	-	-	1,498,676
Total capital assets not being depreciated	30,500,493	6,040,243	24,708,086	11,832,650
Capital assets being depreciated:				
Buildings	3,715,254	-	-	3,715,254
Equipment and systems	131,277,257	40,820,010	-	172,097,268
Right to use assets		147,150		147,150
Total capital assets being depreciated	134,992,511	40,967,160	-	175,959,672
Less accumulated depreciation for:				
Buildings	2,068,289	103,960	-	2,172,249
Equipment and systems	39,818,902	4,660,787	-	44,479,689
Right to use assets		6,131		6,131
Total accumulated depreciation	41,887,191	4,770,878	-	46,658,069
Total capital assets, being depreciated, net	93,105,320	36,196,282	-	129,301,603
Business-type activities capital assets, net	<u>\$ 123,605,813</u>	<u>\$ 42,236,525</u>	<u>\$ 24,708,086</u>	<u>\$ 141,134,253</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 - CAPITAL ASSETS *(Continued)*

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 102,564
Public safety	2,557
Public works	4,884,927
Planning	-
Community development	100,034
Total depreciation expense - governmental activities	<u>\$ 5,090,082</u>

Business-type activities:

Water	\$ 2,345,805
Sewer	1,692,049
Storm drain	725,278
Garbage	7,746
Total depreciation expense - business-type activities	<u>\$ 4,770,878</u>

Total depreciation expense	<u>\$ 9,860,960</u>
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The City has various construction projects as of June 30, 2022. The City's commitments with contractors are as follows:

Project	Remaining Commitment
Road projects	1,601,266
Sewer projects	635,532
Water projects	299,991
Total	<u>\$ 3,282,241</u>

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EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT

Bonds, notes, and leases payable at June 30, 2022, are comprised of the following:

1. \$2,400,000 Eagle Mountain City Special Assessment Bond 2014 (SAA-2014)

This bond requires semiannual payments of interest and annual payments of principal due November 1, 2014 through May 1, 2033, bearing a variable interest rate ranging from 2-5%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 30,000	\$ 20,750	\$ 50,750
2024	30,000	19,662	49,662
2025	30,000	18,088	48,088
2026	35,000	16,512	51,512
2027	35,000	14,674	49,674
2028-2032	205,000	44,588	249,588
2033	50,000	2,500	52,500
Total	<u>\$ 415,000</u>	<u>\$ 136,774</u>	<u>\$ 551,774</u>

2. \$6,665,000 Eagle Mountain City Sewer Water Quality Board Bond Series 2008

This bond was issued for the construction of a waste water treatment plant expansion. This bond requires annual payments of interest and principal beginning December 2009 through December 2028, bearing an interest rate of 1%. The bond is a reimbursement bond. The total amount of the bond is \$6,665,000. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 774,000	\$ 32,570	\$ 806,570
2024	430,000	24,830	454,830
2025	460,000	20,530	480,530
2026	495,000	15,830	510,830
2027	530,000	10,980	540,980
2028-2029	568,000	5,760	573,760
Total	<u>\$ 3,257,000</u>	<u>\$ 110,500</u>	<u>\$ 3,367,500</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

3. \$11,085,000 Eagle Mountain City Gas & Electric Revenue Bond Series 2012

This bond was issued for the construction of a utilities building and redundancy lines within the City. During 2015 the bond was defeased through an advanced refunding. The City used a portion of the proceeds from the sale of the Utility System to advance refund \$9,195,000 of outstanding 2012 series Gas and Electric revenue-bonds. As of June 30, 2022, \$7,735,000 of the original debt is still outstanding.

4. \$2,536,000 Eagle Mountain City Water Quality Revenue Bond Series 2013

This bond was issued for water system improvements within the City. The bond requires annual principal beginning May 2015, and interest payments beginning May 2014 through May 2034, bearing an interest rate of 1.72%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 114,000	\$ 28,982	\$ 142,982
2024	131,000	27,038	158,038
2025	133,000	25,076	158,076
2026	136,000	22,824	158,824
2027	138,000	20,536	158,536
2028-2032	726,000	66,856	792,856
2033-2034	194,000	9,958	203,958
Total	<u>\$ 1,572,000</u>	<u>\$ 201,270</u>	<u>\$ 1,773,270</u>

5. \$9,685,000 2014 Water and Sewer Refunding Bond

This bond was used to refund a portion of the original Water and Sewer Bonds. This bond requires annual installments of principal beginning November 2021, and interest due beginning November 2015 through November 2031, bearing interest of 4.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 225,000	\$ 367,225	\$ 592,225
2024	235,000	360,325	595,325
2025	255,000	351,700	606,700
2026	285,000	340,900	625,900
2027	890,000	317,400	1,207,400
2028-2032	7,490,000	867,200	8,357,200
Total	<u>\$ 9,380,000</u>	<u>\$ 2,604,750</u>	<u>\$ 11,984,750</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

6. \$3,690,000 2018A Water and Sewer Refunding Bond

This bond was used to refund the remaining portion of the original 2007 Water and Sewer Bonds. The refunding created future debt savings of \$357,879 and an economic gain of \$306,842.90. This bond requires annual installments of principal beginning November 2018, and interest due beginning May 2018 through May 2026, bearing interest ranging from 4.75-5.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 495,000	\$ 63,920	\$ 558,920
2024	520,000	43,600	563,600
2025	545,000	22,300	567,300
2026	285,000	5,700	290,700
Total	<u>\$ 1,845,000</u>	<u>\$ 135,520</u>	<u>\$ 1,980,520</u>

7. \$1,283,000 Series 2018B Water and Sewer Refunding Bond

The Bond was issued to fund various projects in the sewer fund. This bond requires annual principal and semiannual interest payments beginning December 2018 through December 2048, bearing an interest rate of 1%. The debt service requirement to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 26,000	\$ 12,100	\$ 38,100
2024	27,000	11,840	38,840
2025	28,000	11,570	39,570
2026	28,000	11,290	39,290
2027	29,000	11,010	40,010
2028-2032	155,000	50,600	205,600
2033-2037	180,000	42,350	222,350
2038-2042	201,000	32,880	233,880
2043-2047	214,000	22,570	236,570
2048-2049	322,000	6,000	328,000
Total	<u>\$ 1,210,000</u>	<u>\$ 212,210</u>	<u>\$ 1,422,210</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

8. \$22,915,000 2022 Sales Tax Revenue Bonds

The bond was issued to fund road projects within the City. The bond requires annual principal and semi-annual interest payments beginning March 2023 through March 2042, bearing interest ranging from 2.1% to 3.72% the debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 1,030,000	\$ 779,747	\$ 1,809,747
2024	715,000	1,094,250	1,809,250
2025	755,000	1,058,500	1,813,500
2026	790,000	1,020,750	1,810,750
2027	830,000	981,250	1,811,250
2028-2032	4,815,000	4,221,000	9,036,000
2033-2037	6,135,000	2,911,489	9,046,489
2038-2042	7,845,000	1,215,100	9,060,100
Total	<u>\$ 22,915,000</u>	<u>\$ 9,155,497</u>	<u>\$ 18,090,497</u>

9. \$2,000,000 Note Payable Utah Department of Transportation

The note was issued to fund road projects within the City. A grant was authorized by the State of Utah to fund the project. The Grant funds will not be available until 2023. The Note was issued to fund the project until the grant funds become available. The note requires annual principal and interest payments beginning December 2019 through December 2028, bearing an interest rate of 2.98%. The debt service requirement is as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 190,703	\$ 43,519	\$ 234,222
2024	196,386	37,836	234,222
2025	202,238	31,984	234,222
2026	208,265	25,957	234,222
2027	214,471	19,751	234,222
2028-2030	448,306	20,138	468,444
Total	<u>\$ 1,460,369</u>	<u>\$ 179,185</u>	<u>\$ 1,639,554</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

10. Leases payable

At the end of the year, the City has entered into 4 lease agreements for machinery, buildings and equipment. The combined leases have a combined present value of \$ 351,797. Due to the implementation of Government Accounting Standards Board (GASB) 87, Leasing Standard, the City has recorded these lease obligations as intangible right-to-use or financed purchases in the governmental and business type activities. The intangible right-to-use lease assets will be amortized over the lease term remaining. These assets are recorded in the business type activity funds. The financed purchase leases will be depreciated over the useful lives of the assets. These leases are recorded in the governmental activity funds. There are no residual value guarantees in the lease provisions.

The financed purchase leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 84,072	\$ 1,227	\$ 85,299
2024	25,774	1,227	27,001
2025	25,773	1,227	27,000
2026	25,773	1,227	27,000
2027	25,773	1,227	27,000
2028	25,773	1,227	27,000
Total	<u>\$ 212,938</u>	<u>\$ 7,362</u>	<u>\$ 220,300</u>

The right to use asset leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 14,027	\$ 1,557	\$ 15,584
2024	14,192	1,392	15,584
2025	14,361	1,224	15,585
2026	14,530	1,054	15,584
2027	14,702	883	15,585
2028-2032	67,047	1,789	68,836
Total	<u>\$ 138,859</u>	<u>\$ 7,899</u>	<u>\$ 146,758</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

11. Changes in long term liabilities.

Changes in bonds payable, deferred items, capital leases, and compensated absences during the fiscal year June 30, 2022, were as follows:

	July 1 2021	Additions	Reductions	June 30 2022	Due in One Yr
Governmental Activities:					
Bonds Payable					
2014 Special assessment bond	\$ 595,000	\$ -	\$ 180,000	\$ 415,000	\$ 30,000
Unamortized bond premium	5,840	-	486	5,354	-
2022 Sales Tax Bond	-	22,915,000	-	22,915,000	1,030,000
Unamortized bond premium	-	2,305,958	-	2,305,958	-
Total bonds payable	600,840	25,220,958	180,486	25,641,312	1,060,000
Leases payable	295,108	-	82,170	212,938	84,072
Notes payable	1,645,553	-	185,184	1,460,369	190,703
Net pension liability	124,891	-	124,891	-	-
Compensated absences	279,716	161,726	129,902	311,540	124,616
Gov't activities long-term debt	<u>\$ 2,946,108</u>	<u>\$ 25,382,684</u>	<u>\$ 702,633</u>	<u>\$ 27,626,159</u>	<u>\$ 1,459,391</u>
Business-Type Activities:					
Bonds payable:					
2009 sewer revenue bond	\$ 4,026,000	\$ -	\$ 769,000	\$ 3,257,000	\$ 774,000
2013 water quality revenue bond	1,685,000	-	113,000	1,572,000	114,000
2014 water and sewer refunding bond	9,565,000	-	185,000	9,380,000	225,000
Unamortized bond premium	677,250	-	61,568	615,682	-
2018A water and sewer refunding bond	2,330,000	-	485,000	1,845,000	495,000
Unamortized bond premium	148,216	-	29,644	118,572	-
2018B water and sewer revenue bond	1,235,000	-	25,000	1,210,000	26,000
Total bonds payable	19,666,466	-	1,668,212	17,998,254	1,634,000
Leases payable	-	147,149	8,290	138,859	14,027
Net pension liability	36,424	-	36,424	-	-
Compensated absences	62,767	33,900	26,819	69,848	30,127
Business type long-term debt	<u>\$ 19,765,657</u>	<u>\$ 181,049</u>	<u>\$ 1,739,745</u>	<u>\$ 18,206,961</u>	<u>\$ 1,678,154</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS

Description of plans – Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System), which is a multiple employer, cost sharing, public employee retirement system.
- Tier 2 Public Employees contributory Retirement System (Tier 2 Public Employees System), which is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems are members of the Tier 2 Retirement System.

The Utah Retirement System (URS) is established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The URS's defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report which can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website:

www.urs.org

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

Benefits Provided – URS Provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final average salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year to to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

**with actuarial reductions*

***All post-retirement cost of living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.*

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Contributions – As a condition of participation in the plans, employers and/or employees are required to contribute certain percentages of salary and wages, as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates are as follows:

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates	Employer rate for 401(k) Plan
Contributory System				
111 - Local Governmental Division Tier 2	N/A	N/A	16.070%	0.620%
Noncontributory				
15 - Local Governmental Division Tier 1	N/A	N/A	16.470%	N/A
Firefighters Retirement				
32 - Other Division B	16.71	N/A	7.240%	N/A
132 -Tier 2 DB Hybrid Firefighters	2.27	N/A	14.080%	N/A
Tier 20 DC Only				
211 Local Government	N/A	N/A	6.690%	10.000%
232 - Firefighters	N/A	N/A	0.080%	14.000%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans. For the fiscal year ended June 30, 2022, the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 381,839	N/A
Tier 2 Public Employee System	418,026	-
Tier 2 DC Only System	31,890	N/A
	<u>\$ 831,755</u>	<u>\$ -</u>

Contributions reported are the URS Board approved required contributions by the System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities of the Tier 1 Systems.

Combined Pension assets, liabilities, expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2022 the City reported a net pension asset of \$1,724,312 and a net pension liability of \$0.

	(Measurement Date): December 31, 2021				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2020	Change (Decrease)
Noncontributory System	\$ 1,671,384	\$ -	0.2918374%	0.2809756%	0.0108618%
Tier 2 Public Employees System	52,928	-	0.1250546%	0.1195348%	0.0055198%
Total Net Pension Asset/Liability	<u>\$ 1,724,312</u>	<u>\$ -</u>			

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Combined Pension assets, liabilities, expense, and deferred outflows of resources and deferred inflows of resources related to pensions (Continued)

The net pension asset and liability were measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability were determined by an actuarial valuation as of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the System during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2022, the City recognized pension expense of (\$22,598).

At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 200,772	\$ 6,819
Changes in assumptions	206,217	11,288
Net difference between projected and actual earnings on the pension plan investments	-	2,381,072
Changes in proportion and differences between contributions and proportionate shares of contributions	83,958	-
Contributions subsequent to the measurement date	433,504	-
Total	<u>\$ 924,451</u>	<u>\$ 2,399,179</u>

\$433,504 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (359,939)
2023	(655,920)
2024	(566,035)
2025	(386,773)
2026	10,541
Thereafter	49,894

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of \$(206,663) for the noncontributory system. At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to noncontributory pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 175,059	\$ -
Changes in assumptions	-	10,738
Net difference between projected and actual earnings on the pension plan investments	-	2,250,294
Changes in proportion and differences between contributions and proportionate shares of contributions	51,459	-
Contributions subsequent to the measurement date	196,807	-
Total	<u>\$ 423,325</u>	<u>\$ 2,261,032</u>

\$196,807 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (335,646)
2023	(624,697)
2024	(543,461)
2025	(373,894)
2026	-
Thereafter	-

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Tier 2 public employees system pension expense, and deferred outflows and inflows of resources

For the year ended June 30, 2022, the City recognized pension expense of \$184,065. At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,713	\$ 6,819
Changes in assumptions	49,351	500
Net difference between projected and actual earnings on the pension plan investments	-	130,778
Changes in proportion and differences between contributions and proportionate shares of contributions	32,499	-
Contributions subsequent to the measurement date	236,697	-
Total	<u>\$ 344,260</u>	<u>\$ 138,097</u>

\$236,697 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (24,294)
2023	(31,223)
2024	(22,574)
2025	(12,879)
2026	10,541
Thereafter	49,894

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (*Continued*)

Actuarial assumptions – The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25-9.25 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expenses, including inflation

Mortality rates were developed from actual experience and mortality tables are based on gender, occupation and age as appropriate, with future adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2021, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation *percentage* and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		Long-Term Expected Portfolio Real Rate of Return
	Target Asset Allocation	Real Return Arithmetic Basis	
Equity securities	37%	6.30%	2.33%
Debt securities	20%	0.00%	0.00%
Real assets	15%	6.19%	0.93%
Private equity	12%	9.50%	11.40%
Absolute return	16%	2.75%	0.44%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.84%
	Inflation		2.50%
	Expected arithmetic nominal return		7.34%

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50% and a real return of 4.35% that is net of investment expense.

Discount rate – The discount rate used to measure the total pension liability was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced from 6.95% to 6.85% from the prior measurement date.

Sensitivity of the City's proportionate share of the net pension asset and liability to changes in the discount rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.85%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85%) or 1-percentage-point higher (7.85%) than the current rate:

	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Proportion Share of			
Noncontributory Systems	\$ 898,754	\$ (1,671,384)	\$ (3,815,663)
Tier 2 Public Employees System	315,355	(52,928)	(335,693)
Total	<u>\$ 1,214,109</u>	<u>\$ (1,724,312)</u>	<u>\$ (4,151,356)</u>

Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but they may also be used as a primary retirement plan. These plans are voluntary tax advantaged retirement savings programs authorized under sections 401(k) and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Eagle Mountain City participates in the following Defined Contribution Savings plans with the Utah Retirement Systems:

- 401(k) Plan
- 457(b) Plan
- Roth IRA plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for the fiscal year ended June 30, were as follows:

	2022	2021	2020
401(k) Plan			
Employer Contributions	\$ 174,303	\$ 131,040	\$ 90,199
Employee Contributions	78,150	62,453	53,295
457 Plan			
Employer Contributions	246,546	237,828	233,773
Employee Contributions	201,577	175,792	173,596
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	47,051	46,174	32,185

NOTE 12 - LITIGATION

The City is a defendant in certain legal actions and pending actions or is in process for miscellaneous claims. The ultimate liability that might result from the final resolution of the above matters is not presently determinable. City management is of the opinion that the final outcome of the cases will not have an adverse material affect on the City's financial statements.

NOTE 13 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in the Utah Local Governments Trust (a public entity risk pool). All claims are submitted to the Utah Local Governments Trust, which acts as a commercial insurer. The Association is obligated to pay all claims covered by its plan. All claims are subject to a \$5,000 deductible. The deductible is accrued as a current liability when the claim is incurred. The Utah Local Governments Trust covers claims up to \$10,000,000. The City has not incurred a claim in excess of its coverage for any of the past three fiscal years.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 14 – CONTINGENT LIABILITIES

The City has entered into agreements with various developers to donate infrastructure that will benefit future development within the city. These developers will be repaid with the impact fees collected from those future developments. Because of the fluctuations in the building market within the City and due to the uncertainty of new developments actually being built, the amounts are not reflected as liabilities on the financial statements. They will be recorded as expenses as the future impact fees are received. The amount of outstanding impact fee reimbursement agreements as of the balance sheet date is \$2,414,322.

NOTE 15 – REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY

For the year ended June 30, 2022, the following activity occurred in the City's Redevelopment Agency:

Property Tax Increment Received:

Project Area 1:	
Town Center	\$ 174,290
Project Area 2:	
750 West	206,406
Project Area 3:	
SR-193	677,872
Project Area 4	
Antelope Drive	80,932
 Total Tax increment received by RDA	 <u><u>\$ 1,139,500</u></u>

Property Tax Increment Expended:

Administrative costs	\$ 73,785
Reimbursements of site improvements	1,080,091
Site and Improvements	-
 Total tax increment expended by RDA	 <u><u>\$ 1,153,876</u></u>

NOTE 16 – SUBSEQUENT EVENTS

On Aug. 31, 2022, Eagle Mountain City determined that it was the victim of an organized cybercrime, resulting in the loss of nearly \$1.13 million. This crime was orchestrated through an email impersonation wherein the individual(s) responsible were able to portray themselves as a representative of a vendor working closely with the City on a major infrastructure project. Eagle Mountain City took immediate action, contacting the Federal Bureau of Investigation (FBI), Utah County Sheriff's Office and the vendor within minutes of learning of the incident. Those affected have been cooperating with authorities. At this time no City or vendor employees are under suspicion of wrongdoing. The City previously prepared for the possibility of a cybercrime negatively impacting

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 16 – SUBSEQUENT EVENTS *(Continued)*

available financial resources by purchasing an insurance policy that deals directly with cybercrimes and attacks. Eagle Mountain City is working with the insurance company to be reimbursed for the loss.

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through December 22, 2022, the date the financial statements were available to be issued.

EAGLE MOUNTAIN CITY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022

NOTE 1 – Changes in assumptions

The investment return assumption was decreased by .010% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumptions change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in Total Pension Liability, which is about 1.3% of the Total Pension Liability as of December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

NOTE 2 – Budgetary Information

Budgets for the general fund are adopted and presented on a basis consistent with generally accepted accounting principles.

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EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

Primary Government	Beginning			Ending
Governmental activities:	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Land	\$ 6,682,458	\$ -	\$ 430,000	\$ 6,252,458
Construction in progress	16,290,198	6,856,090	14,953,344	8,192,944
Total capital assets not being depreciated	22,972,656	6,856,090	15,383,344	14,445,402
Capital assets being depreciated:				
Buildings	4,701,443	264,330	-	4,965,773
Improvements	5,730,728	5,829,012	-	11,559,740
Machinery and equipment	7,101,110	840,103	-	7,941,213
Infrastructure	125,823,667	25,287,814	-	151,111,481
Total capital assets being depreciated	143,356,948	32,221,259	-	175,578,207
Less accumulated depreciation for:				
Buildings	1,472,901	126,744	-	1,599,645
Improvements	886,139	203,246	-	1,089,385
Machinery and equipment	4,100,409	848,723	-	4,949,132
Infrastructure	39,105,468	3,911,369	-	43,016,837
Total accumulated depreciation	45,564,917	5,090,082	-	50,654,999
Total capital assets, being depreciated, net	97,792,031	27,131,177	-	124,923,208
Governmental activities capital assets, net	\$ 120,764,687	\$ 33,987,267	\$ 15,383,344	\$ 139,368,610
Business-type activities:	Beginning			Ending
	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Construction in progress	\$ 25,311,052	\$ 888,830	\$ 24,708,086	\$ 1,491,796
Land	3,690,765	5,151,413	-	8,842,178
Water shares	1,498,676	-	-	1,498,676
Total capital assets not being depreciated	30,500,493	6,040,243	24,708,086	11,832,650
Capital assets being depreciated:				
Buildings	3,715,254	-	-	3,715,254
Equipment and systems	131,277,257	40,820,010	-	172,097,268
Right to use assets		147,150		147,150
Total capital assets being depreciated	134,992,511	40,967,160	-	175,959,672
Less accumulated depreciation for:				
Buildings	2,068,289	103,960	-	2,172,249
Equipment and systems	39,818,902	4,660,787	-	44,479,689
Right to use assets		6,131		6,131
Total accumulated depreciation	41,887,191	4,770,878	-	46,658,069
Total capital assets, being depreciated, net	93,105,320	36,196,282	-	129,301,603
Business-type activities capital assets, net	\$ 123,605,813	\$ 42,236,525	\$ 24,708,086	\$ 141,134,253

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 - CAPITAL ASSETS *(Continued)*

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 102,564
Public safety	2,557
Public works	4,884,927
Planning	-
Community development	100,034
Total depreciation expense - governmental activities	<u>\$ 5,090,082</u>

Business-type activities:

Water	\$ 2,345,805
Sewer	1,692,049
Storm drain	725,278
Garbage	7,746
Total depreciation expense - business-type activities	<u>\$ 4,770,878</u>

Total depreciation expense	<u>\$ 9,860,960</u>
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The City has various construction projects as of June 30, 2022. The City's commitments with contractors are as follows:

Project	Remaining Commitment
Road projects	1,601,266
Sewer projects	635,532
Water projects	299,991
Total	<u>\$ 3,282,241</u>

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EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT

Bonds, notes, and leases payable at June 30, 2022, are comprised of the following:

1. \$2,400,000 Eagle Mountain City Special Assessment Bond 2014 (SAA-2014)

This bond requires semiannual payments of interest and annual payments of principal due November 1, 2014 through May 1, 2033, bearing a variable interest rate ranging from 2-5%. The debt service requirements to maturity are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 30,000	\$ 20,750	\$ 50,750
2024	30,000	19,662	49,662
2025	30,000	18,088	48,088
2026	35,000	16,512	51,512
2027	35,000	14,674	49,674
2028-2032	205,000	44,588	249,588
2033	50,000	2,500	52,500
Total	<u>\$ 415,000</u>	<u>\$ 136,774</u>	<u>\$ 551,774</u>

2. \$6,665,000 Eagle Mountain City Sewer Water Quality Board Bond Series 2008

This bond was issued for the construction of a waste water treatment plant expansion. This bond requires annual payments of interest and principal beginning December 2009 through December 2028, bearing an interest rate of 1%. The bond is a reimbursement bond. The total amount of the bond is \$6,665,000. The debt service requirements to maturity are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 774,000	\$ 32,570	\$ 806,570
2024	430,000	24,830	454,830
2025	460,000	20,530	480,530
2026	495,000	15,830	510,830
2027	530,000	10,980	540,980
2028-2029	568,000	5,760	573,760
Total	<u>\$ 3,257,000</u>	<u>\$ 110,500</u>	<u>\$ 3,367,500</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

3. \$11,085,000 Eagle Mountain City Gas & Electric Revenue Bond Series 2012

This bond was issued for the construction of a utilities building and redundancy lines within the City. During 2015 the bond was defeased through an advanced refunding. The City used a portion of the proceeds from the sale of the Utility System to advance refund \$9,195,000 of outstanding 2012 series Gas and Electric revenue-bonds. As of June 30, 2022, \$7,735,000 of the original debt is still outstanding.

4. \$2,536,000 Eagle Mountain City Water Quality Revenue Bond Series 2013

This bond was issued for water system improvements within the City. The bond requires annual principal beginning May 2015, and interest payments beginning May 2014 through May 2034, bearing an interest rate of 1.72%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 114,000	\$ 28,982	\$ 142,982
2024	131,000	27,038	158,038
2025	133,000	25,076	158,076
2026	136,000	22,824	158,824
2027	138,000	20,536	158,536
2028-2032	726,000	66,856	792,856
2033-2034	194,000	9,958	203,958
Total	<u>\$ 1,572,000</u>	<u>\$ 201,270</u>	<u>\$ 1,773,270</u>

5. \$9,685,000 2014 Water and Sewer Refunding Bond

This bond was used to refund a portion of the original Water and Sewer Bonds. This bond requires annual installments of principal beginning November 2021, and interest due beginning November 2015 through November 2031, bearing interest of 4.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 225,000	\$ 367,225	\$ 592,225
2024	235,000	360,325	595,325
2025	255,000	351,700	606,700
2026	285,000	340,900	625,900
2027	890,000	317,400	1,207,400
2028-2032	7,490,000	867,200	8,357,200
Total	<u>\$ 9,380,000</u>	<u>\$ 2,604,750</u>	<u>\$ 11,984,750</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

6. \$3,690,000 2018A Water and Sewer Refunding Bond

This bond was used to refund the remaining portion of the original 2007 Water and Sewer Bonds. The refunding created future debt savings of \$357,879 and an economic gain of \$306,842.90. This bond requires annual installments of principal beginning November 2018, and interest due beginning May 2018 through May 2026, bearing interest ranging from 4.75-5.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 495,000	\$ 63,920	\$ 558,920
2024	520,000	43,600	563,600
2025	545,000	22,300	567,300
2026	285,000	5,700	290,700
Total	<u>\$ 1,845,000</u>	<u>\$ 135,520</u>	<u>\$ 1,980,520</u>

7. \$1,283,000 Series 2018B Water and Sewer Refunding Bond

The Bond was issued to fund various projects in the sewer fund. This bond requires annual principal and semiannual interest payments beginning December 2018 through December 2048, bearing an interest rate of 1%. The debt service requirement to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 26,000	\$ 12,100	\$ 38,100
2024	27,000	11,840	38,840
2025	28,000	11,570	39,570
2026	28,000	11,290	39,290
2027	29,000	11,010	40,010
2028-2032	155,000	50,600	205,600
2033-2037	180,000	42,350	222,350
2038-2042	201,000	32,880	233,880
2043-2047	214,000	22,570	236,570
2048-2049	322,000	6,000	328,000
Total	<u>\$ 1,210,000</u>	<u>\$ 212,210</u>	<u>\$ 1,422,210</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

8. \$22,915,000 2022 Sales Tax Revenue Bonds

The bond was issued to fund road projects within the City. The bond requires annual principal and semi-annual interest payments beginning March 2023 through March 2042, bearing interest ranging from 2.1% to 3.72% the debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 1,030,000	\$ 779,747	\$ 1,809,747
2024	715,000	1,094,250	1,809,250
2025	755,000	1,058,500	1,813,500
2026	790,000	1,020,750	1,810,750
2027	830,000	981,250	1,811,250
2028-2032	4,815,000	4,221,000	9,036,000
2033-2037	6,135,000	2,911,489	9,046,489
2038-2042	7,845,000	1,215,100	9,060,100
Total	<u>\$ 22,915,000</u>	<u>\$ 9,155,497</u>	<u>\$ 18,090,497</u>

9. \$2,000,000 Note Payable Utah Department of Transportation

The note was issued to fund road projects within the City. A grant was authorized by the State of Utah to fund the project. The Grant funds will not be available until 2023. The Note was issued to fund the project until the grant funds become available. The note requires annual principal and interest payments beginning December 2019 through December 2028, bearing an interest rate of 2.98%. The debt service requirement is as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 190,703	\$ 43,519	\$ 234,222
2024	196,386	37,836	234,222
2025	202,238	31,984	234,222
2026	208,265	25,957	234,222
2027	214,471	19,751	234,222
2028-2030	448,306	20,138	468,444
Total	<u>\$ 1,460,369</u>	<u>\$ 179,185</u>	<u>\$ 1,639,554</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

10. Leases payable

At the end of the year, the City has entered into 4 lease agreements for machinery, buildings and equipment. The combined leases have a combined present value of \$ 351,797. Due to the implementation of Government Accounting Standards Board (GASB) 87, Leasing Standard, the City has recorded these lease obligations as intangible right-to-use or financed purchases in the governmental and business type activities. The intangible right-to-use lease assets will be amortized over the lease term remaining. These assets are recorded in the business type activity funds. The financed purchase leases will be depreciated over the useful lives of the assets. These leases are recorded in the governmental activity funds. There are no residual value guarantees in the lease provisions.

The financed purchase leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 84,072	\$ 1,227	\$ 85,299
2024	25,774	1,227	27,001
2025	25,773	1,227	27,000
2026	25,773	1,227	27,000
2027	25,773	1,227	27,000
2028	25,773	1,227	27,000
Total	<u>\$ 212,938</u>	<u>\$ 7,362</u>	<u>\$ 220,300</u>

The right to use asset leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 14,027	\$ 1,557	\$ 15,584
2024	14,192	1,392	15,584
2025	14,361	1,224	15,585
2026	14,530	1,054	15,584
2027	14,702	883	15,585
2028-2032	67,047	1,789	68,836
Total	<u>\$ 138,859</u>	<u>\$ 7,899</u>	<u>\$ 146,758</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

11. Changes in long term liabilities.

Changes in bonds payable, deferred items, capital leases, and compensated absences during the fiscal year June 30, 2022, were as follows:

	July 1 2021	Additions	Reductions	June 30 2022	Due in One Yr
Governmental Activities:					
Bonds Payable					
2014 Special assessment bond	\$ 595,000	\$ -	\$ 180,000	\$ 415,000	\$ 30,000
Unamortized bond premium	5,840	-	486	5,354	-
2022 Sales Tax Bond	-	22,915,000	-	22,915,000	1,030,000
Unamortized bond premium	-	2,305,958	-	2,305,958	-
Total bonds payable	600,840	25,220,958	180,486	25,641,312	1,060,000
Leases payable	295,108	-	82,170	212,938	84,072
Notes payable	1,645,553	-	185,184	1,460,369	190,703
Net pension liability	124,891	-	124,891	-	-
Compensated absences	279,716	161,726	129,902	311,540	124,616
Gov't activities long-term debt	<u>\$ 2,946,108</u>	<u>\$ 25,382,684</u>	<u>\$ 702,633</u>	<u>\$ 27,626,159</u>	<u>\$ 1,459,391</u>
Business-Type Activities:					
Bonds payable:					
2009 sewer revenue bond	\$ 4,026,000	\$ -	\$ 769,000	\$ 3,257,000	\$ 774,000
2013 water quality revenue bond	1,685,000	-	113,000	1,572,000	114,000
2014 water and sewer refunding bond	9,565,000	-	185,000	9,380,000	225,000
Unamortized bond premium	677,250	-	61,568	615,682	-
2018A water and sewer refunding bond	2,330,000	-	485,000	1,845,000	495,000
Unamortized bond premium	148,216	-	29,644	118,572	-
2018B water and sewer revenue bond	1,235,000	-	25,000	1,210,000	26,000
Total bonds payable	19,666,466	-	1,668,212	17,998,254	1,634,000
Leases payable	-	147,149	8,290	138,859	14,027
Net pension liability	36,424	-	36,424	-	-
Compensated absences	62,767	33,900	26,819	69,848	30,127
Business type long-term debt	<u>\$ 19,765,657</u>	<u>\$ 181,049</u>	<u>\$ 1,739,745</u>	<u>\$ 18,206,961</u>	<u>\$ 1,678,154</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS

Description of plans – Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System), which is a multiple employer, cost sharing, public employee retirement system.
- Tier 2 Public Employees contributory Retirement System (Tier 2 Public Employees System), which is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems are members of the Tier 2 Retirement System.

The Utah Retirement System (URS) is established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The URS's defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report which can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website:

www.urs.org

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

Benefits Provided – URS Provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final average salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year to to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

**with actuarial reductions*

***All post-retirement cost of living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.*

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Contributions – As a condition of participation in the plans, employers and/or employees are required to contribute certain percentages of salary and wages, as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates are as follows:

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates	Employer rate for 401(k) Plan
Contributory System				
111 - Local Governmental Division Tier 2	N/A	N/A	16.070%	0.620%
Noncontributory				
15 - Local Governmental Division Tier 1	N/A	N/A	16.470%	N/A
Firefighters Retirement				
32 - Other Division B	16.71	N/A	7.240%	N/A
132 -Tier 2 DB Hybrid Firefighters	2.27	N/A	14.080%	N/A
Tier 20 DC Only				
211 Local Government	N/A	N/A	6.690%	10.000%
232 - Firefighters	N/A	N/A	0.080%	14.000%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans. For the fiscal year ended June 30, 2022, the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 381,839	N/A
Tier 2 Public Employee System	418,026	-
Tier 2 DC Only System	31,890	N/A
	<u>\$ 831,755</u>	<u>\$ -</u>

Contributions reported are the URS Board approved required contributions by the System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities of the Tier 1 Systems.

Combined Pension assets, liabilities, expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2022 the City reported a net pension asset of \$1,724,312 and a net pension liability of \$0.

	(Measurement Date): December 31, 2021				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2020	Change (Decrease)
Noncontributory System	\$ 1,671,384	\$ -	0.2918374%	0.2809756%	0.0108618%
Tier 2 Public Employees System	52,928	-	0.1250546%	0.1195348%	0.0055198%
Total Net Pension Asset/Liability	<u>\$ 1,724,312</u>	<u>\$ -</u>			

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Combined Pension assets, liabilities, expense, and deferred outflows of resources and deferred inflows of resources related to pensions (Continued)

The net pension asset and liability were measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability were determined by an actuarial valuation as of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the System during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2022, the City recognized pension expense of (\$22,598).

At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 200,772	\$ 6,819
Changes in assumptions	206,217	11,288
Net difference between projected and actual earnings on the pension plan investments	-	2,381,072
Changes in proportion and differences between contributions and proportionate shares of contributions	83,958	-
Contributions subsequent to the measurement date	433,504	-
Total	<u>\$ 924,451</u>	<u>\$ 2,399,179</u>

\$433,504 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (359,939)
2023	(655,920)
2024	(566,035)
2025	(386,773)
2026	10,541
Thereafter	49,894

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of \$(206,663) for the noncontributory system. At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to noncontributory pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 175,059	\$ -
Changes in assumptions	-	10,738
Net difference between projected and actual earnings on the pension plan investments	-	2,250,294
Changes in proportion and differences between contributions and proportionate shares of contributions	51,459	-
Contributions subsequent to the measurement date	196,807	-
Total	<u>\$ 423,325</u>	<u>\$ 2,261,032</u>

\$196,807 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (335,646)
2023	(624,697)
2024	(543,461)
2025	(373,894)
2026	-
Thereafter	-

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Tier 2 public employees system pension expense, and deferred outflows and inflows of resources

For the year ended June 30, 2022, the City recognized pension expense of \$184,065. At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,713	\$ 6,819
Changes in assumptions	49,351	500
Net difference between projected and actual earnings on the pension plan investments	-	130,778
Changes in proportion and differences between contributions and proportionate shares of contributions	32,499	-
Contributions subsequent to the measurement date	236,697	-
Total	<u>\$ 344,260</u>	<u>\$ 138,097</u>

\$236,697 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (24,294)
2023	(31,223)
2024	(22,574)
2025	(12,879)
2026	10,541
Thereafter	49,894

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Actuarial assumptions – The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25-9.25 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expenses, including inflation

Mortality rates were developed from actual experience and mortality tables are based on gender, occupation and age as appropriate, with future adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2021, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation *percentage* and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		Long-Term Expected Portfolio Real Rate of Return
	Target Asset Allocation	Real Return Arithmetic Basis	
Equity securities	37%	6.30%	2.33%
Debt securities	20%	0.00%	0.00%
Real assets	15%	6.19%	0.93%
Private equity	12%	9.50%	11.40%
Absolute return	16%	2.75%	0.44%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.84%
	Inflation		2.50%
	Expected arithmetic nominal return		7.34%

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50% and a real return of 4.35% that is net of investment expense.

Discount rate – The discount rate used to measure the total pension liability was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced from 6.95% to 6.85% from the prior measurement date.

Sensitivity of the City's proportionate share of the net pension asset and liability to changes in the discount rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.85%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85%) or 1-percentage-point higher (7.85%) than the current rate:

	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Proportion Share of			
Noncontributory Systems	\$ 898,754	\$ (1,671,384)	\$ (3,815,663)
Tier 2 Public Employees System	315,355	(52,928)	(335,693)
Total	<u>\$ 1,214,109</u>	<u>\$ (1,724,312)</u>	<u>\$ (4,151,356)</u>

Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but they may also be used as a primary retirement plan. These plans are voluntary tax advantaged retirement savings programs authorized under sections 401(k) and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Eagle Mountain City participates in the following Defined Contribution Savings plans with the Utah Retirement Systems:

- 401(k) Plan
- 457(b) Plan
- Roth IRA plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for the fiscal year ended June 30, were as follows:

	2022	2021	2020
401(k) Plan			
Employer Contributions	\$ 174,303	\$ 131,040	\$ 90,199
Employee Contributions	78,150	62,453	53,295
457 Plan			
Employer Contributions	246,546	237,828	233,773
Employee Contributions	201,577	175,792	173,596
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	47,051	46,174	32,185

NOTE 12 - LITIGATION

The City is a defendant in certain legal actions and pending actions or is in process for miscellaneous claims. The ultimate liability that might result from the final resolution of the above matters is not presently determinable. City management is of the opinion that the final outcome of the cases will not have an adverse material affect on the City's financial statements.

NOTE 13 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in the Utah Local Governments Trust (a public entity risk pool). All claims are submitted to the Utah Local Governments Trust, which acts as a commercial insurer. The Association is obligated to pay all claims covered by its plan. All claims are subject to a \$5,000 deductible. The deductible is accrued as a current liability when the claim is incurred. The Utah Local Governments Trust covers claims up to \$10,000,000. The City has not incurred a claim in excess of its coverage for any of the past three fiscal years.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 14 – CONTINGENT LIABILITIES

The City has entered into agreements with various developers to donate infrastructure that will benefit future development within the city. These developers will be repaid with the impact fees collected from those future developments. Because of the fluctuations in the building market within the City and due to the uncertainty of new developments actually being built, the amounts are not reflected as liabilities on the financial statements. They will be recorded as expenses as the future impact fees are received. The amount of outstanding impact fee reimbursement agreements as of the balance sheet date is \$2,414,322.

NOTE 15 – REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY

For the year ended June 30, 2022, the following activity occurred in the City's Redevelopment Agency:

Property Tax Increment Received:

Project Area 1:	
Town Center	\$ 174,290
Project Area 2:	
750 West	206,406
Project Area 3:	
SR-193	677,872
Project Area 4	
Antelope Drive	80,932
 Total Tax increment received by RDA	 <u><u>\$ 1,139,500</u></u>

Property Tax Increment Expended:

Administrative costs	\$ 73,785
Reimbursements of site improvements	1,080,091
Site and Improvements	-
 Total tax increment expended by RDA	 <u><u>\$ 1,153,876</u></u>

NOTE 16 – SUBSEQUENT EVENTS

On Aug. 31, 2022, Eagle Mountain City determined that it was the victim of an organized cybercrime, resulting in the loss of nearly \$1.13 million. This crime was orchestrated through an email impersonation wherein the individual(s) responsible were able to portray themselves as a representative of a vendor working closely with the City on a major infrastructure project. Eagle Mountain City took immediate action, contacting the Federal Bureau of Investigation (FBI), Utah County Sheriff's Office and the vendor within minutes of learning of the incident. Those affected have been cooperating with authorities. At this time no City or vendor employees are under suspicion of wrongdoing. The City previously prepared for the possibility of a cybercrime negatively impacting

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 7 – INTERFUND RECEIVABLES AND TRANSFERS

The operating transfers of the City consist of the following:

Transfer In:	General	Capital Projects	Park Impact Fee	Nonmajor Govrnmntl.	Total
General	\$ -	\$ -	\$ -	\$ 1,209,563	\$ 1,209,563
Nonmajor govtl.	-	-	-	-	-
Capital projects	10,334,357	-	6,331,071	2,405,058	19,070,486
Internal Service	-	-	-	-	-
Business type	4,543,599	-	-	-	4,543,599
Total transfer out	<u>\$ 14,877,956</u>	<u>\$ -</u>	<u>\$ 6,331,071</u>	<u>\$ 3,614,621</u>	<u>\$ 24,823,648</u>

The City transferred monies to support capital project payments in the capital projects fund. The City also transferred monies to support operations in the economic development fund. The General fund transferred monies from the federal ARPA funds to the Sewer fund. The funds were used in the construction of a sewer plant expansion.

Governmental funds report *deferred inflows* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred inflows* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable (general fund)	\$ 2,179,429	\$ 2,179,429
Property tax receivable (RDA fund)	9,256,544	9,256,544
Property tax delinquent	23,623	
Notes receivable	5,370,695	
Special assessments (special revenue fund)	<u>289,589</u>	
Total	<u>\$17,119,880</u>	<u>\$ 11,435,973</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

Primary Government	Beginning			Ending
Governmental activities:	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Land	\$ 6,682,458	\$ -	\$ 430,000	\$ 6,252,458
Construction in progress	16,290,198	6,856,090	14,953,344	8,192,944
Total capital assets not being depreciated	22,972,656	6,856,090	15,383,344	14,445,402
Capital assets being depreciated:				
Buildings	4,701,443	264,330	-	4,965,773
Improvements	5,730,728	5,829,012	-	11,559,740
Machinery and equipment	7,101,110	840,103	-	7,941,213
Infrastructure	125,823,667	25,287,814	-	151,111,481
Total capital assets being depreciated	143,356,948	32,221,259	-	175,578,207
Less accumulated depreciation for:				
Buildings	1,472,901	126,744	-	1,599,645
Improvements	886,139	203,246	-	1,089,385
Machinery and equipment	4,100,409	848,723	-	4,949,132
Infrastructure	39,105,468	3,911,369	-	43,016,837
Total accumulated depreciation	45,564,917	5,090,082	-	50,654,999
Total capital assets, being depreciated, net	97,792,031	27,131,177	-	124,923,208
Governmental activities capital assets, net	\$ 120,764,687	\$ 33,987,267	\$ 15,383,344	\$ 139,368,610
Business-type activities:	Beginning	Increases	Decreases	Ending
	Balance			Balance
Capital assets not being depreciated:				
Construction in progress	\$ 25,311,052	\$ 888,830	\$ 24,708,086	\$ 1,491,796
Land	3,690,765	5,151,413	-	8,842,178
Water shares	1,498,676	-	-	1,498,676
Total capital assets not being depreciated	30,500,493	6,040,243	24,708,086	11,832,650
Capital assets being depreciated:				
Buildings	3,715,254	-	-	3,715,254
Equipment and systems	131,277,257	40,820,010	-	172,097,268
Right to use assets		147,150		147,150
Total capital assets being depreciated	134,992,511	40,967,160	-	175,959,672
Less accumulated depreciation for:				
Buildings	2,068,289	103,960	-	2,172,249
Equipment and systems	39,818,902	4,660,787	-	44,479,689
Right to use assets		6,131		6,131
Total accumulated depreciation	41,887,191	4,770,878	-	46,658,069
Total capital assets, being depreciated, net	93,105,320	36,196,282	-	129,301,603
Business-type activities capital assets, net	\$ 123,605,813	\$ 42,236,525	\$ 24,708,086	\$ 141,134,253

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 - CAPITAL ASSETS *(Continued)*

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 102,564
Public safety	2,557
Public works	4,884,927
Planning	-
Community development	100,034
Total depreciation expense - governmental activities	<u>\$ 5,090,082</u>

Business-type activities:

Water	\$ 2,345,805
Sewer	1,692,049
Storm drain	725,278
Garbage	7,746
Total depreciation expense - business-type activities	<u>\$ 4,770,878</u>

Total depreciation expense	<u>\$ 9,860,960</u>
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The City has various construction projects as of June 30, 2022. The City's commitments with contractors are as follows:

Project	Remaining Commitment
Road projects	1,601,266
Sewer projects	635,532
Water projects	299,991
Total	<u>\$ 3,282,241</u>

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EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT

Bonds, notes, and leases payable at June 30, 2022, are comprised of the following:

1. \$2,400,000 Eagle Mountain City Special Assessment Bond 2014 (SAA-2014)

This bond requires semiannual payments of interest and annual payments of principal due November 1, 2014 through May 1, 2033, bearing a variable interest rate ranging from 2-5%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 30,000	\$ 20,750	\$ 50,750
2024	30,000	19,662	49,662
2025	30,000	18,088	48,088
2026	35,000	16,512	51,512
2027	35,000	14,674	49,674
2028-2032	205,000	44,588	249,588
2033	50,000	2,500	52,500
Total	<u>\$ 415,000</u>	<u>\$ 136,774</u>	<u>\$ 551,774</u>

2. \$6,665,000 Eagle Mountain City Sewer Water Quality Board Bond Series 2008

This bond was issued for the construction of a waste water treatment plant expansion. This bond requires annual payments of interest and principal beginning December 2009 through December 2028, bearing an interest rate of 1%. The bond is a reimbursement bond. The total amount of the bond is \$6,665,000. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 774,000	\$ 32,570	\$ 806,570
2024	430,000	24,830	454,830
2025	460,000	20,530	480,530
2026	495,000	15,830	510,830
2027	530,000	10,980	540,980
2028-2029	568,000	5,760	573,760
Total	<u>\$ 3,257,000</u>	<u>\$ 110,500</u>	<u>\$ 3,367,500</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

3. \$11,085,000 Eagle Mountain City Gas & Electric Revenue Bond Series 2012

This bond was issued for the construction of a utilities building and redundancy lines within the City. During 2015 the bond was defeased through an advanced refunding. The City used a portion of the proceeds from the sale of the Utility System to advance refund \$9,195,000 of outstanding 2012 series Gas and Electric revenue-bonds. As of June 30, 2022, \$7,735,000 of the original debt is still outstanding.

4. \$2,536,000 Eagle Mountain City Water Quality Revenue Bond Series 2013

This bond was issued for water system improvements within the City. The bond requires annual principal beginning May 2015, and interest payments beginning May 2014 through May 2034, bearing an interest rate of 1.72%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 114,000	\$ 28,982	\$ 142,982
2024	131,000	27,038	158,038
2025	133,000	25,076	158,076
2026	136,000	22,824	158,824
2027	138,000	20,536	158,536
2028-2032	726,000	66,856	792,856
2033-2034	194,000	9,958	203,958
Total	<u>\$ 1,572,000</u>	<u>\$ 201,270</u>	<u>\$ 1,773,270</u>

5. \$9,685,000 2014 Water and Sewer Refunding Bond

This bond was used to refund a portion of the original Water and Sewer Bonds. This bond requires annual installments of principal beginning November 2021, and interest due beginning November 2015 through November 2031, bearing interest of 4.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 225,000	\$ 367,225	\$ 592,225
2024	235,000	360,325	595,325
2025	255,000	351,700	606,700
2026	285,000	340,900	625,900
2027	890,000	317,400	1,207,400
2028-2032	7,490,000	867,200	8,357,200
Total	<u>\$ 9,380,000</u>	<u>\$ 2,604,750</u>	<u>\$ 11,984,750</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

6. \$3,690,000 2018A Water and Sewer Refunding Bond

This bond was used to refund the remaining portion of the original 2007 Water and Sewer Bonds. The refunding created future debt savings of \$357,879 and an economic gain of \$306,842.90. This bond requires annual installments of principal beginning November 2018, and interest due beginning May 2018 through May 2026, bearing interest ranging from 4.75-5.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 495,000	\$ 63,920	\$ 558,920
2024	520,000	43,600	563,600
2025	545,000	22,300	567,300
2026	285,000	5,700	290,700
Total	<u>\$ 1,845,000</u>	<u>\$ 135,520</u>	<u>\$ 1,980,520</u>

7. \$1,283,000 Series 2018B Water and Sewer Refunding Bond

The Bond was issued to fund various projects in the sewer fund. This bond requires annual principal and semiannual interest payments beginning December 2018 through December 2048, bearing an interest rate of 1%. The debt service requirement to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 26,000	\$ 12,100	\$ 38,100
2024	27,000	11,840	38,840
2025	28,000	11,570	39,570
2026	28,000	11,290	39,290
2027	29,000	11,010	40,010
2028-2032	155,000	50,600	205,600
2033-2037	180,000	42,350	222,350
2038-2042	201,000	32,880	233,880
2043-2047	214,000	22,570	236,570
2048-2049	322,000	6,000	328,000
Total	<u>\$ 1,210,000</u>	<u>\$ 212,210</u>	<u>\$ 1,422,210</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

8. \$22,915,000 2022 Sales Tax Revenue Bonds

The bond was issued to fund road projects within the City. The bond requires annual principal and semi-annual interest payments beginning March 2023 through March 2042, bearing interest ranging from 2.1% to 3.72% the debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 1,030,000	\$ 779,747	\$ 1,809,747
2024	715,000	1,094,250	1,809,250
2025	755,000	1,058,500	1,813,500
2026	790,000	1,020,750	1,810,750
2027	830,000	981,250	1,811,250
2028-2032	4,815,000	4,221,000	9,036,000
2033-2037	6,135,000	2,911,489	9,046,489
2038-2042	7,845,000	1,215,100	9,060,100
Total	<u>\$ 22,915,000</u>	<u>\$ 9,155,497</u>	<u>\$ 18,090,497</u>

9. \$2,000,000 Note Payable Utah Department of Transportation

The note was issued to fund road projects within the City. A grant was authorized by the State of Utah to fund the project. The Grant funds will not be available until 2023. The Note was issued to fund the project until the grant funds become available. The note requires annual principal and interest payments beginning December 2019 through December 2028, bearing an interest rate of 2.98%. The debt service requirement is as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 190,703	\$ 43,519	\$ 234,222
2024	196,386	37,836	234,222
2025	202,238	31,984	234,222
2026	208,265	25,957	234,222
2027	214,471	19,751	234,222
2028-2030	448,306	20,138	468,444
Total	<u>\$ 1,460,369</u>	<u>\$ 179,185</u>	<u>\$ 1,639,554</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

10. Leases payable

At the end of the year, the City has entered into 4 lease agreements for machinery, buildings and equipment. The combined leases have a combined present value of \$ 351,797. Due to the implementation of Government Accounting Standards Board (GASB) 87, Leasing Standard, the City has recorded these lease obligations as intangible right-to-use or financed purchases in the governmental and business type activities. The intangible right-to-use lease assets will be amortized over the lease term remaining. These assets are recorded in the business type activity funds. The financed purchase leases will be depreciated over the useful lives of the assets. These leases are recorded in the governmental activity funds. There are no residual value guarantees in the lease provisions.

The financed purchase leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 84,072	\$ 1,227	\$ 85,299
2024	25,774	1,227	27,001
2025	25,773	1,227	27,000
2026	25,773	1,227	27,000
2027	25,773	1,227	27,000
2028	25,773	1,227	27,000
Total	<u>\$ 212,938</u>	<u>\$ 7,362</u>	<u>\$ 220,300</u>

The right to use asset leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 14,027	\$ 1,557	\$ 15,584
2024	14,192	1,392	15,584
2025	14,361	1,224	15,585
2026	14,530	1,054	15,584
2027	14,702	883	15,585
2028-2032	67,047	1,789	68,836
Total	<u>\$ 138,859</u>	<u>\$ 7,899</u>	<u>\$ 146,758</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

11. Changes in long term liabilities.

Changes in bonds payable, deferred items, capital leases, and compensated absences during the fiscal year June 30, 2022, were as follows:

	July 1 2021	Additions	Reductions	June 30 2022	Due in One Yr
Governmental Activities:					
Bonds Payable					
2014 Special assessment bond	\$ 595,000	\$ -	\$ 180,000	\$ 415,000	\$ 30,000
Unamortized bond premium	5,840	-	486	5,354	-
2022 Sales Tax Bond	-	22,915,000	-	22,915,000	1,030,000
Unamortized bond premium	-	2,305,958	-	2,305,958	-
Total bonds payable	600,840	25,220,958	180,486	25,641,312	1,060,000
Leases payable	295,108	-	82,170	212,938	84,072
Notes payable	1,645,553	-	185,184	1,460,369	190,703
Net pension liability	124,891	-	124,891	-	-
Compensated absences	279,716	161,726	129,902	311,540	124,616
Gov't activities long-term debt	<u>\$ 2,946,108</u>	<u>\$ 25,382,684</u>	<u>\$ 702,633</u>	<u>\$ 27,626,159</u>	<u>\$ 1,459,391</u>
Business-Type Activities:					
Bonds payable:					
2009 sewer revenue bond	\$ 4,026,000	\$ -	\$ 769,000	\$ 3,257,000	\$ 774,000
2013 water quality revenue bond	1,685,000	-	113,000	1,572,000	114,000
2014 water and sewer refunding bond	9,565,000	-	185,000	9,380,000	225,000
Unamortized bond premium	677,250	-	61,568	615,682	-
2018A water and sewer refunding bond	2,330,000	-	485,000	1,845,000	495,000
Unamortized bond premium	148,216	-	29,644	118,572	-
2018B water and sewer revenue bond	1,235,000	-	25,000	1,210,000	26,000
Total bonds payable	19,666,466	-	1,668,212	17,998,254	1,634,000
Leases payable	-	147,149	8,290	138,859	14,027
Net pension liability	36,424	-	36,424	-	-
Compensated absences	62,767	33,900	26,819	69,848	30,127
Business type long-term debt	<u>\$ 19,765,657</u>	<u>\$ 181,049</u>	<u>\$ 1,739,745</u>	<u>\$ 18,206,961</u>	<u>\$ 1,678,154</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS

Description of plans – Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System), which is a multiple employer, cost sharing, public employee retirement system.
- Tier 2 Public Employees contributory Retirement System (Tier 2 Public Employees System), which is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems are members of the Tier 2 Retirement System.

The Utah Retirement System (URS) is established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The URS's defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report which can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website:

www.urs.org

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

Benefits Provided – URS Provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final average salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year to to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

**with actuarial reductions*

***All post-retirement cost of living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.*

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Contributions – As a condition of participation in the plans, employers and/or employees are required to contribute certain percentages of salary and wages, as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates are as follows:

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates	Employer rate for 401(k) Plan
Contributory System				
111 - Local Governmental Division Tier 2	N/A	N/A	16.070%	0.620%
Noncontributory				
15 - Local Governmental Division Tier 1	N/A	N/A	16.470%	N/A
Firefighters Retirement				
32 - Other Division B	16.71	N/A	7.240%	N/A
132 -Tier 2 DB Hybrid Firefighters	2.27	N/A	14.080%	N/A
Tier 20 DC Only				
211 Local Government	N/A	N/A	6.690%	10.000%
232 - Firefighters	N/A	N/A	0.080%	14.000%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans. For the fiscal year ended June 30, 2022, the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 381,839	N/A
Tier 2 Public Employee System	418,026	-
Tier 2 DC Only System	31,890	N/A
	<u>\$ 831,755</u>	<u>\$ -</u>

Contributions reported are the URS Board approved required contributions by the System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities of the Tier 1 Systems.

Combined Pension assets, liabilities, expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2022 the City reported a net pension asset of \$1,724,312 and a net pension liability of \$0.

	(Measurement Date): December 31, 2021				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2020	Change (Decrease)
Noncontributory System	\$ 1,671,384	\$ -	0.2918374%	0.2809756%	0.0108618%
Tier 2 Public Employees System	52,928	-	0.1250546%	0.1195348%	0.0055198%
Total Net Pension Asset/Liability	<u>\$ 1,724,312</u>	<u>\$ -</u>			

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Combined Pension assets, liabilities, expense, and deferred outflows of resources and deferred inflows of resources related to pensions (Continued)

The net pension asset and liability were measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability were determined by an actuarial valuation as of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the System during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2022, the City recognized pension expense of (\$22,598).

At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 200,772	\$ 6,819
Changes in assumptions	206,217	11,288
Net difference between projected and actual earnings on the pension plan investments	-	2,381,072
Changes in proportion and differences between contributions and proportionate shares of contributions	83,958	-
Contributions subsequent to the measurement date	433,504	-
Total	<u>\$ 924,451</u>	<u>\$ 2,399,179</u>

\$433,504 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (359,939)
2023	(655,920)
2024	(566,035)
2025	(386,773)
2026	10,541
Thereafter	49,894

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of \$(206,663) for the noncontributory system. At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to noncontributory pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 175,059	\$ -
Changes in assumptions	-	10,738
Net difference between projected and actual earnings on the pension plan investments	-	2,250,294
Changes in proportion and differences between contributions and proportionate shares of contributions	51,459	-
Contributions subsequent to the measurement date	196,807	-
Total	<u>\$ 423,325</u>	<u>\$ 2,261,032</u>

\$196,807 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (335,646)
2023	(624,697)
2024	(543,461)
2025	(373,894)
2026	-
Thereafter	-

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Tier 2 public employees system pension expense, and deferred outflows and inflows of resources

For the year ended June 30, 2022, the City recognized pension expense of \$184,065. At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,713	\$ 6,819
Changes in assumptions	49,351	500
Net difference between projected and actual earnings on the pension plan investments	-	130,778
Changes in proportion and differences between contributions and proportionate shares of contributions	32,499	-
Contributions subsequent to the measurement date	236,697	-
Total	<u>\$ 344,260</u>	<u>\$ 138,097</u>

\$236,697 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (24,294)
2023	(31,223)
2024	(22,574)
2025	(12,879)
2026	10,541
Thereafter	49,894

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (*Continued*)

Actuarial assumptions – The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25-9.25 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expenses, including inflation

Mortality rates were developed from actual experience and mortality tables are based on gender, occupation and age as appropriate, with future adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2021, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation *percentage* and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		Long-Term Expected Portfolio Real Rate of Return
	Target Asset Allocation	Real Return Arithmetic Basis	
Equity securities	37%	6.30%	2.33%
Debt securities	20%	0.00%	0.00%
Real assets	15%	6.19%	0.93%
Private equity	12%	9.50%	11.40%
Absolute return	16%	2.75%	0.44%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.84%
	Inflation		2.50%
	Expected arithmetic nominal return		7.34%

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50% and a real return of 4.35% that is net of investment expense.

Discount rate – The discount rate used to measure the total pension liability was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced from 6.95% to 6.85% from the prior measurement date.

Sensitivity of the City's proportionate share of the net pension asset and liability to changes in the discount rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.85%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85%) or 1-percentage-point higher (7.85%) than the current rate:

	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Proportion Share of			
Noncontributory Systems	\$ 898,754	\$ (1,671,384)	\$ (3,815,663)
Tier 2 Public Employees System	315,355	(52,928)	(335,693)
Total	<u>\$ 1,214,109</u>	<u>\$ (1,724,312)</u>	<u>\$ (4,151,356)</u>

Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but they may also be used as a primary retirement plan. These plans are voluntary tax advantaged retirement savings programs authorized under sections 401(k) and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Eagle Mountain City participates in the following Defined Contribution Savings plans with the Utah Retirement Systems:

- 401(k) Plan
- 457(b) Plan
- Roth IRA plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for the fiscal year ended June 30, were as follows:

	2022	2021	2020
401(k) Plan			
Employer Contributions	\$ 174,303	\$ 131,040	\$ 90,199
Employee Contributions	78,150	62,453	53,295
457 Plan			
Employer Contributions	246,546	237,828	233,773
Employee Contributions	201,577	175,792	173,596
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	47,051	46,174	32,185

NOTE 12 - LITIGATION

The City is a defendant in certain legal actions and pending actions or is in process for miscellaneous claims. The ultimate liability that might result from the final resolution of the above matters is not presently determinable. City management is of the opinion that the final outcome of the cases will not have an adverse material affect on the City's financial statements.

NOTE 13 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in the Utah Local Governments Trust (a public entity risk pool). All claims are submitted to the Utah Local Governments Trust, which acts as a commercial insurer. The Association is obligated to pay all claims covered by its plan. All claims are subject to a \$5,000 deductible. The deductible is accrued as a current liability when the claim is incurred. The Utah Local Governments Trust covers claims up to \$10,000,000. The City has not incurred a claim in excess of its coverage for any of the past three fiscal years.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 14 – CONTINGENT LIABILITIES

The City has entered into agreements with various developers to donate infrastructure that will benefit future development within the city. These developers will be repaid with the impact fees collected from those future developments. Because of the fluctuations in the building market within the City and due to the uncertainty of new developments actually being built, the amounts are not reflected as liabilities on the financial statements. They will be recorded as expenses as the future impact fees are received. The amount of outstanding impact fee reimbursement agreements as of the balance sheet date is \$2,414,322.

NOTE 15 – REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY

For the year ended June 30, 2022, the following activity occurred in the City's Redevelopment Agency:

Property Tax Increment Received:

Project Area 1:	
Town Center	\$ 174,290
Project Area 2:	
750 West	206,406
Project Area 3:	
SR-193	677,872
Project Area 4	
Antelope Drive	80,932
 Total Tax increment received by RDA	 <u><u>\$ 1,139,500</u></u>

Property Tax Increment Expended:

Administrative costs	\$ 73,785
Reimbursements of site improvements	1,080,091
Site and Improvements	-
 Total tax increment expended by RDA	 <u><u>\$ 1,153,876</u></u>

NOTE 16 – SUBSEQUENT EVENTS

On Aug. 31, 2022, Eagle Mountain City determined that it was the victim of an organized cybercrime, resulting in the loss of nearly \$1.13 million. This crime was orchestrated through an email impersonation wherein the individual(s) responsible were able to portray themselves as a representative of a vendor working closely with the City on a major infrastructure project. Eagle Mountain City took immediate action, contacting the Federal Bureau of Investigation (FBI), Utah County Sheriff's Office and the vendor within minutes of learning of the incident. Those affected have been cooperating with authorities. At this time no City or vendor employees are under suspicion of wrongdoing. The City previously prepared for the possibility of a cybercrime negatively impacting

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 16 – SUBSEQUENT EVENTS *(Continued)*

available financial resources by purchasing an insurance policy that deals directly with cybercrimes and attacks. Eagle Mountain City is working with the insurance company to be reimbursed for the loss.

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through December 21, 2022, the date the financial statements were available to be issued.

EAGLE MOUNTAIN CITY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022

NOTE 1 – Changes in assumptions

The investment return assumption was decreased by .010% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumptions change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in Total Pension Liability, which is about 1.3% of the Total Pension Liability as of December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

NOTE 2 – Budgetary Information

Budgets for the general fund are adopted and presented on a basis consistent with generally accepted accounting principles.

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EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

Primary Government	Beginning			Ending
Governmental activities:	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Land	\$ 6,682,458	\$ -	\$ 430,000	\$ 6,252,458
Construction in progress	16,290,198	6,856,090	14,953,344	8,192,944
Total capital assets not being depreciated	22,972,656	6,856,090	15,383,344	14,445,402
Capital assets being depreciated:				
Buildings	4,701,443	264,330	-	4,965,773
Improvements	5,730,728	5,829,012	-	11,559,740
Machinery and equipment	7,101,110	840,103	-	7,941,213
Infrastructure	125,823,667	25,287,814	-	151,111,481
Total capital assets being depreciated	143,356,948	32,221,259	-	175,578,207
Less accumulated depreciation for:				
Buildings	1,472,901	126,744	-	1,599,645
Improvements	886,139	203,246	-	1,089,385
Machinery and equipment	4,100,409	848,723	-	4,949,132
Infrastructure	39,105,468	3,911,369	-	43,016,837
Total accumulated depreciation	45,564,917	5,090,082	-	50,654,999
Total capital assets, being depreciated, net	97,792,031	27,131,177	-	124,923,208
Governmental activities capital assets, net	\$ 120,764,687	\$ 33,987,267	\$ 15,383,344	\$ 139,368,610
Business-type activities:	Beginning			Ending
	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Construction in progress	\$ 25,311,052	\$ 888,830	\$ 24,708,086	\$ 1,491,796
Land	3,690,765	5,151,413	-	8,842,178
Water shares	1,498,676	-	-	1,498,676
Total capital assets not being depreciated	30,500,493	6,040,243	24,708,086	11,832,650
Capital assets being depreciated:				
Buildings	3,715,254	-	-	3,715,254
Equipment and systems	131,277,257	40,820,010	-	172,097,268
Right to use assets		147,150		147,150
Total capital assets being depreciated	134,992,511	40,967,160	-	175,959,672
Less accumulated depreciation for:				
Buildings	2,068,289	103,960	-	2,172,249
Equipment and systems	39,818,902	4,660,787	-	44,479,689
Right to use assets		6,131		6,131
Total accumulated depreciation	41,887,191	4,770,878	-	46,658,069
Total capital assets, being depreciated, net	93,105,320	36,196,282	-	129,301,603
Business-type activities capital assets, net	\$ 123,605,813	\$ 42,236,525	\$ 24,708,086	\$ 141,134,253

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 - CAPITAL ASSETS *(Continued)*

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 102,564
Public safety	2,557
Public works	4,884,927
Planning	-
Community development	100,034
Total depreciation expense - governmental activities	<u>\$ 5,090,082</u>

Business-type activities:

Water	\$ 2,345,805
Sewer	1,692,049
Storm drain	725,278
Garbage	7,746
Total depreciation expense - business-type activities	<u>\$ 4,770,878</u>

Total depreciation expense	<u>\$ 9,860,960</u>
----------------------------	---------------------

The City has various construction projects as of June 30, 2022. The City's commitments with contractors are as follows:

Project	Remaining Commitment
Road projects	1,601,266
Sewer projects	635,532
Water projects	299,991
Total	<u>\$ 3,282,241</u>

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EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT

Bonds, notes, and leases payable at June 30, 2022, are comprised of the following:

1. \$2,400,000 Eagle Mountain City Special Assessment Bond 2014 (SAA-2014)

This bond requires semiannual payments of interest and annual payments of principal due November 1, 2014 through May 1, 2033, bearing a variable interest rate ranging from 2-5%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 30,000	\$ 20,750	\$ 50,750
2024	30,000	19,662	49,662
2025	30,000	18,088	48,088
2026	35,000	16,512	51,512
2027	35,000	14,674	49,674
2028-2032	205,000	44,588	249,588
2033	50,000	2,500	52,500
Total	<u>\$ 415,000</u>	<u>\$ 136,774</u>	<u>\$ 551,774</u>

2. \$6,665,000 Eagle Mountain City Sewer Water Quality Board Bond Series 2008

This bond was issued for the construction of a waste water treatment plant expansion. This bond requires annual payments of interest and principal beginning December 2009 through December 2028, bearing an interest rate of 1%. The bond is a reimbursement bond. The total amount of the bond is \$6,665,000. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 774,000	\$ 32,570	\$ 806,570
2024	430,000	24,830	454,830
2025	460,000	20,530	480,530
2026	495,000	15,830	510,830
2027	530,000	10,980	540,980
2028-2029	568,000	5,760	573,760
Total	<u>\$ 3,257,000</u>	<u>\$ 110,500</u>	<u>\$ 3,367,500</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

3. \$11,085,000 Eagle Mountain City Gas & Electric Revenue Bond Series 2012

This bond was issued for the construction of a utilities building and redundancy lines within the City. During 2015 the bond was defeased through an advanced refunding. The City used a portion of the proceeds from the sale of the Utility System to advance refund \$9,195,000 of outstanding 2012 series Gas and Electric revenue-bonds. As of June 30, 2022, \$7,735,000 of the original debt is still outstanding.

4. \$2,536,000 Eagle Mountain City Water Quality Revenue Bond Series 2013

This bond was issued for water system improvements within the City. The bond requires annual principal beginning May 2015, and interest payments beginning May 2014 through May 2034, bearing an interest rate of 1.72%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 114,000	\$ 28,982	\$ 142,982
2024	131,000	27,038	158,038
2025	133,000	25,076	158,076
2026	136,000	22,824	158,824
2027	138,000	20,536	158,536
2028-2032	726,000	66,856	792,856
2033-2034	194,000	9,958	203,958
Total	<u>\$ 1,572,000</u>	<u>\$ 201,270</u>	<u>\$ 1,773,270</u>

5. \$9,685,000 2014 Water and Sewer Refunding Bond

This bond was used to refund a portion of the original Water and Sewer Bonds. This bond requires annual installments of principal beginning November 2021, and interest due beginning November 2015 through November 2031, bearing interest of 4.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 225,000	\$ 367,225	\$ 592,225
2024	235,000	360,325	595,325
2025	255,000	351,700	606,700
2026	285,000	340,900	625,900
2027	890,000	317,400	1,207,400
2028-2032	7,490,000	867,200	8,357,200
Total	<u>\$ 9,380,000</u>	<u>\$ 2,604,750</u>	<u>\$ 11,984,750</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

6. \$3,690,000 2018A Water and Sewer Refunding Bond

This bond was used to refund the remaining portion of the original 2007 Water and Sewer Bonds. The refunding created future debt savings of \$357,879 and an economic gain of \$306,842.90. This bond requires annual installments of principal beginning November 2018, and interest due beginning May 2018 through May 2026, bearing interest ranging from 4.75-5.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 495,000	\$ 63,920	\$ 558,920
2024	520,000	43,600	563,600
2025	545,000	22,300	567,300
2026	285,000	5,700	290,700
Total	<u>\$ 1,845,000</u>	<u>\$ 135,520</u>	<u>\$ 1,980,520</u>

7. \$1,283,000 Series 2018B Water and Sewer Refunding Bond

The Bond was issued to fund various projects in the sewer fund. This bond requires annual principal and semiannual interest payments beginning December 2018 through December 2048, bearing an interest rate of 1%. The debt service requirement to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 26,000	\$ 12,100	\$ 38,100
2024	27,000	11,840	38,840
2025	28,000	11,570	39,570
2026	28,000	11,290	39,290
2027	29,000	11,010	40,010
2028-2032	155,000	50,600	205,600
2033-2037	180,000	42,350	222,350
2038-2042	201,000	32,880	233,880
2043-2047	214,000	22,570	236,570
2048-2049	322,000	6,000	328,000
Total	<u>\$ 1,210,000</u>	<u>\$ 212,210</u>	<u>\$ 1,422,210</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

8. \$22,915,000 2022 Sales Tax Revenue Bonds

The bond was issued to fund road projects within the City. The bond requires annual principal and semi-annual interest payments beginning March 2023 through March 2042, bearing interest ranging from 2.1% to 3.72% the debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 1,030,000	\$ 779,747	\$ 1,809,747
2024	715,000	1,094,250	1,809,250
2025	755,000	1,058,500	1,813,500
2026	790,000	1,020,750	1,810,750
2027	830,000	981,250	1,811,250
2028-2032	4,815,000	4,221,000	9,036,000
2033-2037	6,135,000	2,911,489	9,046,489
2038-2042	7,845,000	1,215,100	9,060,100
Total	<u>\$ 22,915,000</u>	<u>\$ 9,155,497</u>	<u>\$ 18,090,497</u>

9. \$2,000,000 Note Payable Utah Department of Transportation

The note was issued to fund road projects within the City. A grant was authorized by the State of Utah to fund the project. The Grant funds will not be available until 2023. The Note was issued to fund the project until the grant funds become available. The note requires annual principal and interest payments beginning December 2019 through December 2028, bearing an interest rate of 2.98%. The debt service requirement is as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 190,703	\$ 43,519	\$ 234,222
2024	196,386	37,836	234,222
2025	202,238	31,984	234,222
2026	208,265	25,957	234,222
2027	214,471	19,751	234,222
2028-2030	448,306	20,138	468,444
Total	<u>\$ 1,460,369</u>	<u>\$ 179,185</u>	<u>\$ 1,639,554</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

10. Leases payable

At the end of the year, the City has entered into 4 lease agreements for machinery, buildings and equipment. The combined leases have a combined present value of \$ 351,797. Due to the implementation of Government Accounting Standards Board (GASB) 87, Leasing Standard, the City has recorded these lease obligations as intangible right-to-use or financed purchases in the governmental and business type activities. The intangible right-to-use lease assets will be amortized over the lease term remaining. These assets are recorded in the business type activity funds. The financed purchase leases will be depreciated over the useful lives of the assets. These leases are recorded in the governmental activity funds. There are no residual value guarantees in the lease provisions.

The financed purchase leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 84,072	\$ 1,227	\$ 85,299
2024	25,774	1,227	27,001
2025	25,773	1,227	27,000
2026	25,773	1,227	27,000
2027	25,773	1,227	27,000
2028	25,773	1,227	27,000
Total	<u>\$ 212,938</u>	<u>\$ 7,362</u>	<u>\$ 220,300</u>

The right to use asset leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 14,027	\$ 1,557	\$ 15,584
2024	14,192	1,392	15,584
2025	14,361	1,224	15,585
2026	14,530	1,054	15,584
2027	14,702	883	15,585
2028-2032	67,047	1,789	68,836
Total	<u>\$ 138,859</u>	<u>\$ 7,899</u>	<u>\$ 146,758</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 – LONG-TERM DEBT (Continued)

11. Changes in long term liabilities.

Changes in bonds payable, deferred items, capital leases, and compensated absences during the fiscal year June 30, 2022, were as follows:

	July 1 2021	Additions	Reductions	June 30 2022	Due in One Yr
Governmental Activities:					
Bonds Payable					
2014 Special assessment bond	\$ 595,000	\$ -	\$ 180,000	\$ 415,000	\$ 30,000
Unamortized bond premium	5,840	-	486	5,354	-
2022 Sales Tax Bond	-	22,915,000	-	22,915,000	1,030,000
Unamortized bond premium	-	2,305,958	-	2,305,958	-
Total bonds payable	600,840	25,220,958	180,486	25,641,312	1,060,000
Leases payable	295,108	-	82,170	212,938	84,072
Notes payable	1,645,553	-	185,184	1,460,369	190,703
Net pension liability	124,891	-	124,891	-	-
Compensated absences	279,716	161,726	129,902	311,540	124,616
Gov't activities long-term debt	<u>\$ 2,946,108</u>	<u>\$ 25,382,684</u>	<u>\$ 702,633</u>	<u>\$ 27,626,159</u>	<u>\$ 1,459,391</u>
Business-Type Activities:					
Bonds payable:					
2009 sewer revenue bond	\$ 4,026,000	\$ -	\$ 769,000	\$ 3,257,000	\$ 774,000
2013 water quality revenue bond	1,685,000	-	113,000	1,572,000	114,000
2014 water and sewer refunding bond	9,565,000	-	185,000	9,380,000	225,000
Unamortized bond premium	677,250	-	61,568	615,682	-
2018A water and sewer refunding bond	2,330,000	-	485,000	1,845,000	495,000
Unamortized bond premium	148,216	-	29,644	118,572	-
2018B water and sewer revenue bond	1,235,000	-	25,000	1,210,000	26,000
Total bonds payable	19,666,466	-	1,668,212	17,998,254	1,634,000
Leases payable	-	147,149	8,290	138,859	14,027
Net pension liability	36,424	-	36,424	-	-
Compensated absences	62,767	33,900	26,819	69,848	30,127
Business type long-term debt	<u>\$ 19,765,657</u>	<u>\$ 181,049</u>	<u>\$ 1,739,745</u>	<u>\$ 18,206,961</u>	<u>\$ 1,678,154</u>

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS

Description of plans – Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System), which is a multiple employer, cost sharing, public employee retirement system.
- Tier 2 Public Employees contributory Retirement System (Tier 2 Public Employees System), which is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems are members of the Tier 2 Retirement System.

The Utah Retirement System (URS) is established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The URS's defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report which can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website:

www.urs.org

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

Benefits Provided – URS Provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final average salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year to to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

**with actuarial reductions*

***All post-retirement cost of living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.*

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Contributions – As a condition of participation in the plans, employers and/or employees are required to contribute certain percentages of salary and wages, as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates are as follows:

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates	Employer rate for 401(k) Plan
Contributory System				
111 - Local Governmental Division Tier 2	N/A	N/A	16.070%	0.620%
Noncontributory				
15 - Local Governmental Division Tier 1	N/A	N/A	16.470%	N/A
Firefighters Retirement				
32 - Other Division B	16.71	N/A	7.240%	N/A
132 -Tier 2 DB Hybrid Firefighters	2.27	N/A	14.080%	N/A
Tier 20 DC Only				
211 Local Government	N/A	N/A	6.690%	10.000%
232 - Firefighters	N/A	N/A	0.080%	14.000%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans. For the fiscal year ended June 30, 2022, the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 381,839	N/A
Tier 2 Public Employee System	418,026	-
Tier 2 DC Only System	31,890	N/A
	<u>\$ 831,755</u>	<u>\$ -</u>

Contributions reported are the URS Board approved required contributions by the System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities of the Tier 1 Systems.

Combined Pension assets, liabilities, expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2022 the City reported a net pension asset of \$1,724,312 and a net pension liability of \$0.

	(Measurement Date): December 31, 2021				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2020	Change (Decrease)
Noncontributory System	\$ 1,671,384	\$ -	0.2918374%	0.2809756%	0.0108618%
Tier 2 Public Employees System	52,928	-	0.1250546%	0.1195348%	0.0055198%
Total Net Pension Asset/Liability	<u>\$ 1,724,312</u>	<u>\$ -</u>			

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Combined Pension assets, liabilities, expense, and deferred outflows of resources and deferred inflows of resources related to pensions *(Continued)*

The net pension asset and liability were measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability were determined by an actuarial valuation as of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the System during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2022, the City recognized pension expense of (\$22,598).

At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 200,772	\$ 6,819
Changes in assumptions	206,217	11,288
Net difference between projected and actual earnings on the pension plan investments	-	2,381,072
Changes in proportion and differences between contributions and proportionate shares of contributions	83,958	-
Contributions subsequent to the measurement date	433,504	-
Total	<u>\$ 924,451</u>	<u>\$ 2,399,179</u>

\$433,504 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (359,939)
2023	(655,920)
2024	(566,035)
2025	(386,773)
2026	10,541
Thereafter	49,894

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of \$(206,663) for the noncontributory system. At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to noncontributory pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 175,059	\$ -
Changes in assumptions	-	10,738
Net difference between projected and actual earnings on the pension plan investments	-	2,250,294
Changes in proportion and differences between contributions and proportionate shares of contributions	51,459	-
Contributions subsequent to the measurement date	196,807	-
Total	<u>\$ 423,325</u>	<u>\$ 2,261,032</u>

\$196,807 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (335,646)
2023	(624,697)
2024	(543,461)
2025	(373,894)
2026	-
Thereafter	-

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Tier 2 public employees system pension expense, and deferred outflows and inflows of resources

For the year ended June 30, 2022, the City recognized pension expense of \$184,065. At June 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,713	\$ 6,819
Changes in assumptions	49,351	500
Net difference between projected and actual earnings on the pension plan investments	-	130,778
Changes in proportion and differences between contributions and proportionate shares of contributions	32,499	-
Contributions subsequent to the measurement date	236,697	-
Total	<u>\$ 344,260</u>	<u>\$ 138,097</u>

\$236,697 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (24,294)
2023	(31,223)
2024	(22,574)
2025	(12,879)
2026	10,541
Thereafter	49,894

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (*Continued*)

Actuarial assumptions – The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25-9.25 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expenses, including inflation

Mortality rates were developed from actual experience and mortality tables are based on gender, occupation and age as appropriate, with future adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2021, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation *percentage* and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		Long-Term Expected Portfolio Real Rate of Return
	Target Asset Allocation	Real Return Arithmetic Basis	
Equity securities	37%	6.30%	2.33%
Debt securities	20%	0.00%	0.00%
Real assets	15%	6.19%	0.93%
Private equity	12%	9.50%	11.40%
Absolute return	16%	2.75%	0.44%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.84%
	Inflation		2.50%
	Expected arithmetic nominal return		7.34%

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50% and a real return of 4.35% that is net of investment expense.

Discount rate – The discount rate used to measure the total pension liability was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced from 6.95% to 6.85% from the prior measurement date.

Sensitivity of the City's proportionate share of the net pension asset and liability to changes in the discount rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.85%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85%) or 1-percentage-point higher (7.85%) than the current rate:

	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Proportion Share of			
Noncontributory Systems	\$ 898,754	\$ (1,671,384)	\$ (3,815,663)
Tier 2 Public Employees System	315,355	(52,928)	(335,693)
Total	<u>\$ 1,214,109</u>	<u>\$ (1,724,312)</u>	<u>\$ (4,151,356)</u>

Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but they may also be used as a primary retirement plan. These plans are voluntary tax advantaged retirement savings programs authorized under sections 401(k) and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 – STATE RETIREMENT PLANS (Continued)

Eagle Mountain City participates in the following Defined Contribution Savings plans with the Utah Retirement Systems:

- 401(k) Plan
- 457(b) Plan
- Roth IRA plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for the fiscal year ended June 30, were as follows:

	2022	2021	2020
401(k) Plan			
Employer Contributions	\$ 174,303	\$ 131,040	\$ 90,199
Employee Contributions	78,150	62,453	53,295
457 Plan			
Employer Contributions	246,546	237,828	233,773
Employee Contributions	201,577	175,792	173,596
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	47,051	46,174	32,185

NOTE 12 - LITIGATION

The City is a defendant in certain legal actions and pending actions or is in process for miscellaneous claims. The ultimate liability that might result from the final resolution of the above matters is not presently determinable. City management is of the opinion that the final outcome of the cases will not have an adverse material affect on the City's financial statements.

NOTE 13 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in the Utah Local Governments Trust (a public entity risk pool). All claims are submitted to the Utah Local Governments Trust, which acts as a commercial insurer. The Association is obligated to pay all claims covered by its plan. All claims are subject to a \$5,000 deductible. The deductible is accrued as a current liability when the claim is incurred. The Utah Local Governments Trust covers claims up to \$10,000,000. The City has not incurred a claim in excess of its coverage for any of the past three fiscal years.

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 14 – CONTINGENT LIABILITIES

The City has entered into agreements with various developers to donate infrastructure that will benefit future development within the city. These developers will be repaid with the impact fees collected from those future developments. Because of the fluctuations in the building market within the City and due to the uncertainty of new developments actually being built, the amounts are not reflected as liabilities on the financial statements. They will be recorded as expenses as the future impact fees are received. The amount of outstanding impact fee reimbursement agreements as of the balance sheet date is \$2,414,322.

NOTE 15 – REDEVELOPMENT AGENCY OF EAGLE MOUNTAIN CITY

For the year ended June 30, 2022, the following activity occurred in the City's Redevelopment Agency:

Property Tax Increment Received:

Project Area 1:	
Town Center	\$ 174,290
Project Area 2:	
750 West	206,406
Project Area 3:	
SR-193	677,872
Project Area 4	
Antelope Drive	80,932
 Total Tax increment received by RDA	 <u><u>\$ 1,139,500</u></u>

Property Tax Increment Expended:

Administrative costs	\$ 73,785
Reimbursements of site improvements	1,080,091
Site and Improvements	-
 Total tax increment expended by RDA	 <u><u>\$ 1,153,876</u></u>

NOTE 16 – SUBSEQUENT EVENTS

On Aug. 31, 2022, Eagle Mountain City determined that it was the victim of an organized cybercrime, resulting in the loss of nearly \$1.13 million. This crime was orchestrated through an email impersonation wherein the individual(s) responsible were able to portray themselves as a representative of a vendor working closely with the City on a major infrastructure project. Eagle Mountain City took immediate action, contacting the Federal Bureau of Investigation (FBI), Utah County Sheriff's Office and the vendor within minutes of learning of the incident. Those affected have been cooperating with authorities. At this time no City or vendor employees are under suspicion of wrongdoing. The City previously prepared for the possibility of a cybercrime negatively impacting

EAGLE MOUNTAIN CITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 16 – SUBSEQUENT EVENTS *(Continued)*

available financial resources by purchasing an insurance policy that deals directly with cybercrimes and attacks. Eagle Mountain City is working with the insurance company to be reimbursed for the loss.

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through December 21, 2022, the date the financial statements were available to be issued.

EAGLE MOUNTAIN CITY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022

NOTE 1 – Changes in assumptions

The investment return assumption was decreased by .010% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumptions change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in Total Pension Liability, which is about 1.3% of the Total Pension Liability as of December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

NOTE 2 – Budgetary Information

Budgets for the general fund are adopted and presented on a basis consistent with generally accepted accounting principles.

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EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Totals	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 13,893,889	\$ 13,893,889	\$ 14,233,890	\$ 340,001
Licenses and permits	4,244,700	4,244,700	6,384,743	2,140,043
Intergovernmental	1,711,300	1,711,300	6,933,678	5,222,378
Charges for services	1,527,617	1,527,617	2,128,537	600,920
Impact Fees	-	-	47,684	47,684
Contributions	500,000	500,000	879,868	379,868
Miscellaneous	233,850	233,850	345,955	112,105
Total revenues	<u>22,111,356</u>	<u>22,111,356</u>	<u>30,954,355</u>	<u>8,842,999</u>
EXPENDITURES				
Current:				
General government	4,282,579	4,651,905	4,543,769	108,136
Public safety	4,318,534	4,403,618	4,690,939	(287,321)
Planning and zoning	935,811	935,811	630,500	305,311
Public works	5,753,995	6,342,611	5,504,196	838,415
Community development	2,623,505	2,665,205	3,410,084	(744,879)
Debt Service	-	-	27,000	(27,000)
Total expenditures	<u>17,914,424</u>	<u>18,999,150</u>	<u>18,806,488</u>	<u>192,662</u>
Excess (deficit) of revenues over (under) expenditures	<u>4,196,932</u>	<u>3,112,206</u>	<u>12,147,867</u>	<u>9,035,661</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	430,000	430,000
Proceeds from capital lease			-	
Transfers in	-	-	1,209,563	1,209,563
Transfers out	-	-	(14,877,956)	(14,877,956)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(13,238,393)</u>	<u>(13,238,393)</u>
Net change in fund balance	4,196,932	3,112,206	(1,090,526)	(4,202,732)
Fund balances - beginning	15,814,487	15,814,487	15,814,487	-
Fund balances - ending	<u>\$ 20,011,419</u>	<u>\$ 18,926,693</u>	<u>\$ 14,723,961</u>	<u>\$ (4,202,732)</u>

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Totals	
REVENUES				
Taxes	\$ 13,893,889	\$ 13,893,889	\$ 14,233,890	\$ 340,001
Licenses and permits	4,244,700	4,244,700	6,384,743	2,140,043
Intergovernmental	1,711,300	1,711,300	6,933,678	5,222,378
Charges for services	1,527,617	1,527,617	2,128,537	600,920
Impact fees	-	-	47,684	47,684
Contributions	500,000	500,000	879,868	379,868
Miscellaneous	233,850	233,850	345,955	112,105
Total revenues	22,111,356	22,111,356	30,954,355	8,842,999
EXPENDITURES				
Current:				
General government:				
Legislative	113,857	113,857	100,544	13,313
Recorders	437,168	474,168	433,583	40,585
Attorney	165,000	167,250	129,076	38,174
Executive	628,444	628,444	683,997	(55,553)
Finance	618,906	643,906	566,321	77,585
Engineering	622,728	662,728	710,357	(47,629)
Human Resource	259,214	260,714	255,491	5,223
Information Technology	465,466	530,873	562,721	(31,848)
Public Information	292,507	292,507	278,222	14,285
Building Maintenance	679,289	877,458	823,457	54,001
Total general government	4,282,579	4,651,905	4,543,769	108,136
Public safety				
Police	4,318,534	4,403,618	4,690,939	(287,321)
Planning and zoning	935,811	935,811	630,500	305,311
Public works				
Streets and Roads	3,533,050	4,195,582	3,601,334	594,248
Parks	2,220,945	2,147,029	1,902,862	244,167
Total public works	5,753,995	6,342,611	5,504,196	838,415
Community development				
Recreation	333,944	333,944	285,463	48,481
Special events	318,365	343,365	308,086	35,279
Building	1,258,368	1,263,068	1,191,550	71,518
Library	452,562	464,562	451,486	13,076
Economic development	260,266	260,266	1,173,499	(913,233)
Total community development	2,623,505	2,665,205	3,410,084	(744,879)
Debt Service				
Principal retirement	25,773	25,773	25,773	-
Interest	1,227	1,227	1,227	-
Total debt services	27,000	27,000	27,000	-
Total expenditures	17,941,424	19,026,150	18,806,488	219,662
Excess (deficit) of revenues over (under) expenditures	4,169,932	3,085,206	12,147,867	9,062,661
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	430,000	430,000
Proceeds from capital lease	-	-	-	-
Transfers in	-	-	1,209,563	1,209,563
Transfers out	-	-	(14,877,956)	(14,877,956)
Total other financing sources (uses)	-	-	(13,238,393)	(13,238,393)
Net change in fund balance	4,169,932	3,085,206	(1,090,526)	(4,175,732)
Fund balances - beginning	15,814,487	15,814,487	15,814,487	-
Fund balances - ending	\$ 19,984,419	\$ 18,899,693	\$ 14,723,961	\$ (4,175,732)

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Parks Impact Fee
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Totals	
REVENUES				
Miscellaneous	\$ -	\$ -	\$ (1,823)	\$ (1,823)
Impact fees	-	-	4,812,755	4,812,755
Total revenues	-	-	4,810,932	4,810,932
EXPENDITURES				
Public works	-	55,000	136,151	(81,151)
Total expenditures	-	55,000	136,151	(81,151)
Excess (deficit) of revenues over (under) expenditures	-	(55,000)	4,674,781	4,729,781
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(5,964,129)	(6,331,072)	(366,943)
Total other financing sources	-	(5,964,129)	(6,331,072)	(366,943)
Net change in fund balance	-	(6,019,129)	(1,656,291)	4,362,838
Fund balances - beginning	2,820,024	2,820,024	7,244,671	4,424,647
Fund balances - ending	<u>\$ 2,820,024</u>	<u>\$ (3,199,105)</u>	<u>\$ 5,588,380</u>	<u>\$ 8,787,485</u>

EAGLE MOUNTAIN CITY
Required Supplementary Information
Schedule of the Proportionate Share of the Net Pension Liability
June 30, 2022
Last 10 Fiscal Years*

	Fiscal Year	Proportion of the net liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Noncontributory System						
	2015	0.3418200%	\$ 1,484,263	\$ 2,830,676	52.4%	90.2%
	2016	0.2882055%	1,630,807	2,337,197	69.78%	87.80%
	2017	0.2514720%	1,606,251	1,989,663	80.73%	87.30%
	2018	0.0251466%	1,101,749	1,913,175	57.59%	91.90%
	2019	0.2619790%	1,928,544	1,990,978	96.86%	87.00%
	2020	0.2694202%	1,015,409	2,003,401	50.68%	93.70%
	2021	0.2809756%	144,124	2,006,669	7.18%	99.20%
	2022	0.2918374%	(1,671,384)	1,997,733	-83.66%	108.70%
Tier 2 Public Employees Retirement System						
	2015	0.0903999%	(2,740)	444,513	-0.6%	103.50%
	2016	0.0953808%	(208)	616,135	-0.030%	100.20%
	2017	0.9893570%	11,036	811,348	1.360%	95.10%
	2018	0.1030719%	9,088	1,008,808	0.900%	97.40%
	2019	0.0984386%	42,159	1,149,735	3.670%	90.80%
	2020	0.1095960%	24,649	1,522,444	1.620%	96.50%
	2021	0.1195348%	17,192	1,911,180	0.900%	98.30%
	2022	0.1250546%	(52,928)	2,320,700	-2.280%	103.80%

* The amounts presented for each fiscal year were determined as of December 31. In accordance with GASB 68, until a full 10-year trend is compiled, information is presented for those years for which information is available.

EAGLE MOUNTAIN CITY
Required Supplementary Information
Schedule of Contributions
June 30, 2022
Last 10 Fiscal Years*

	Fiscal year ended June 30,	Actuarial Determined Contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contribution as a percentage of covered employee payroll
Noncontributory System	2014	\$ 495,209	\$ 495,209	\$ -	\$ 2,864,137	19.98%
	2015	481,847	481,847	-	2,608,808	22.03%
	2016	394,681	394,681	-	2,136,875	22.19%
	2017	355,432	355,432	-	1,924,378	18.47%
	2018	360,046	360,046	-	1,949,357	18.48%
	2019	371,693	371,693	-	2,012,414	18.47%
	2020	367,383	367,383	-	1,989,079	18.47%
	2021	368,150	368,150	-	1,997,741	18.47%
	2022	381,839	381,839	-	2,091,364	18.26%
Tier 2 Public Employees Systems	2014	38,159	38,159	-	272,757	16.64%
	2015	89,317	89,317	-	597,837	13.85%
	2016	98,396	98,396	-	659,935	12.13%
	2017	138,865	138,865	-	931,353	14.91%
	2018	164,524	164,524	-	1,088,839	15.11%
	2019	197,644	197,644	-	1,271,838	15.54%
	2020	279,125	279,125	-	1,782,409	15.66%
	2021	326,682	326,682	-	2,067,607	15.80%
	2022	418,026	418,026	-	2,602,908	16.06%
Tier 2 Public Employees DC Only System	2014	4,971	4,971	-	89,085	0.00%
	2015	979	979	-	14,572	0.00%
	2016	4,526	4,526	-	67,651	10.02%
	2017	9,203	9,203	-	137,568	6.69%
	2018	11,797	11,797	-	152,142	7.75%
	2019	16,523	16,523	-	184,079	8.98%
	2020	14,001	14,001	-	142,010	9.86%
	2021	26,004	26,004	-	324,082	8.02%
	2022	31,890	31,890	-	406,680	7.84%

* Contributions in Tier 2 include an amortization rate to help the unfunded liabilities in the Tier 1 systems.
Tier 2 systems were created effective July 1, 2011.

** The amounts presented were determined for the Calendar year January 1-December 31. In accordance with
GASB 68, until a full 10-year trend is compiled, information is presented for those years for which
information is available.

EAGLE MOUNTAIN CITY

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2022

	Debt Service	Capital Projects				Special Revenue			Total Nonmajor Governmental Funds
	Special Assess. Area -2014	Special Improv. 2000-1	Special Improv. District 98-1	Special Improv. District 98-3	Special Improv. District 97-1	Impact Fee Transportation	Cemetery	RDA	
ASSETS									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 204,053	\$ 3,027,439	\$ 3,231,492
Restricted cash	217,249	-	-	-	-	3,633,433	-	-	3,850,682
Receivables (net):									
Special assessments	289,589	-	-	-	-	-	-	-	289,589
Taxes								9,256,544	9,256,544
Total assets	<u>\$ 506,838</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,633,433</u>	<u>\$ 204,053</u>	<u>\$ 12,283,983</u>	<u>\$ 16,628,307</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts payable & accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,054	\$ 2,724,025	\$ 2,728,079
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,054</u>	<u>2,724,025</u>	<u>2,728,079</u>
Deferred inflows of resources:									
Deferred property taxes levied for future years								9,256,544	9,256,544
Deferred for Special Assessments	289,589	-	-	-	-	-	-	-	289,589
Total deferred inflows of resources:	<u>289,589</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,256,544</u>	<u>9,546,133</u>
Fund Balances:									
Fund balances restricted for:									
Impact fees	-	-	-	-	-	3,633,433	-	-	3,633,433
Assigned for:									
Debt service fund	217,249	-	-	-	-	-	-	-	217,249
Special revenue funds	-	-	-	-	-	-	199,999	303,414	503,413
Total fund balances	<u>217,249</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,633,433</u>	<u>199,999</u>	<u>303,414</u>	<u>4,354,095</u>
Total Liabilities, Deferred inflows of resources, and fund balances	<u>\$ 506,838</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,633,433</u>	<u>\$ 204,053</u>	<u>\$ 12,283,983</u>	<u>\$ 16,628,307</u>

EAGLE MOUNTAIN CITY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Debt Service		Capital Projects			Special Revenue			Total Nonmajor Governmental Funds
	Special Assess. Area -2014	Debt Service 2000-1	Special Improv. Dist. 98-1	Special Improv. Dist. 98-3	Special Improv. Revenue 97-1	Impact Fee Transportation	Cemetery	RDA	
REVENUES									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,295,560	\$ 3,295,560
Special assessments	195,754	-	-	-	-	-	-	-	195,754
Impact fees	-	-	-	-	-	1,888,302	-	-	1,888,302
Charges for services	-	-	-	-	-	-	75,330	-	75,330
Miscellaneous	391	-	-	-	-	740	-	-	1,131
Total revenues	<u>196,145</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,889,042</u>	<u>75,330</u>	<u>3,295,560</u>	<u>5,456,077</u>
EXPENDITURES									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public works	20,000	-	-	-	-	356,944	-	-	376,944
Community Development	-	-	-	-	-	-	20,187	2,992,276	3,012,463
Debt service:									
Principal retirement	180,000	-	-	-	-	185,184	-	-	365,184
Interest and fiscal charges	33,056	-	-	-	-	49,038	-	-	82,094
Total expenditures	<u>233,056</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>591,166</u>	<u>20,187</u>	<u>2,992,276</u>	<u>3,836,685</u>
Excess revenues over (under) expenditures	<u>(36,911)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,297,876</u>	<u>55,143</u>	<u>303,284</u>	<u>1,619,392</u>
Other financing sources (uses)									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	(17)	(113,956)	(369,820)	(725,772)	(2,405,056)	-	-	(3,614,621)
Total other financing sources and uses	<u>-</u>	<u>(17)</u>	<u>(113,956)</u>	<u>(369,820)</u>	<u>(725,772)</u>	<u>(2,405,056)</u>	<u>-</u>	<u>-</u>	<u>(3,614,621)</u>
Excess revenues and other sources over (under) expend. and other uses	<u>(36,911)</u>	<u>(17)</u>	<u>(113,956)</u>	<u>(369,820)</u>	<u>(725,772)</u>	<u>(1,107,180)</u>	<u>55,143</u>	<u>303,284</u>	<u>(1,995,229)</u>
Fund balances - beginning of year	254,160	17	113,956	369,820	725,772	4,740,613	144,856	130	6,349,324
Fund balances - end of year	<u>\$ 217,249</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,633,433</u>	<u>\$ 199,999</u>	<u>\$ 303,414</u>	<u>\$ 4,354,095</u>

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Special Assessment Area - 2014
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Totals	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Special assessments	\$ 126,750	\$ 126,750	\$ 195,754	\$ 69,004
Miscellaneous	-	-	391	391
Total revenues	126,750	126,750	196,145	69,395
EXPENDITURES				
Public works	21,750	21,750	20,000	1,750
Debt service				
Principal	55,000	55,000	180,000	(125,000)
Interest and fees	50,000	50,000	33,056	16,944
Total expenditures	126,750	126,750	233,056	(106,306)
Excess (deficit) of revenues over (under) expenditures	-	-	(36,911)	(36,911)
OTHER FINANCING SOURCES (USES)				
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	(36,911)	(36,911)
Fund balances - beginning	254,160	254,160	254,160	-
Fund balances - ending	\$ 254,160	\$ 254,160	\$ 217,249	\$ (36,911)

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Special Improvement District 2000-1
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Totals	Final Budget - Positive (Negative)
REVENUES				
Special assessments	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Public works	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficit) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Operating transfers out	-	-	(17)	(17)
Total other financing sources and uses	-	-	(17)	(17)
Net change in fund balance	-	-	(17)	(17)
Fund balances - beginning	17	17	17	-
Fund balances - ending	\$ 17	\$ 17	\$ -	\$ (17)

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Special Improvement District 98-1
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Totals	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Impact fees	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficit) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Operating transfers out		-	(133,956)	(133,956)
Total other financing sources	-	-	(133,956)	(133,956)
Net Change in Fund Balance	-	-	(133,956)	(133,956)
Fund balances - beginning	133,956	133,956	133,956	-
Fund balances - ending	\$ 133,956	\$ 133,956	\$ -	\$ (133,956)

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Special Improvement District 98-3
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Totals	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Impact fees	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Public works	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficit) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Operating transfers out		-	(369,820)	(369,820)
Total other financing sources	-	-	(369,820)	(369,820)
Net change in fund balance	-	-	(369,820)	(369,820)
Fund balances - beginning	369,820	369,820	369,820	-
Fund balances - ending	\$ 369,820	\$ 369,820	\$ -	\$ (369,820)

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Special Improvement District 97-1
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Totals	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Impact fees	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Public works	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficit) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Operating transfers out	-	-	(725,772)	(725,772)
Total other financing sources	-	-	(725,772)	(725,772)
Net change in fund balance	-	-	(725,772)	(725,772)
Fund balances - beginning	725,772	725,772	725,772	-
Fund balances - ending	<u>\$ 725,772</u>	<u>\$ 725,772</u>	<u>\$ -</u>	<u>\$ (725,772)</u>

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Transportation Impact Fee
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Totals	
REVENUES				
Interest	\$ -	\$ -	\$ 740	\$ 740
Impact fees	-	-	1,888,302	1,888,302
Total revenues	-	-	1,889,042	1,889,042
EXPENDITURES				
Public works	-	112,000	356,944	(244,944)
Debt service:				
Principal retirement	-	-	185,184	(185,184)
Interest and fiscal charges	-	-	49,038	(49,038)
Total expenditures	-	112,000	591,166	(479,166)
Excess (deficit) of revenues over (under) expenditures	-	(112,000)	1,297,876	1,409,876
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	-
Operating transfers out	-	(1,897,290)	(2,405,056)	(507,766)
Total other financing sources	-	(1,897,290)	(2,405,056)	(507,766)
Net change in fund balance	-	(2,009,290)	(1,107,180)	902,110
Fund balances - beginning	4,740,613	4,740,613	4,740,613	-
Fund balances - ending	<u>\$ 4,740,613</u>	<u>\$ 2,731,323</u>	<u>\$ 3,633,433</u>	<u>\$ 902,110</u>

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Cemetery Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Totals	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 50,500	\$ 50,500	\$ 75,330	\$ 24,830
Intergovernmental	-	-	-	-
Total revenues	50,500	50,500	75,330	24,830
EXPENDITURES				
Community Development	50,009	50,009	20,187	29,822
Total expenditures	50,009	50,009	20,187	29,822
Excess (deficit) of revenues over (under) expenditures	491	491	55,143	54,652
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	491	491	55,143	54,652
Fund balances - beginning	144,856	144,856	144,856	-
Fund balances - ending	\$ 145,347	\$ 145,347	\$ 199,999	\$ 54,652

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Redevelopment Agency
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Totals	
REVENUES				
Taxes	\$ 7,742,407	\$ 7,742,407	\$ 3,295,560	\$ (4,446,847)
Total revenues	7,742,407	7,742,407	3,295,560	(4,446,847)
EXPENDITURES				
Community Development	7,742,407	7,742,407	2,992,276	4,750,131
Total expenditures	7,742,407	7,742,407	2,992,276	4,750,131
Excess (deficit) of revenues over (under) expenditures	-	-	303,284	303,284
OTHER FINANCING SOURCES (USES)				
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	303,284	303,284
Fund balances - beginning	130	130	130	-
Fund balances - ending	\$ 130	\$ 130	\$ 303,414	\$ 303,284

EAGLE MOUNTAIN CITY
Combining Statement of Net Position
Internal Service Funds
June 30, 2022

	<u>Fleet</u>	<u>Utility Billing</u>	<u>GIS Services</u>	<u>Total</u>
<u>ASSETS</u>				
Current assets:				
Cash and cash equivalents	\$ 1,576,106	192,156	\$ 205,942	\$ 1,974,204
Accounts receivable - net	-	425	-	425
Total current assets	<u>1,576,106</u>	<u>192,581</u>	<u>205,942</u>	<u>1,974,629</u>
Noncurrent assets:				
Net pension asset	20,864	33,452	33,452	87,768
Land, equipment, buildings and improvements	4,853,912	13,996	34,582	4,902,490
Less: Accumulated depreciation	<u>(2,928,224)</u>	<u>(13,996)</u>	<u>(34,582)</u>	<u>(2,976,802)</u>
Total noncurrent assets	<u>1,946,552</u>	<u>33,452</u>	<u>33,452</u>	<u>2,013,456</u>
Total assets	<u>3,522,658</u>	<u>226,033</u>	<u>239,394</u>	<u>3,988,085</u>
<u>DEFERRED OUT FLOW OF RESOURCES</u>				
Pension related costs	<u>11,314</u>	<u>21,316</u>	<u>18,126</u>	<u>50,756</u>
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable and accrued liabilities	194,034	9,684	3,400	207,118
Current portion of long-term debt	<u>58,299</u>	<u>-</u>	<u>-</u>	<u>58,299</u>
Total current liabilities	<u>252,333</u>	<u>9,684</u>	<u>3,400</u>	<u>265,417</u>
Noncurrent liabilities:				
Compensated absences	<u>8,841</u>	<u>3,660</u>	<u>838</u>	<u>13,339</u>
Total noncurrent liabilities	<u>8,841</u>	<u>3,660</u>	<u>838</u>	<u>13,339</u>
Total liabilities	<u>261,174</u>	<u>13,344</u>	<u>4,238</u>	<u>278,756</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Pension related costs	<u>29,482</u>	<u>58,522</u>	<u>47,222</u>	<u>135,226</u>
Net Position:				
Net investment in capital assets	1,888,253	-	-	1,888,253
Unrestricted	<u>1,355,063</u>	<u>175,483</u>	<u>206,060</u>	<u>1,736,606</u>
Total net Position	<u>\$ 3,243,316</u>	<u>\$ 175,483</u>	<u>\$ 206,060</u>	<u>\$ 3,624,859</u>

EAGLE MOUNTAIN CITY
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2022

	Fleet	Utility Billing	GIS Services	Total
Operating revenues:				
Charges for services	\$ 1,284,973	\$ 257,585	\$ 273,431	\$ 1,815,989
Other operating revenue	52,128	-	-	52,128
Total operating revenues	1,337,101	257,585	273,431	1,868,117
Operating expenses:				
Salaries and wages	108,464	146,950	97,438	352,852
Purchased services	17,045	82,682	38,057	137,784
Materials and supplies	333,874	-	-	333,874
Depreciation and amortization	618,389	-	-	618,389
Miscellaneous	-	3,237	1,371	4,608
Total operating expenses	1,077,772	232,869	136,866	1,447,507
Operating income	259,329	24,716	136,565	420,610
Nonoperating revenues (expenses):				
Interest revenue	794	-	-	794
Interest expense	(3,866)	-	-	(3,866)
Total nonoperating revenues (expenses)	(3,072)	-	-	(3,072)
Net income (loss) before contributions and transfers	256,257	24,716	136,565	417,538
Contributions and transfers				
Total contributions and transfers	-	-	-	-
Change in net Position	256,257	24,716	136,565	417,538
Total net position - beginning	2,987,059	150,767	69,495	3,207,321
Total net position - ending	\$ 3,243,316	\$ 175,483	\$ 206,060	\$ 3,624,859

EAGLE MOUNTAIN CITY
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2022

	Fleet	Utility Billing	GIS Services	Total
Cash Flows From Operating Activities				
Receipts from customers	\$ 1,337,101	\$ 257,410	\$ 273,431	\$ 1,867,942
Payments to employees	(117,691)	(161,188)	(113,853)	(392,732)
Payments to suppliers	(188,278)	(80,594)	(39,699)	(308,571)
Net cash provided (used) by operating activities	1,031,132	15,628	119,879	1,166,639
Cash Flows From Noncapital Financing Activities				
Net cash provided (used) by noncapital financing activities	-	-	-	-
Cash Flows From Capital and Related Financing Activities				
Acquisition of capital assets	(576,622)	-	-	(576,622)
Principal paid on outstanding debt	(56,397)	-	-	(56,397)
Interest paid on outstanding debt	(3,866)	-	-	(3,866)
Net cash provided (used) by capital and related financing activities	(636,885)	-	-	(636,885)
Cash Flows From Investing Activities				
Interest and dividends received	794	-	-	794
Net cash provided (used) by investing and related financing activities	794	-	-	794
Net increase (decrease) in cash and cash equivalents	395,041	15,628	119,879	530,548
Cash and cash equivalents - beginning	1,181,065	176,528	86,063	1,443,656
Cash and cash equivalents (deficit) - end	\$ 1,576,106	\$ 192,156	\$ 205,942	\$ 1,974,204
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income	\$ 259,329	\$ 24,716	\$ 136,565	\$ 420,610
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	618,389	-	-	618,389
(Increase)/decrease in accounts receivable	-	(175)	-	(175)
(Increase)/decrease in net pension asset	(20,864)	(33,452)	(33,452)	(87,768)
(Increase)/decrease in deferred outflows	(2,728)	(709)	(4,388)	(7,825)
Increase/(decrease) in accounts payable	162,641	5,325	(271)	167,695
Increase/(decrease) in net pension liability	(2,016)	(4,840)	(3,226)	(10,082)
Increase/(decrease) in deferred inflows	15,357	24,622	24,622	64,601
Increase/(decrease) in compensated absences	1,024	141	29	1,194
Total adjustments	771,803	(9,088)	(16,686)	746,029
Net cash provided (used) by operating activities	\$ 1,031,132	\$ 15,628	\$ 119,879	\$ 1,166,639



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—
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**INDEPENDENT AUDITOR'S 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***

Honorable Mayor and Members of the City Council
Eagle Mountain City
Eagle Mountain, Utah

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Eagle Mountain City (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 21, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Eagle Mountain City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatements, we 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gilbert & Stewart

GILBERT & STEWART, CPA PC
Provo, Utah
December 21, 2022



GILBERT & STEWART

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE STATE COMPLIANCE AUDIT GUIDE

Honorable Mayor and
Members of the City Council
Eagle Mountain City, Utah

Report On Compliance

We have audited Eagle Mountain City's ("the City") compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor, that could have a direct and material effect on the City for the year ended June 30, 2022.

State compliance requirements were tested for the year ended June 30, 2022 in the following areas:

Budgetary Compliance
Fund Balance
Fraud Risk Assessment
Restricted Taxes and Related Revenues
Government Fees
Utah Retirement Systems
Cash Management

Management's Responsibility

Management is responsible for compliance with the state requirements referred to above.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit of the compliance requirements referred to above. We conducted our audit of compliance 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 Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the City occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Compliance

In our opinion, Eagle Mountain City, complied, in all material respects, with the state compliance requirements identified above for the year ended June 30, 2022.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the State Audit Guide and which are described in a separate letter to management dated December 21, 2022, as items 2022-1 and 2022-2. Our opinion on compliance was not modified with respect to these matters.

The City's response to the noncompliance findings identified in our audit is described in a separate letter to management. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the compliance requirements that could have a direct and material effect on the City to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

We noted matters involving internal control over compliance which we are submitting for your consideration. These matters are described in a separate letter to management as items 2022-1 and 2022-2.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Gilbert & Stewart

GILBERT & STEWART, CPA, PC.

Provo, Utah

December 21, 2022

UPCOMING AGENDA ITEMS

Upcoming Items

Consolidated Fee Schedule Update – Impact Fees
City Mission Statement
Master Transportation Plan

Planning Items

Eagle Mountain Big Box Concept Plan
Eagle Quest East Master Development Agreement
Gardner Farms Concept Plan
Harmony Phase A, Plat 14 Site Plan
Lower Hidden Valley MDA/MDP Amendment
McLachlan Rezone
Pole Canyon MDA/MDP Amendment
Porter's Crossing Town Center MDA/MDP Amendment
Rush Creek Rezone
Sunset Flats Storage Unit Concept Plan

Code Amendments

Accessory Structures
Architectural Standards
Parking Codes
Religious Land Uses
Streetlights