

NOTICE

*The Utility Board will meet on Thursday, February 27th, 2020 at 6:00 p.m. M.D.T.
At 320 East Newel Avenue, Hildale, Utah 84784.*

AGENDA:

1. Call to Order
2. Prayer & Pledge of Allegiance
3. Public Comment
4. Approval of Meeting Minutes
5. Review of Audit
6. Director Report
7. Financial Report
8. Update of Preliminary Water Treatment Options
9. Consideration and Possible Action on Repair and Control of Annex Building
10. Consideration and Possible Action on Master Fiber Agreement
11. Review of Annual Standard Financial Disclosure/Conflict of Interest Forms
12. Consideration and Possible Action on 2020 Annual Schedule
13. Adjournment

Agenda items and any variables thereto are set for consideration, discussion, approval or other action. The Utility Board may, by motion, recess into executive session which is not open to the public, to receive legal advice from their attorney(s) on any agenda item, or regarding sensitive personnel issues, or concerning negotiations for the purchase, sale or lease of real property. Board Members may attend by telephone. The Agenda may be subject to change up to 24 hours prior to the meeting. Individuals needing special accommodations should notify the City Recorder at 435-874-2323 at least three days prior to the meeting.



HCC UTILITY DEPARTMENT
MAKING CONNECTIONS

Director's Report

February 27, 2020

Hildale-Colorado City Utility Department
320 East Newel Avenue, Hildale UT 84784

Account Update

Number of accounts billed for January 2020:

Water base rate	871
Sewer	820
Gas base rate	683
Water Penalties	477
Gas Penalties	398

of shut off notices printed January 15, 2020 187

of final billed accounts with final bill date in January is 17

of new connect accounts in November is 11

Rural Water Conference

This month's Safety Council convened on the topic of Traffic Control and the need to standardize and implement the Manual on Uniform Traffic Control Devices, share resources and enhance safety awareness. Nathan Fischer, the Department's Gas Superintendent, is also a Traffic Control Safety Supervisor, who will begin drafting a city-wide policy.

Operations Projects

The Department completed the gas line extension south on Central to reach Bee's Marketplace.



Additionally, the crew has been working on supporting projects along SR-59, and on Mohave Ave. Locating fiber systems for Hildale City was also a priority this month.

Safety Council, and Culture

The Department and Public Works submitted their Interdepartmental Gas Operations Policy and is awaiting the City Manager’s input and approval. The policy dictates the locating and emergency preparations when operating on or near gas transmission or distribution lines across departments. A copy is provided for your reference.

We pushed off this month’s meeting due to scheduling conflicts within the Department due to the Rural Water Conference.

Hildale City Future Impact Fee Waivers

Hildale City has agreed to waive future impact fees for South Zion Estates 24 Lot project on North Jessop Ave for 15 years. This waiver agreement will currently be covered by Hildale City’s General Fund and as of this moment, will not impact the Department’s Enterprise Funds. Further discussion at Hildale City Council is ongoing. The Department may be asked to provide further information to support discussions of impact fee waivers and any future policies. See Colorado City’s position on Hildale City’s impact fee’s decision for their official input.

Upon updating of our current Water Master Plan and adoption of a Radium Remediation Program, the Department will be able to provide a clearer picture of impact fees and potential waivers. More discussion is forthcoming in the months ahead.

Compliance and Regulatory

The Utah State Water Law, which is being implemented by the Division of Water Rights has caused some complications in reporting. The State is requiring Peak Day usage for the years 2016 through 2019 which requires daily metering during your peak months. The Department did not take data for 2016 to 2018, which has incurred some deficiency ISPS Points for administrative issues. To remove these points, the Division of Water Rights has indicated that they would be willing to accept the Water Master Plan’s historical data for years 2016, 2017, and 2018.

Our plan for 2020 will be daily system flow data collection from the Water Plant the Canyon Wells.

Earnings Report

2019		2020	
Description	Totals	Description	Totals
MT-WTR Usage	115,489	MT-WTR Usage	12,161
MT-NGAS Usage	51,349	MT-NGAS Usage	51,766
MT-PRO Usage	35,843	MT-PRO Usage	34,579
LP Usage	12,496	LP Usage	14,906
Description	Totals	Description	Totals
PENALTY-W Amount	\$9,394.41	PENALTY-W Amount	14,650.74
PENALTY-G Amount	\$3,611.99	PENALTY-G Amount	4,280.29
BR-WTR Amount	\$30,556.74	BR-WTR Amount	30,707.02
MT-WTR Amount	\$21,444.99	MT-WTR Amount	15,168.65
MT-NGAS Amount	\$51,807.74	MT-NGAS Amount	47,174.85
BR-GAS Amount	\$5,029.89	BR-GAS Amount	4,647.52
SEWER Amount	\$71,230.08	SEWER Amount	71,828.33
MT-PRO Amount	\$58,780.52	MT-PRO Amount	50,003.68
LP Amount	\$22,802.31	DIST- LP Amount	605.95
Distribtution-NG	\$95.39	LP Amount	23,913.12
		CYL-EX Amount	19.99
Total Charges	\$274,780.80	Total Charges	\$ 262,998.14

CITY OF HILDALE
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 7 MONTHS ENDING JANUARY 31, 2020

2017 JUDGMENT RESOLUTION FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>REVENUES</u>					
63-38-101 TRANSFER FROM GENERAL FUND	.00	9,128.48	40,000.00	30,871.52	22.8
63-38-102 TRANSFER FROM WATER FUND	.00	3,042.83	13,600.00	10,557.17	22.4
63-38-103 TRANSFER FROM WASTEWATER	.00	3,042.83	13,300.00	10,257.17	22.9
63-38-105 TRANSFER FROM GAS FUND	.00	3,042.83	13,600.00	10,557.17	22.4
TOTAL REVENUES	.00	18,256.97	80,500.00	62,243.03	22.7
TOTAL FUND REVENUE	.00	18,256.97	80,500.00	62,243.03	22.7

CITY OF HILDALE
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 7 MONTHS ENDING JANUARY 31, 2020

2017 JUDGMENT RESOLUTION FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>EXPENDITURES</u>					
63-41-310 PROFESSIONAL & TECHNICAL	2,422.43	20,679.40	60,500.00	39,820.60	34.2
63-41-315 LEGAL - GENERAL	.00	.00	20,000.00	20,000.00	.0
TOTAL EXPENDITURES	<u>2,422.43</u>	<u>20,679.40</u>	<u>80,500.00</u>	<u>59,820.60</u>	<u>25.7</u>
TOTAL FUND EXPENDITURES	<u>2,422.43</u>	<u>20,679.40</u>	<u>80,500.00</u>	<u>59,820.60</u>	<u>25.7</u>
NET REVENUE OVER EXPENDITURES	<u>(2,422.43)</u>	<u>(2,422.43)</u>	<u>.00</u>	<u>2,422.43</u>	<u>.0</u>

CITY OF HILDALE
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 7 MONTHS ENDING JANUARY 31, 2020

LITIGATION DEFENSE FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUES</u>					
64-38-101 TRANSFER FROM GENERAL FUND	.00	7,862.51	17,900.00	10,037.49	43.9
64-38-102 TRANSFER FROM WATER FUND	.00	7,862.56	17,900.00	10,037.44	43.9
64-38-103 TRANSFER FROM WASTEWATER	.00	7,862.56	17,900.00	10,037.44	43.9
64-38-105 TRANSFER FROM GAS FUND	.00	7,862.56	17,900.00	10,037.44	43.9
TOTAL REVENUES	.00	31,450.19	71,600.00	40,149.81	43.9
TOTAL FUND REVENUE	.00	31,450.19	71,600.00	40,149.81	43.9

CITY OF HILDALE
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 7 MONTHS ENDING JANUARY 31, 2020

LITIGATION DEFENSE FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
64-41-230 TRAVEL	.00	.00	2,700.00	2,700.00	.0
64-41-250 EQUIPMENT SUPPLIES & MAINT	.00	116.84	.00	(116.84)	.0
64-41-316 LEGAL - LITIGATION DEFENSE	.00	.00	68,900.00	68,900.00	.0
64-41-911 JUDGMENTS AND LOSSES	6,266.67	43,866.69	.00	(43,866.69)	.0
TOTAL EXPENDITURES	6,266.67	43,983.53	71,600.00	27,616.47	61.4
TOTAL FUND EXPENDITURES	6,266.67	43,983.53	71,600.00	27,616.47	61.4
NET REVENUE OVER EXPENDITURES	(6,266.67)	(12,533.34)	.00	12,533.34	.0

CITY OF HILDALE
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 7 MONTHS ENDING JANUARY 31, 2020

JOINT ADMINISTRATION FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUES</u>					
65-38-102 TRANSFER FROM WATER FUND	.00	188,928.52	305,130.00	116,201.48	61.9
65-38-103 TRANSFER FROM WASTEWATER	.00	175,433.66	403,232.00	227,798.34	43.5
65-38-105 TRANSFER FROM GAS FUND	.00	67,474.49	312,802.00	245,327.51	21.6
65-38-900 SUNDRY REVENUES	2,334.00	9,353.50	.00	(9,353.50)	.0
TOTAL REVENUES	2,334.00	441,190.17	1,021,164.00	579,973.83	43.2
TOTAL FUND REVENUE	2,334.00	441,190.17	1,021,164.00	579,973.83	43.2

CITY OF HILDALE
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 7 MONTHS ENDING JANUARY 31, 2020

JOINT ADMINISTRATION FUND

EXPENDITURES	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
65-41-110 SALARIES-PERMANENT EMPLOYEES	71,547.93	259,675.01	445,568.00	185,892.99	58.3
65-41-117 ATTORNEY SALARY	.00	.00	40,000.00	40,000.00	.0
65-41-130 PAYROLL TAXES	7,293.12	40,960.44	46,294.00	5,333.56	88.5
65-41-140 BENEFITS-OTHER	12,509.70	60,331.17	100,470.00	40,138.83	60.1
65-41-144 PRINT AND POSTAGE	1,142.99	1,401.46	10,000.00	8,598.54	14.0
65-41-150 STIPENDS - UTILITY BOARD	800.00	6,100.00	11,700.00	5,600.00	52.1
65-41-160 MERCHANT PROCESSING	1,371.47	9,413.68	30,000.00	20,586.32	31.4
65-41-165 CAPITAL BUILDING	.00	.00	2,000.00	2,000.00	.0
65-41-170 CAPITAL EQUIPMENT	.00	.00	3,000.00	3,000.00	.0
65-41-175 CAPITAL RESERVES PURCHASES	.00	.00	12,000.00	12,000.00	.0
65-41-230 TRAVEL	.00	175.06	.00	(175.06)	.0
65-41-235 FOOD & REFRESHMENT	445.03	1,432.44	6,000.00	4,567.56	23.9
65-41-240 OFFICE EXPENSE & SUPPLIES	54.28	790.15	.00	(790.15)	.0
65-41-250 EQUIPMENT SUPPLIES & MAINT	2,059.38	13,816.23	26,500.00	12,683.77	52.1
65-41-257 FUEL	1,745.00	15,035.16	28,000.00	12,964.84	53.7
65-41-260 TOOLS & EQUIPMENT-NON CAPITAL	1,986.87	13,438.02	26,000.00	12,561.98	51.7
65-41-271 MAINT & SUPPLY - OFFICE	694.76	2,342.04	4,000.00	1,657.96	58.6
65-41-280 UTILITIES	2,344.06	9,708.60	14,000.00	4,291.40	69.4
65-41-285 POWER	798.78	3,799.04	12,900.00	9,100.96	29.5
65-41-287 TELEPHONE	543.90	543.90	.00	(543.90)	.0
65-41-310 PROFESSIONAL & TECHNICAL	2,012.63	12,379.32	25,300.00	12,920.68	48.9
65-41-313 AUDITOR	4,887.19	25,637.19	25,000.00	(637.19)	102.6
65-41-315 LEGAL - GENERAL	.00	.00	5,000.00	5,000.00	.0
65-41-317 INFORMATION TECHNOLOGY - CONS	127.96	3,401.03	.00	(3,401.03)	.0
65-41-318 INFORMATION TECHNOLOGY - SOFTW	650.00	650.00	.00	(650.00)	.0
65-41-319 INFORMATION TECHNOLOGY - SYSTE	.00	19.75	.00	(19.75)	.0
65-41-330 EDUCATION	35.70	831.70	9,000.00	8,168.30	9.2
65-41-510 INSURANCE	8,067.80	67,424.50	130,000.00	62,575.50	51.9
65-41-521 CREDIT CARD EXPENSE	489.99	489.99	.00	(489.99)	.0
65-41-720 BUILDINGS	.00	547.97	10,000.00	9,452.03	5.5
65-41-741 EQUIPMENT - OFFICE	.00	.00	3,200.00	3,200.00	.0
65-41-850 DEBT SERVICE - VEHICLE & EQUIP	.00	15,757.04	11,000.00	(4,757.04)	143.3
65-41-900 AUTOMATIC PAYMENT INCENTIVE	.00	.00	3,000.00	3,000.00	.0
65-41-901 SURVEY INCENTIVE PROGRAM	.00	(200.00)	11,000.00	11,200.00	(1.8)
65-41-960 TRANSFERS TO RESERVE FUNDS	.00	.00	27,000.00	27,000.00	.0
TOTAL EXPENDITURES	121,608.54	565,900.89	1,077,932.00	512,031.11	52.5
TOTAL FUND EXPENDITURES	121,608.54	565,900.89	1,077,932.00	512,031.11	52.5
NET REVENUE OVER EXPENDITURES	(119,274.54)	(124,710.72)	(56,768.00)	67,942.72	(219.7)

CITY OF HILDALE
REVENUES WITH COMPARISON TO BUDGET
FOR THE 7 MONTHS ENDING JANUARY 31, 2020

WATER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OPERATING REVENUES</u>					
81-37-111 WATER SALES - METERED	14,724.80	237,629.94	247,279.00	9,649.06	96.1
81-37-121 WATER SALES - FLAT RATE	30,880.14	216,111.96	327,651.00	111,539.04	66.0
81-37-331 CONNECTION CHARGES	1,665.00	13,545.00	25,000.00	11,455.00	54.2
81-37-332 CONSTRUCTION	160.00	10,962.87	62,400.00	51,437.13	17.6
81-37-411 INTEREST	.00	5,603.26	3,600.00	(2,003.26)	155.7
81-37-412 PENALTIES	14,650.74	120,542.97	50,000.00	(70,542.97)	241.1
TOTAL OPERATING REVENUES	62,080.68	604,396.00	715,930.00	111,534.00	84.4
<u>NON-OPERATING REVENUE</u>					
81-38-440 SUNDRY NON-OPERATING REVENUE	.00	.00	5,000.00	5,000.00	.0
81-38-450 TRANSFERS FROM R&R RESERVES	.00	.00	150,000.00	150,000.00	.0
81-38-999 CONTINGENCY	.00	.00	200,000.00	200,000.00	.0
TOTAL NON-OPERATING REVENUE	.00	.00	355,000.00	355,000.00	.0
TOTAL FUND REVENUE	62,080.68	604,396.00	1,070,930.00	466,534.00	56.4

CITY OF HILDALE
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 7 MONTHS ENDING JANUARY 31, 2020

WATER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OPERATING EXPENDITURES</u>					
81-41-210 BOOKS, SUBSCR, & MEMBERSHIPS	.00	100.00	1,500.00	1,400.00	6.7
81-41-230 TRAVEL	.00	3,005.89	4,600.00	1,594.11	65.4
81-41-235 FOOD & REFRESHMENT	.00	31.53	600.00	568.47	5.3
81-41-250 EQUIPMENT SUPPLIES & MAINT	46.86	46.86	16,000.00	15,953.14	.3
81-41-257 FUEL	.00	27.03	200.00	172.97	13.5
81-41-260 TOOLS & EQUIPMENT-NON CAPITAL	.00	154.78	5,000.00	4,845.22	3.1
81-41-273 MAINT & SUPPLY - SYSTEM	3,060.51	21,871.28	58,000.00	36,128.72	37.7
81-41-285 POWER	5,507.30	78,776.31	80,000.00	1,223.69	98.5
81-41-311 ENGINEER	15,390.00	15,390.00	5,000.00	(10,390.00)	307.8
81-41-314 LABORATORY & TESTING	760.00	6,993.00	8,000.00	1,007.00	87.4
81-41-315 LEGAL - GENERAL	.00	.00	1,000.00	1,000.00	.0
81-41-330 EDUCATION	245.00	245.00	4,000.00	3,755.00	6.1
81-41-340 SYSTEM CONSTRUCTION SERVICES	.00	580.00	2,000.00	1,420.00	29.0
81-41-341 CONST-CUSTOMER'S INSTALLATION	.00	9,437.49	62,400.00	52,962.51	15.1
81-41-432 SPECIAL DEPT SUPPLIES	763.41	4,553.58	18,500.00	13,946.42	24.6
81-41-434 2019 WATER GRANT	.00	62,201.57	.00	(62,201.57)	.0
81-41-580 RENT OR LEASE	.00	1,180.84	.00	(1,180.84)	.0
TOTAL OPERATING EXPENDITURES	25,773.08	204,595.16	266,800.00	62,204.84	76.7
<u>NON-OPERATING EXPENDITURES</u>					
81-42-560 BAD DEBT EXPENSE	.00	.00	2,000.00	2,000.00	.0
81-42-730 IMPROVEMENTS OTHER THAN BLDGS	.00	.00	2,200.00	2,200.00	.0
81-42-742 EQUIPMENT - FIELD	.00	.00	2,500.00	2,500.00	.0
81-42-755 AZ STATE TAX SETTLEMENT	.00	150,000.00	150,000.00	.00	100.0
81-42-780 RESERVE PURCHASES	.00	7,484.69	.00	(7,484.69)	.0
81-42-815 PRINC. & INT W.RIGHTS LOAN	.00	.00	41,300.00	41,300.00	.0
81-42-911 TRANSFERS TO JOINT ADMIN FUND	.00	188,928.52	305,130.00	116,201.48	61.9
81-42-912 TRANSFERS TO LITIGATION	.00	7,862.56	17,900.00	10,037.44	43.9
81-42-914 TRANSFERS TO 2017 JMT RES FUND	.00	3,042.83	13,300.00	10,257.17	22.9
81-42-960 TRANSFERS TO RESERVE FUNDS	.00	.00	69,800.00	69,800.00	.0
81-42-999 CONTINGENCY	.00	.00	200,000.00	200,000.00	.0
TOTAL NON-OPERATING EXPENDITURES	.00	357,318.60	804,130.00	446,811.40	44.4
TOTAL FUND EXPENDITURES	25,773.08	561,913.76	1,070,930.00	509,016.24	52.5
NET REVENUE OVER EXPENDITURES	36,307.60	42,482.24	.00	(42,482.24)	.0

CITY OF HILDALE
REVENUES WITH COMPARISON TO BUDGET
FOR THE 7 MONTHS ENDING JANUARY 31, 2020

WASTEWATER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OPERATING REVENUES</u>					
82-37-311 SERVICE CHARGES	58,515.77	406,331.81	640,265.00	233,933.19	63.5
82-37-312 SERVICE CHARGES - CPMCWID	13,295.03	92,516.09	145,000.00	52,483.91	63.8
82-37-331 CONNECTION CHARGES	.00	(2,320.00)	10,000.00	12,320.00	(23.2)
82-37-332 SERVICING CUSTOMER INSTALL	150.00	5,016.88	20,000.00	14,983.12	25.1
82-37-411 INTEREST	.00	11,322.13	4,500.00	(6,822.13)	251.6
82-37-440 SUNDRY NON-OPERATING REVENUE	.00	1,000.00	.00	(1,000.00)	.0
82-37-451 IMPACT FEE	.00	.00	10,000.00	10,000.00	.0
82-37-452 IMPACT FEE - CPMCWID	5,425.00	45,950.00	10,000.00	(35,950.00)	459.5
TOTAL OPERATING REVENUES	77,385.80	559,816.91	839,765.00	279,948.09	66.7
<u>NON-OPERATING REVENUES</u>					
82-38-102 TRANSFERS FROM R&R RESERVE	.00	.00	55,000.00	55,000.00	.0
82-38-999 CONTINGENCY	.00	.00	200,000.00	200,000.00	.0
TOTAL NON-OPERATING REVENUES	.00	.00	255,000.00	255,000.00	.0
TOTAL FUND REVENUE	77,385.80	559,816.91	1,094,765.00	534,948.09	51.1

CITY OF HILDALE
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 7 MONTHS ENDING JANUARY 31, 2020

WASTEWATER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OPERATING EXPENDITURES</u>					
82-41-210 BOOKS, SUBSCR, & MEMBERSHIPS	.00	.00	500.00	500.00	.0
82-41-230 TRAVEL	.00	1,352.59	4,600.00	3,247.41	29.4
82-41-250 EQUIPMENT SUPPLIES & MAINT	118.60	924.35	8,000.00	7,075.65	11.6
82-41-257 FUEL	445.03	1,563.06	2,500.00	936.94	62.5
82-41-260 TOOLS & EQUIPMENT-NON CAPITAL	.00	1,413.94	7,000.00	5,586.06	20.2
82-41-273 MAINTENANCE & SUPPLY - SYSTEM	25.03	20,317.05	55,000.00	34,682.95	36.9
82-41-285 POWER	1,276.65	11,826.68	36,000.00	24,173.32	32.9
82-41-311 ENGINEER	.00	.00	500.00	500.00	.0
82-41-314 LABORATORY & TESTING	.00	.00	1,500.00	1,500.00	.0
82-41-315 LEGAL - GENERAL	.00	.00	1,000.00	1,000.00	.0
82-41-330 EDUCATION	.00	.00	5,000.00	5,000.00	.0
82-41-340 SYSTEM CONSTRUCTION SERVICES	.00	.00	5,000.00	5,000.00	.0
82-41-341 CONST-CUSTOMER'S INSTALLATION	.00	214.50	20,000.00	19,785.50	1.1
TOTAL OPERATING EXPENDITURES	1,865.31	37,612.17	146,600.00	108,987.83	25.7
<u>NON-OPERATING EXPENSES</u>					
82-42-560 BAD DEBT EXPENSE	.00	.00	1,500.00	1,500.00	.0
82-42-720 BUILDINGS	.00	.00	5,000.00	5,000.00	.0
82-42-742 EQUIPMENT - FIELD	.00	.00	5,400.00	5,400.00	.0
82-42-780 RESERVE PURCHASES	.00	5,381.56	55,000.00	49,618.44	9.8
82-42-812 PRINCIPAL ON BONDS - RDA B	3,079.02	26,389.80	33,500.00	7,110.20	78.8
82-42-813 PRINCIPAL ON BONDS - RDA - C	582.30	4,030.71	6,400.00	2,369.29	63.0
82-42-816 PRINCIPAL ON BONDS - DWQ	.00	.00	80,000.00	80,000.00	.0
82-42-822 INTEREST ON BONDS - RDA - B	5,484.98	33,558.20	69,300.00	35,741.80	48.4
82-42-823 INTEREST ON BONDS - RDA - C	1,037.70	7,309.29	13,100.00	5,790.71	55.8
82-42-911 TRANSFERS TO JOINT ADMIN FUND	.00	175,433.66	460,000.00	284,566.34	38.1
82-42-912 TRANSFERS TO LITIGATION	.00	7,862.56	17,900.00	10,037.44	43.9
82-42-914 TRANSFERS TO 2017 JMT RES FUND	.00	3,042.83	13,300.00	10,257.17	22.9
82-42-960 TRANSFERS TO RESERVE FUNDS	.00	.00	92,900.00	92,900.00	.0
82-42-999 CONTINGENCY	.00	.00	200,000.00	200,000.00	.0
TOTAL NON-OPERATING EXPENSES	10,184.00	263,008.61	1,053,300.00	790,291.39	25.0
TOTAL FUND EXPENDITURES	12,049.31	300,620.78	1,199,900.00	899,279.22	25.1
NET REVENUE OVER EXPENDITURES	65,336.49	259,196.13	(105,135.00)	(364,331.13)	246.5

CITY OF HILDALE
REVENUES WITH COMPARISON TO BUDGET
FOR THE 7 MONTHS ENDING JANUARY 31, 2020

GAS FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OPERATING REVENUES</u>					
84-37-111 GAS SALES - METERED NAT GAS	47,116.40	134,137.99	150,000.00	15,862.01	89.4
84-37-112 GAS SALES - METERED PROPANE	73,867.87	252,800.47	379,874.00	127,073.53	66.6
84-37-113 GAS SALES - CYLINDER	244.78	2,180.63	10,600.00	8,419.37	20.6
84-37-114 GAS SALES - CYLINDER EXCHANGE	19.99	1,040.54	3,500.00	2,459.46	29.7
84-37-121 NATURAL GAS SALES - FLAT RATE	2,516.43	17,028.26	25,000.00	7,971.74	68.1
84-37-122 PROPANE GAS - FLAT RATE	3,816.21	22,353.44	34,000.00	11,646.56	65.8
84-37-160 CONSTRUCTION REVENUE	2,967.43	12,622.86	125,000.00	112,377.14	10.1
84-37-331 CONNECTION CHARGES	600.00	4,535.00	5,000.00	465.00	90.7
84-37-351 SUNDRY OPERATING REVENUE	.00	.00	47,000.00	47,000.00	.0
84-37-411 INTEREST	.00	7,237.49	3,500.00	(3,737.49)	206.8
84-37-412 PENALTIES	4,280.29	60,616.11	25,000.00	(35,616.11)	242.5
TOTAL OPERATING REVENUES	135,429.40	514,552.79	808,474.00	293,921.21	63.6
<u>NON-OPERATING REVENUES</u>					
84-38-102 TRANSFERS FROM R&R RESERVE	.00	.00	180,000.00	180,000.00	.0
84-38-901 APPROP - UTILITY FUND BALANCE	.00	.00	22,000.00	22,000.00	.0
84-38-999 CONTINGENCY	.00	.00	200,000.00	200,000.00	.0
TOTAL NON-OPERATING REVENUES	.00	.00	402,000.00	402,000.00	.0
TOTAL FUND REVENUE	135,429.40	514,552.79	1,210,474.00	695,921.21	42.5

CITY OF HILDALE
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 7 MONTHS ENDING JANUARY 31, 2020

GAS FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OPERATING EXPENDITURES</u>					
84-41-140	.00	266.48	3,000.00	2,733.52	8.9
84-41-210	.00	800.00	2,000.00	1,200.00	40.0
84-41-230	.00	.00	4,000.00	4,000.00	.0
84-41-250	33.98	513.43	5,000.00	4,486.57	10.3
84-41-257	.00	752.50	1,500.00	747.50	50.2
84-41-260	11.25	2,378.91	5,000.00	2,621.09	47.6
84-41-273	329.63	6,598.25	11,700.00	5,101.75	56.4
84-41-280	.00	100.00	.00	(100.00)	.0
84-41-285	93.40	674.99	1,000.00	325.01	67.5
84-41-310	33.23	436.98	.00	(436.98)	.0
84-41-330	.00	3,202.38	8,000.00	4,797.62	40.0
84-41-341	1,262.20	13,811.02	125,000.00	111,188.98	11.1
84-41-431	29,860.66	12,254.49	65,000.00	52,745.51	18.9
84-41-432	19,855.60	98,993.08	250,000.00	151,006.92	39.6
84-41-434	13,630.12	(1,784.28)	19,000.00	20,784.28	(9.4)
84-41-580	100.00	3,297.52	4,500.00	1,202.48	73.3
TOTAL OPERATING EXPENDITURES	65,210.07	142,295.75	504,700.00	362,404.25	28.2
<u>NON-OPERATING EXPENDITURES</u>					
84-42-560	.00	.00	600.00	600.00	.0
84-42-750	.00	21,658.46	37,000.00	15,341.54	58.5
84-42-780	5,030.00	8,240.45	180,000.00	171,759.55	4.6
84-42-911	.00	67,474.49	312,802.00	245,327.51	21.6
84-42-912	.00	7,862.56	17,900.00	10,037.44	43.9
84-42-914	.00	3,042.83	13,600.00	10,557.17	22.4
84-42-960	.00	.00	98,200.00	98,200.00	.0
84-42-999	.00	.00	200,000.00	200,000.00	.0
TOTAL NON-OPERATING EXPENDITURES	5,030.00	108,278.79	860,102.00	751,823.21	12.6
TOTAL FUND EXPENDITURES	70,240.07	250,574.54	1,364,802.00	1,114,227.46	18.4
NET REVENUE OVER EXPENDITURES	65,189.33	263,978.25	(154,328.00)	(418,306.25)	171.1

CITY OF HILDALE
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 7 MONTHS ENDING JANUARY 31, 2020

FUND 90

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OPERATING REVENUES</u>					
90-37-111 FIBER SALES	.00	.00	5,000.00	5,000.00	.0
90-37-331 CONNECTION CHARGES	.00	.00	1,000.00	1,000.00	.0
90-37-332 CONSTRUCTION	.00	.00	10,000.00	10,000.00	.0
TOTAL OPERATING REVENUES	.00	.00	16,000.00	16,000.00	.0
TOTAL FUND REVENUE	.00	.00	16,000.00	16,000.00	.0

CITY OF HILDALE
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 7 MONTHS ENDING JANUARY 31, 2020

FUND 90

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OPERATING EXPENDITURES</u>					
90-41-260 TOOLS & EQUIPMENT-NON CAPITAL	454.08	4,211.38	.00	(4,211.38)	.0
90-41-273 MAINT & SUPPLY SYSTEM	84.11	118.25	16,000.00	15,881.75	.7
90-41-341 CONST-CUSTOMER'S INSTALLATION	951.42	951.42	.00	(951.42)	.0
90-41-431 FIBER COMMODITY SUPPLY	13,903.10	13,903.10	.00	(13,903.10)	.0
90-41-580 RENT OR LEASE	100.00	500.00	.00	(500.00)	.0
TOTAL OPERATING EXPENDITURES	<u>15,492.71</u>	<u>19,684.15</u>	<u>16,000.00</u>	<u>(3,684.15)</u>	<u>123.0</u>
TOTAL FUND EXPENDITURES	<u>15,492.71</u>	<u>19,684.15</u>	<u>16,000.00</u>	<u>(3,684.15)</u>	<u>123.0</u>
NET REVENUE OVER EXPENDITURES	<u>(15,492.71)</u>	<u>(19,684.15)</u>	<u>.00</u>	<u>19,684.15</u>	<u>.0</u>

Invoice	Description	Invoice Date	Due Date	Total Cost	Period	GL Activity	GL Account
Advanced Network Consulting (5695)							
2289	IT - Consulting - 90% Utilities	10/24/2019	01/05/2020	302.85	12/19	0	65-41-317
2291	IT - Consulting - 90% Utilities	10/24/2019	01/01/2020	8.33	12/19	0	65-41-317
2293	IT - Consulting - 90% Utilities	11/05/2019	01/05/2020	174.06	12/19	0	65-41-317
2295	IT - Consulting - 90% Utilities	11/12/2019	01/05/2020	95.22	12/19	0	65-41-317
2297	IT - Consulting - 90% Utilities	11/20/2019	01/05/2020	216.00	12/19	0	65-41-317
2299	IT - Consulting - 90% Utilities	11/02/2019	01/05/2020	39.15	12/19	0	65-41-317
2301	IT - Consulting - 90% Utilities	12/02/2019	01/05/2020	14.40	12/19	0	65-41-317
Total Advanced Network Consulting (5695):				850.01			
ALLIANCE FIRE & SAFETY, INC. (4902)							
57491	INSPECTION & TEST EXTINGUISHERS	12/19/2019	01/18/2020	392.56	12/19	0	65-41-250
Total ALLIANCE FIRE & SAFETY, INC. (4902):				392.56			
ANIXTER INC. (5168)							
532346138	FIBER optic cable	01/16/2020	02/15/2020	13,903.10	01/20	0	90-41-431
Total ANIXTER INC. (5168):				13,903.10			
BASIC AMERICAN SUPPLY (5637)							
249664	Fittings	12/05/2019	01/20/2020	12.53	12/19	0	84-41-273
249853	Bracket & Bolts	12/06/2019	01/20/2020	23.68	12/19	0	84-41-273
250647	Bracker Shelf Rod	12/11/2019	01/20/2020	9.99	12/19	0	84-41-273
250713	Shovel & Reel Line	12/12/2019	01/20/2020	19.98	12/19	0	84-41-273
252112	Primer Paint	12/20/2019	01/20/2020	17.06	12/19	0	84-41-273
252501	Hose Clamps	12/23/2019	01/20/2020	16.74	12/19	0	84-41-273
Total BASIC AMERICAN SUPPLY (5637):				99.98			
BioLynceus (5713)							
8091	Probiotic Scrubber -- Lagoon Treatment	12/10/2019	01/10/2020	5,122.45	12/19	0	82-41-273
Total BioLynceus (5713):				5,122.45			
BLUE STAKES OF UTAH, INC. (1632)							
UT20192809	BLUE STAKE Tickets	12/31/2019	01/30/2020	153.29	12/19	0	65-41-310
Total BLUE STAKES OF UTAH, INC. (1632):				153.29			
BOWEN COLLINS & ASSOCIATES (5715)							
22748	Groundwater Feasibility Study - Project 632-19-01	12/02/2019	01/02/2020	33,335.85	12/19	0	81-41-434
Total BOWEN COLLINS & ASSOCIATES (5715):				33,335.85			
CASELLE, INC. (1430)							
99424	CONTRACT for February 2020	01/01/2020	01/31/2020	804.54	01/20	0	65-41-310
Total CASELLE, INC. (1430):				804.54			
Codale Electric Supply Inc. (4572)							
S6935798	Fluke Motor Megger	12/18/2019	01/17/2020	749.99	12/19	0	65-41-260
S6966945	SERVICE CHARGE	01/25/2020	02/24/2020	11.25	01/20	0	84-41-260
Total Codale Electric Supply Inc. (4572):				761.24			

Invoice	Description	Invoice Date	Due Date	Total Cost	Period	GL Activity	GL Account
Customer Deposit (5518)							
3.08103.4	3.08103.4 CUSTOMER DEPOSIT REFUND	12/31/2019	01/31/2020	599.04	12/19	0	81-21350
3.83940.1	3.83940.1 CUSTOMER DEPOSIT REFUND	01/14/2020	02/14/2020	377.88	01/20	0	81-21350
6.43010.2	6.43010.2 CUSTOMER DEPOSIT REFUND	01/17/2020	01/17/2020	172.71	01/20	0	81-21350
3.29405.3	3.29405.3 CUSTMER DEPOSIT REFUND	01/30/2020	02/20/2020	200.00	01/20	0	81-21350
3.41501.1	3.41501.1 CUSTOMER DEPOSIT REFUND	01/23/2020	02/20/2020	116.26	01/20	0	81-21350
3195024	3.19502.4 OVERPAYMENT REFUND	01/17/2020	02/16/2020	30.73	01/20	0	81-21350
6.15300.3	6.15300.3 CUSTOMER DEPOSIT REFUND	01/23/2020	02/20/2020	957.65	01/20	0	81-21350
6.44970.1	6.44970.1 CUSTOMER DEPOSIT REFUND	01/31/2020	02/20/2020	475.00	01/20	0	81-21350
6010104	6.01010.4 OVERPAYMENT REFUND	01/21/2020	02/20/2020	19.10	01/20	0	81-21350
Total Customer Deposit (5518):				2,948.37			
DIVISION OF WATER QUALITY (1740)							
191231	Wastewater certification renewal - Weston	12/31/2019	01/30/2020	50.00	12/19	0	82-41-230
Total DIVISION OF WATER QUALITY (1740):				50.00			
DJB GAS SERVICES, INC. (4750)							
01186713	WELDER Cylinder Rental	12/31/2019	01/30/2020	25.03	12/19	0	82-41-273
Total DJB GAS SERVICES, INC. (4750):				25.03			
DLT SOLUTIONS, LLC (1175)							
4812455A	AUTO CAD RENEWAL	12/30/2019	01/29/2020	1,670.90	12/19	0	65-41-310
Total DLT SOLUTIONS, LLC (1175):				1,670.90			
DOI/BLM (1361)							
2020011516	RIGHT OF WAY RENTAL: WASHINGTON COUNTY - 11.90 ACRES	11/14/2019	12/14/2019	1,180.84	12/19	0	81-41-580
Total DOI/BLM (1361):				1,180.84			
DOMINION ENERGY (5607)							
5948550000	Natural Gas Transportation	01/06/2020	01/28/2020	36,824.87	12/19	0	84-41-434
Total DOMINION ENERGY (5607):				36,824.87			
GARKANE ENERGY (5057)							
1709902 121	Power Plant Well	12/17/2019	01/06/2020	4,894.45	12/19	0	81-41-285
1717500 121	Lift Station Power	12/17/2019	01/05/2020	640.65	12/19	0	82-41-285
1763000 121	Sewer Recirc Pump	12/17/2019	01/06/2020	1,192.13	12/19	0	82-41-285
1763900 121	Sewer Headworks	12/17/2019	01/06/2020	81.83	12/19	0	82-41-285
1772500 121	City Hall Power	12/17/2019	01/06/2020	340.18	12/19	0	65-41-285
1782300 121	Lab Shop Power	12/17/2019	01/05/2020	554.45	12/19	0	81-41-285
1787300 121	Propane Yard Power	12/17/2019	01/06/2020	78.64	12/19	0	84-41-285
1793900 121	Million Gallon Tank Power	12/17/2019	01/05/2020	33.45	12/19	0	81-41-285
1734500 121	East Water Tank Power	12/26/2019	01/15/2020	77.66	12/19	0	81-41-285
1775500 121	Water Plan Well	12/26/2019	01/15/2020	1,964.72	12/19	0	81-41-285
1782501 121	Well 22 Power	12/26/2019	01/15/2020	2,598.90	12/19	0	81-41-285
1945500 121	Academy Ave Well Power	12/26/2019	01/15/2020	26.96	12/19	0	81-41-285
2026700 121	Well 21 Power	12/26/2019	01/15/2020	2,755.06	12/19	0	81-41-285
1717500 012	CP Lift Station Power	01/16/2020	02/05/2020	603.50	01/20	0	82-41-285
1763000 012	Sewer Recirc Pump	01/16/2020	02/05/2020	591.12	01/20	0	82-41-285
1763900 012	Sewer Headworks	01/16/2020	02/05/2020	82.03	01/20	0	82-41-285
1782300 012	Lab Shop Power	01/16/2020	02/05/2020	512.47	01/20	0	65-41-285
1787300 012	Propane Yard Power	01/16/2020	02/05/2020	82.37	01/20	0	84-41-285
1793900 012	Million Gallon Tank	01/16/2020	02/05/2020	32.81	01/20	0	81-41-285

Invoice	Description	Invoice Date	Due Date	Total Cost	Period	GL Activity	GL Account
1709902 012	Power Plant Well	01/16/2020	02/05/2020	670.03	01/20	0	81-41-285
1772500 012	City Hall Power	01/16/2020	02/05/2020	286.31	01/20	0	65-41-285
Total GARKANE ENERGY (5057):				18,099.72			
HILDALE CITY (2160)							
NAT 1219	ENERGY & USE TAX GAS	12/30/2019	01/14/2020	2,315.09	01/20	0	84-21376
Total HILDALE CITY (2160):				2,315.09			
HILDALE CITY UTILITIES (2170)							
3180001 121	Lab Shop Utilities	12/08/2019	12/23/2019	1,655.92	12/19	0	65-41-280
3841101 121	Academy Ave Well	01/08/2020	01/23/2020	54.00	12/19	0	65-41-280
6077001 121	CITY HALL UTILITIES	01/08/2019	01/23/2019	416.13	12/19	0	65-41-280
6428701 121	Propane Yard Lease	01/08/2019	01/23/2019	100.00	12/19	0	84-41-580
Total HILDALE CITY UTILITIES (2170):				2,226.05			
HINTON BURDICK CPAs & ADVISORS (2560)							
215859	2019 FY Audit Progress Billing	12/31/2019	01/30/2020	4,887.19	01/20	0	65-41-313
Total HINTON BURDICK CPAs & ADVISORS (2560):				4,887.19			
HOME DEPOT (2220)							
3143757	Return - Milwaukee tool & blades	11/16/2019	01/01/2020	483.55	12/19	0	81-41-260
4032976	Gloves	11/25/2019	01/01/2020	17.05	12/19	0	82-41-273
4450571	Battery	11/15/2019	01/01/2020	154.78	12/19	0	81-41-260
5902983	Milwaukee tool & blades	11/14/2019	01/01/2020	483.55	12/19	0	81-41-260
8011812	Shovels	11/21/2019	01/01/2020	85.83	12/19	0	81-41-273
622455	Safety Glasses	12/19/2019	02/01/2020	138.02	01/20	0	65-41-260
Total HOME DEPOT (2220):				395.68			
INKBOXZ (5530)							
1404	CALENDAR SPOT - BLUE STAKES & HILDALE CITY	12/03/2019	01/03/2020	392.00	12/19	0	65-41-260
Total INKBOXZ (5530):				392.00			
Johnson, Harrison (5663)							
200113	Mileage Reimbursement December 2019	01/13/2020	02/13/2020	196.41	12/19	0	65-41-257
Total Johnson, Harrison (5663):				196.41			
JONES PAINT & GLASS (2470)							
SGAGI00180	Winshield for truck 3131	12/19/2019	01/18/2020	160.00	12/19	0	65-41-250
Total JONES PAINT & GLASS (2470):				160.00			
LAWSON PRODUCTS (5223)							
9307232756	Wire Connectors Kit	12/10/2019	01/10/2020	154.04	12/19	0	81-41-273
Total LAWSON PRODUCTS (5223):				154.04			
LES OLSON COMPANY (2671)							
EA900700	MAINTENANCE CONTRACT - 60% Utilities	12/20/2019	01/19/2020	199.67	12/19	0	65-41-144
SU079133	Staples	12/31/2019	01/30/2020	58.80	12/19	0	65-41-144

Invoice	Description	Invoice Date	Due Date	Total Cost	Period	GL Activity	GL Account
Total LES OLSON COMPANY (2671):				258.47			
LOWE'S HOME CENTERS, LLC (5366)							
929168	Shovels	12/16/2019	02/20/2020	56.86	01/20	0	84-41-273
Total LOWE'S HOME CENTERS, LLC (5366):				56.86			
MOUNTAIN WEST TRUCK CENTER (5714)							
FC1911-A	Finance Charge Inv#71109	11/30/2019	01/01/2020	5.95	12/19	0	65-41-250
Total MOUNTAIN WEST TRUCK CENTER (5714):				5.95			
MUNICODE CORP. (5293)							
336810	Online Hosting Dec. 2019-Nov.2020	12/04/2019	01/01/2020	350.00	01/20	0	65-41-318
Total MUNICODE CORP. (5293):				350.00			
Myron Corp. (5691)							
115352171	Promotional Products for Damage Prevention	12/06/2019	01/05/2020	2,015.06	12/19	0	84-41-330
Total Myron Corp. (5691):				2,015.06			
NEWBY BUICK (4613)							
5029660	Vehicle Repair	10/28/2019	01/01/2020	34.80	12/19	0	65-41-250
6104694	Vehicle Repair	11/07/2019	01/01/2020	266.29	12/19	0	65-41-250
Total NEWBY BUICK (4613):				301.09			
NGL SUPPLY CO. LTD (5605)							
NGL296486	Propane Commodity	12/31/2019	01/10/2020	24,910.43	12/19	0	84-41-432
NGL297401	Propane Commodity - Corrected billing for December	01/06/2020	01/16/2020	25,711.65	01/20	0	84-41-431
NGL297402	Propane Commodity - Credit Return - Incorrect billing for December	01/06/2020	01/16/2020	24,910.43-	01/20	0	84-41-431
NGL298024	Propane Commodity	01/08/2020	01/18/2020	11,759.32	01/20	0	84-41-431
NGL298959	Propane Commodity	01/14/2020	01/24/2020	6,973.74	01/20	0	84-41-432
NGL299587	Propane Commodity	01/17/2020	01/27/2020	12,881.86	01/20	0	84-41-432
Total NGL SUPPLY CO. LTD (5605):				57,326.57			
Performance Pipe (5457)							
98844071	Poly gas pipe	12/18/2019	01/17/2020	21,658.46	12/19	0	84-42-750
Total Performance Pipe (5457):				21,658.46			
PREFERRED PARTS (4694)							
51205	Spark Plug	12/12/2019	01/12/2020	5.46	12/19	0	84-41-273
51250	Coolant	12/12/2019	01/12/2020	12.57	12/19	0	65-41-250
52206	Funnels	01/07/2020	02/07/2020	9.13	01/20	0	65-41-250
52229	Fuel filters & trans oil	01/08/2020	02/08/2020	64.75	01/20	0	65-41-250
45891	Ball hitch	08/08/2019	01/30/2020	53.79	01/20	0	65-41-250
52436	Battery for camera trailer	01/14/2020	02/14/2020	118.60	01/20	0	82-41-250
52504	Towstrap	01/15/2020	02/15/2020	18.09	01/20	0	65-41-250
52757	Batteries - Generator	01/21/2020	02/21/2020	300.92	01/20	0	65-41-250
Total PREFERRED PARTS (4694):				583.31			
PROVANTAGE LLC (5159)							
8471204	scada screens	11/12/2019	01/01/2020	3,398.33	12/19	0	81-41-273

Invoice	Description	Invoice Date	Due Date	Total Cost	Period	GL Activity	GL Account
Total PROVANTAGE LLC (5159):				3,398.33			
Remedy Excavating (5681)							
2250	Trenching for Water Meter Service	12/01/2019	01/01/2020	580.00	12/19	0	81-41-340
Total Remedy Excavating (5681):				580.00			
ROCKY MOUNTAIN POWER (4202)							
68511976 12	Cathodic Protection Power	12/23/2019	01/17/2020	11.02	12/19	0	84-41-285
Total ROCKY MOUNTAIN POWER (4202):				11.02			
SCHOLZEN PRODUCTS COMPANY, INC. (3450)							
3025509-00	Chlorine Cylinder Rental	12/24/2019	01/23/2020	86.40	12/19	0	81-41-432
642693-01	2" Meter Check Valve	12/16/2019	01/15/2020	326.59	12/19	0	81-41-341
6435420-00	3/4 Brass Street Ell	12/18/2019	01/17/2020	82.92	12/19	0	81-41-273
6436588-00	Repaor Clamps, Theader Dies	12/23/2019	01/22/2020	324.83	12/19	0	81-41-273
1016178	Chlorine Cylinder Rental	01/09/2020	02/08/2020	677.01	01/20	0	81-41-432
6438861	Threader dies - Credit return	01/07/2020	02/06/2020	97.30-	01/20	0	84-41-273
6438868	Pipe Threader Dies	01/07/2020	02/06/2020	118.53	01/20	0	84-41-273
6439906-00	Marking paint	01/10/2020	02/09/2020	225.00	01/20	0	84-41-273
3025929-00	Chlorine Cylinder Rental	01/22/2020	02/21/2020	86.40	01/20	0	81-41-432
6440972-00	Chlorine Metering Tube	01/15/2020	02/14/2020	133.31	01/20	0	81-41-273
6441399-00	Credit Return - Metering Tube	01/16/2020	02/15/2020	133.31-	01/20	0	81-41-273
6442808-00	Risers & Couplings	01/23/2020	02/22/2020	209.32	01/20	0	84-41-341
6443225-00	Chlorine Test Kit	01/24/2020	02/23/2020	96.16	01/20	0	81-41-273
Total SCHOLZEN PRODUCTS COMPANY, INC. (3450):				2,135.86			
SOUTH CENTRAL COMMUNICATIONS (3560)							
8297800 121	CITY HALL PHONE & FAX LINES	01/01/2020	01/16/2020	154.35	12/19	0	65-41-310
9592500 121	PRI PHONE ACCOUNT	01/01/2020	01/16/2020	413.14	12/19	0	65-41-310
Total SOUTH CENTRAL COMMUNICATIONS (3560):				567.49			
SOUTHERN UTAH UNIVERSITY (3592)							
S0045369	Bacteriological Testing	12/30/2019	01/29/2020	140.00	12/19	0	81-41-314
Total SOUTHERN UTAH UNIVERSITY (3592):				140.00			
ST. GEORGE WATER STORE (5415)							
59257	Bottled Water Service 5 bottles - 50% Utilities	12/21/2019	01/20/2020	15.00	12/19	0	65-41-235
59911	Bottled Water Service 3 bottles - 50% Utilities	01/03/2020	02/02/2020	9.00	01/20	0	65-41-235
60594	Bottled Water Service 4 bottles	01/17/2020	02/16/2020	24.00	01/20	0	65-41-235
Total ST. GEORGE WATER STORE (5415):				48.00			
STAPLES CREDIT PLAN (1475)							
2405027621	File Folders, Office Stamp, Sharpies, DabrSeal, Adhesive Fastners	12/11/2019	01/10/2020	109.02	12/19	0	65-41-240
2405188541	Envelopes	12/11/2019	01/10/2020	13.07	12/19	0	65-41-240
Total STAPLES CREDIT PLAN (1475):				122.09			
SUMMIT ENERGY, LLC (4605)							
1219HILD	NAT GAS COMMODITY - 12/19	01/07/2020	01/27/2020	20,401.83	01/20	0	84-41-434

Invoice	Description	Invoice Date	Due Date	Total Cost	Period	GL Activity	GL Account
Total SUMMIT ENERGY, LLC (4605):				20,401.83			
SUNRISE ENGINEERING, INC. (3740)							
0106731	CC PER & Well Siting Study	11/13/2019	01/01/2020	4,446.00	01/20	0	81-41-311
0107338	CC PER & Well Siting Study	12/11/2019	01/10/2020	5,130.00	01/20	0	81-41-311
Total SUNRISE ENGINEERING, INC. (3740):				9,576.00			
SUSAN STEED (5720)							
4	City Office Cleaning - 60% Utilities	01/01/2020	01/30/2020	135.00	01/20	0	65-41-271
4	Utility Labshop Cleaning	01/01/2020	01/30/2020	150.00	01/20	0	65-41-271
Total SUSAN STEED (5720):				285.00			
THOMAS PETROLEUM, LLC. (4814)							
2226565-IN	Hydraulic Oil for jetter truck	12/18/2019	01/18/2020	364.50	12/19	0	82-41-250
Total THOMAS PETROLEUM, LLC. (4814):				364.50			
TOWN OF COLORADO CITY (3930)							
8512	Utility Field Staff Payroll	12/13/2019	12/28/2019	12,152.10	01/20	0	65-41-110
8512	Utility Field Staff Payroll Taxes	12/13/2019	12/28/2019	1,444.90	01/20	0	65-41-130
8512	Utility Field Staff Payroll Benefits	12/13/2019	12/28/2019	649.46	01/20	0	65-41-140
8512	Secretarial Staff Payroll	12/13/2019	12/28/2019	4,824.63	01/20	0	65-41-110
8512	Recorder Payroll	12/13/2019	12/28/2019	1,641.10	01/20	0	65-41-110
8512	General Fund Payroll Taxes	12/13/2019	12/28/2019	443.93	01/20	0	65-41-130
8512	General Fund Payroll Benefits	12/13/2019	12/28/2019	137.50	01/20	0	65-41-140
8516	Advanced Network Consulting	12/13/2019	01/13/2020	127.96	01/20	0	65-41-317
8517	Utility Field Staff Payroll	12/27/2019	01/11/2020	11,642.12	01/20	0	65-41-110
8517	Utility Field Staff Payroll Taxes	12/27/2019	01/11/2020	1,385.06	01/20	0	65-41-130
8517	Utility Field Staff Payroll Benefits	12/27/2019	01/11/2020	2,347.06	01/20	0	65-41-140
8517	Secretarial Staff Payroll	12/27/2019	01/11/2020	4,850.15	01/20	0	65-41-110
8517	RECORDER PAYROLL	12/27/2019	01/11/2020	1,641.10	01/20	0	65-41-110
8517	GENERAL FUND PAYROLL BENEFITS	12/27/2019	01/11/2020	3,120.83	01/20	0	65-41-140
8517	General Fund Payroll Taxes	12/27/2019	01/11/2020	441.49	01/20	0	65-41-130
8535	Auto Insurance Premium Portion	01/01/2020	01/16/2020	4,033.90	01/20	0	65-41-510
8544	Gasoline Used for Utilities	01/07/2020	01/22/2020	1,632.73	01/20	0	65-41-257
8544	Gasoline Used for Utilities	01/07/2020	01/22/2020	151.08	01/20	0	82-41-257
8544	Gasoline Used for Utilities	01/07/2020	01/22/2020	293.95	01/20	0	82-41-257
8547	Verizon Wireless	01/07/2020	01/22/2020	68.61	01/20	0	65-41-287
8549	DOJ Court Judgement Cost Sharing - Roger Carter	01/07/2020	01/22/2020	1,349.93	01/20	0	63-41-310
PROST1219	Total Propane Tax	12/31/2019	01/15/2020	4,439.70	01/20	0	84-21371
WAT1219	Toal Water Tax	12/31/2019	01/15/2020	777.36	01/20	0	81-21371
Total TOWN OF COLORADO CITY (3930):				59,596.65			
TruckPro LLC Six States (3502)							
356060	trailer plug wiring	01/09/2020	02/08/2020	118.26	12/19	0	65-41-250
Total TruckPro LLC Six States (3502):				118.26			
TT Technologies (5723)							
210609	Pulling eye & boring tool oil	12/20/2019	01/20/2020	147.85	12/19	0	84-41-273
Total TT Technologies (5723):				147.85			

Invoice	Description	Invoice Date	Due Date	Total Cost	Period	GL Activity	GL Account
UNIFIRST CORPORATION (4055)							
352 0480011	Work Clothes	12/30/2019	01/29/2020	60.55	12/19	0	65-41-260
352 0480498	Work Clothes	01/06/2020	02/05/2020	60.45	12/19	0	65-41-260
Total UNIFIRST CORPORATION (4055):				121.00			
USABlueBook (4011)							
30557	Bacti test kits	10/07/2019	01/01/2020	497.62	12/19	0	81-41-273
795627	Acid indicator	01/25/2019	01/01/2020	94.14	12/19	0	81-41-273
899322	Pump Tubing	05/17/2019	01/01/2020	143.68	12/19	0	81-41-273
90675	Candlestick Bases	12/12/2019	12/22/2019	2,289.35	12/19	0	65-41-260
985745	Hard Hats	08/20/2019	01/01/2020	440.58	12/19	0	65-41-260
Total USABlueBook (4011):				3,465.37			
UTAH STATE TAX COMMISSION (4221)							
STC 1219	Taxes Collected for Hildale	12/31/2019	01/30/2020	1,931.60	01/20	0	84-21375
Total UTAH STATE TAX COMMISSION (4221):				1,931.60			
WAXIE SANITARY SUPPLY (5376)							
78712551	Hand Soap	11/19/2019	01/01/2020	54.12	01/20	0	65-41-271
Total WAXIE SANITARY SUPPLY (5376):				54.12			
WHEELER MACHINERY CO. (4441)							
RS00001441	Digger Rental	12/19/2019	01/18/2020	1,667.50	12/19	0	65-41-260
RS00001458	Digger Rental	01/16/2020	02/15/2020	1,667.50	01/20	0	65-41-260
Total WHEELER MACHINERY CO. (4441):				3,335.00			
XPRESS BILL PAY (5646)							
44837	Xpress Bill Pay Trans. & Account Maintenance - 90% Utilities	01/01/2020	01/06/2020	459.05	01/20	0	65-41-160
Total XPRESS BILL PAY (5646):				459.05			
ZION'S BANK (4470)							
191206 (1)HJ	Lunch for Sunrise Meeting	12/06/2019	01/05/2020	33.58	01/20	0	65-41-235
191209 (2)HJ	Tablet for Utilities	12/09/2019	01/26/2020	805.00	01/20	0	65-41-310
191211 (1)O	Cleaning Supplies for Shop	12/11/2019	01/26/2020	70.62	01/20	0	65-41-271
191211 (1)W	Lunch for Field Staff	12/11/2019	01/26/2020	33.68	01/20	0	65-41-257
191213 (2)O	Cleaning Supplies for Shop	12/13/2019	01/26/2020	21.27	01/20	0	65-41-271
191216 (2)W	Hurricane parts run	12/16/2019	01/26/2020	15.09	01/20	0	65-41-257
191216 (3)W	Display Board	12/16/2019	01/26/2020	33.98	01/20	0	84-41-250
191219 (1)IT	Edgeswitch & Fiber Cable	12/19/2019	01/18/2020	454.08	01/20	0	90-41-260
191220 (3)HJ	Tablet Keyboard	12/20/2019	01/26/2020	139.09	01/20	0	65-41-310
191223 (4)HJ	Facebook Adds	12/23/2019	01/26/2020	33.23	01/20	0	84-41-310
200102 (2)M	Coffee Cream	01/02/2020	02/01/2020	3.50	01/20	0	65-41-235
200103 (1)U	Fuel for trip to Chemtech Ford - Water Samples	01/03/2020	02/02/2020	63.50	01/20	0	65-41-257
Total ZION'S BANK (4470):				1,706.62			
Grand Totals:				318,070.62			

Report GL Period Summary

Vendor number hash:

0

Vendor number hash - split:	0
Total number of invoices:	0
Total number of transactions:	0



TOWN OF COLORADO CITY

P. O. Box 70 * Colorado City, Arizona 86021

Phone & TDD: 928-875-2646 * Fax: 928-875-2778

February 19, 2020

John Barlow, City Manager
Hildale City
P.O. Box 840490
Hildale, UT 84784-0490

Dear John,

This letter outlines the Town of Colorado City's position regarding the impact fee waiver that was granted to South Zion Estates by the Hildale City Council.

First I want to say the we are grateful for the cooperative working relationship that Hildale and Colorado City have maintained in many areas in the past, and we look forward to a continued spirit of teamwork as we work together to provide services to the residents in the valley. I will not opine in this letter on any legal or ethical implications of the waiver as that is discussion to be had with legal counsel and/or qualified consultants.

When the Hildale City Council approved the development agreement with South Zion Estates they granted a waiver on future impact fees for the South Zion Estates. We appreciate Hildale's anxiousness to accommodate growth and development, but we have some concerns about the funding resources needed in the long-term future, most of which are unknown at this time, and are generally identified and quantified as a product of long-term planning.

I have discussed the concerns of this waiver with Mayor Allred and we want to ensure that the municipalities are providing the best possible services to our constituents at the most economical cost. In the event that impact fees are raised or enacted in the future, we would expect Hildale to develop a funding mechanism to cover Hildale's rightful share of the cost of capital facilities that would normally be provided by those impact fees. The Town of Colorado City is not in a position to implement any additional fees for its residents to cover any shortfalls that Hildale may experience due to waivers granted by Hildale.

We trust that the Hildale City Council and management staff will have adequate foresight to place the burden of capital improvements where they rightfully belong and we feel that it would be unwise for all the residents to shoulder an increase in monthly user rates so a developer can increase its profit margin.

We look forward to working together to utilize the professional knowledge of staff and legal counsel in analyzing the long-term effects of granting requests for concessions or waivers on various developments that will arise from time to time. We understand that it is virtually impossible to please all parties in all cases; however, with a strong moral compass and thoroughly studied improvement plans, including funding mechanisms, the best good can be done for all the residents.

We look forward to continuing a good working relationship between the communities.


Sincerely,


A handwritten signature in blue ink, appearing to read "Vance Barlow". The signature is fluid and cursive, with the first name "Vance" and last name "Barlow" clearly distinguishable.


Vance Barlow, CPM. MMC
Town Manager
Town of Colorado City

Hilldale GW Feasibility Study

Summary of
Groundwater Age Dating
Geophysical Survey
Preliminary Recommendations & Costs

 **BOWEN COLLINS**
& ASSOCIATES


 **HILDALE CITY**
Utah's Southern Desert

 **BOWEN COLLINS**
& ASSOCIATES

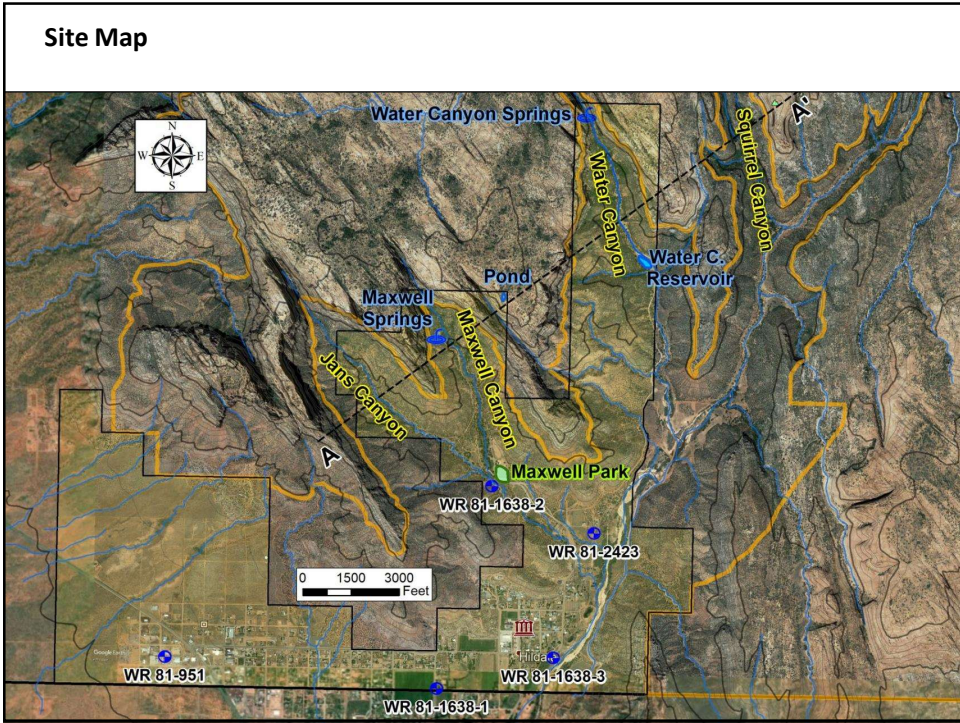
1

Project Scope

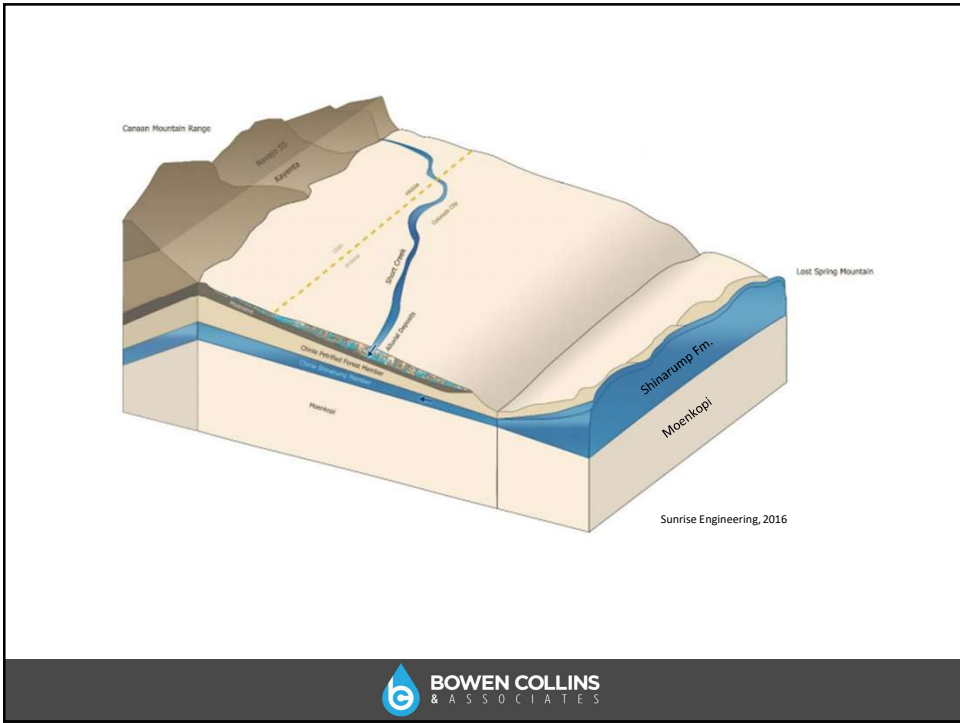
- ✓ Compile & Evaluate Existing Hydrogeologic Information
- ✓ Water Quality & Groundwater Age Dating Investigation
- ✓ Geophysical Investigation Survey
- Groundwater Flow Model
- Groundwater Supply Feasibility Report

 **BOWEN COLLINS**
& ASSOCIATES

2





3



4



Water Geochemistry

- Basic Chemistry Sampling
- Groundwater Age Dating
- Noble Gas Thermometry

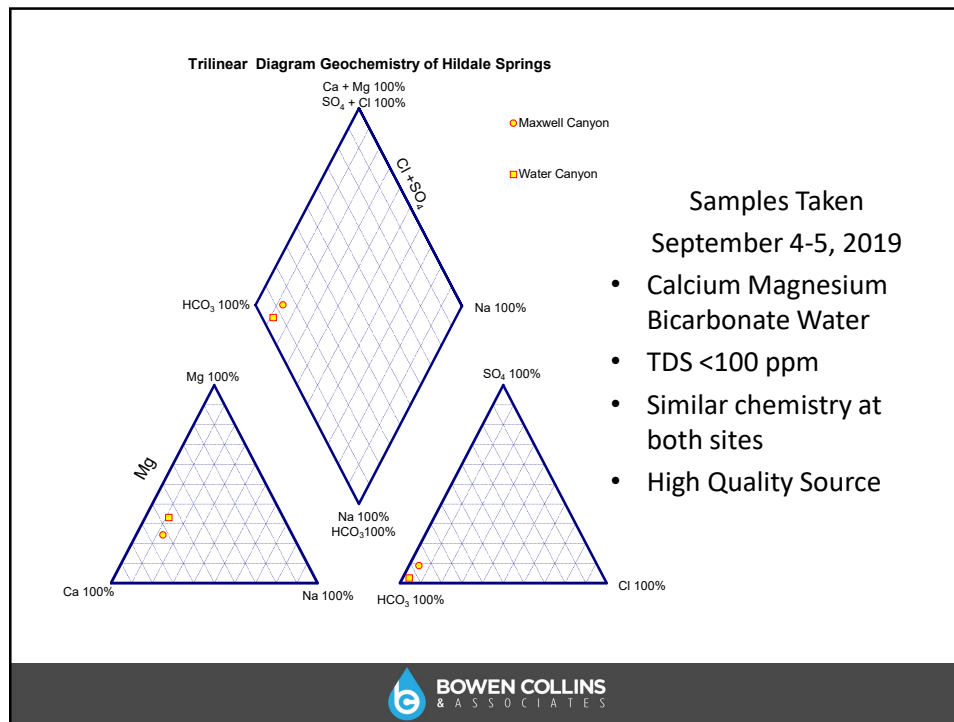


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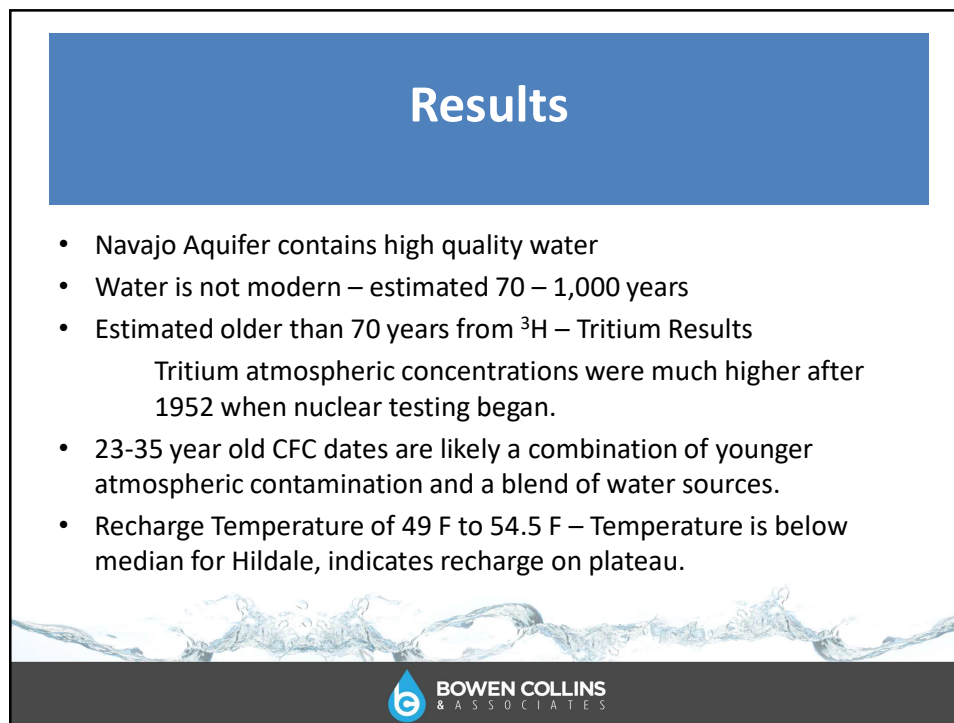
Water Geochemistry & Age Dating



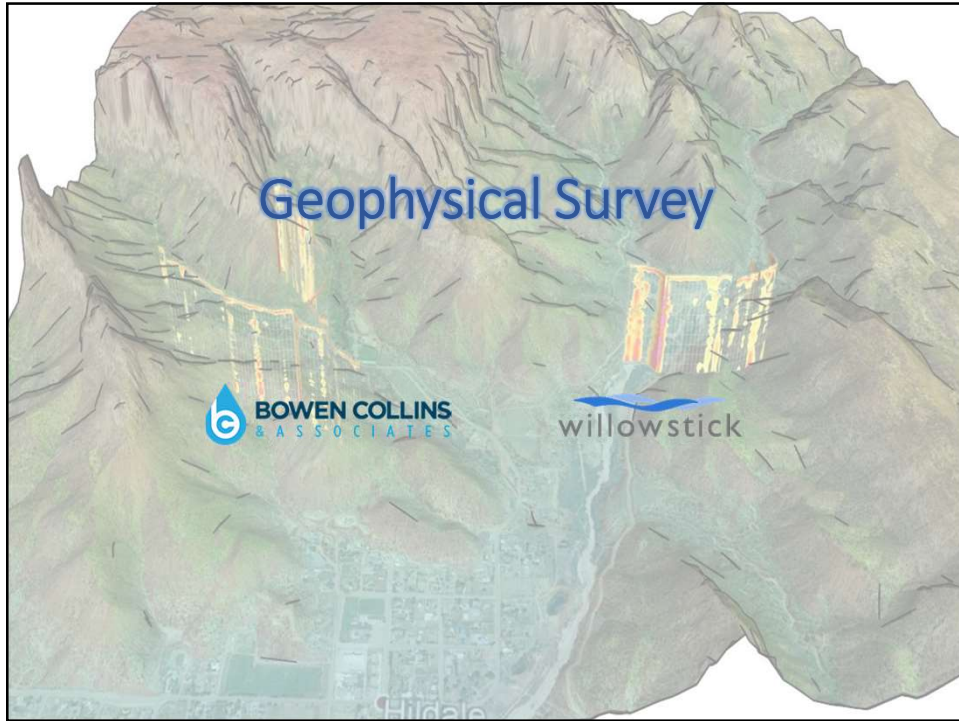
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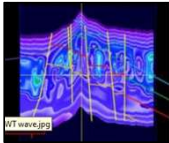
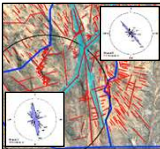
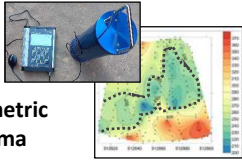
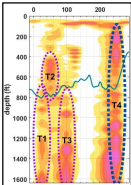



8



9

Approach: Integration of four hydro-geophysical studies


<p><u>Desktop Studies</u></p>  <p>Lightning data analysis for deep structure</p>  <p>Lineament study / fracture trace analysis for shallow structure</p>	<p><u>Ground Surveys</u></p>  <p>Radiometric Gamma</p>  <p>Rapid Acoustic Profiling (RAP) Passive Seismic</p> 
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RAP Passive Seismic System

RAP profiling on top of Navajo Cliffs

Rapid Acoustic Profiling (RAP) quickly detects zones of rock fracturing / high permeability




11

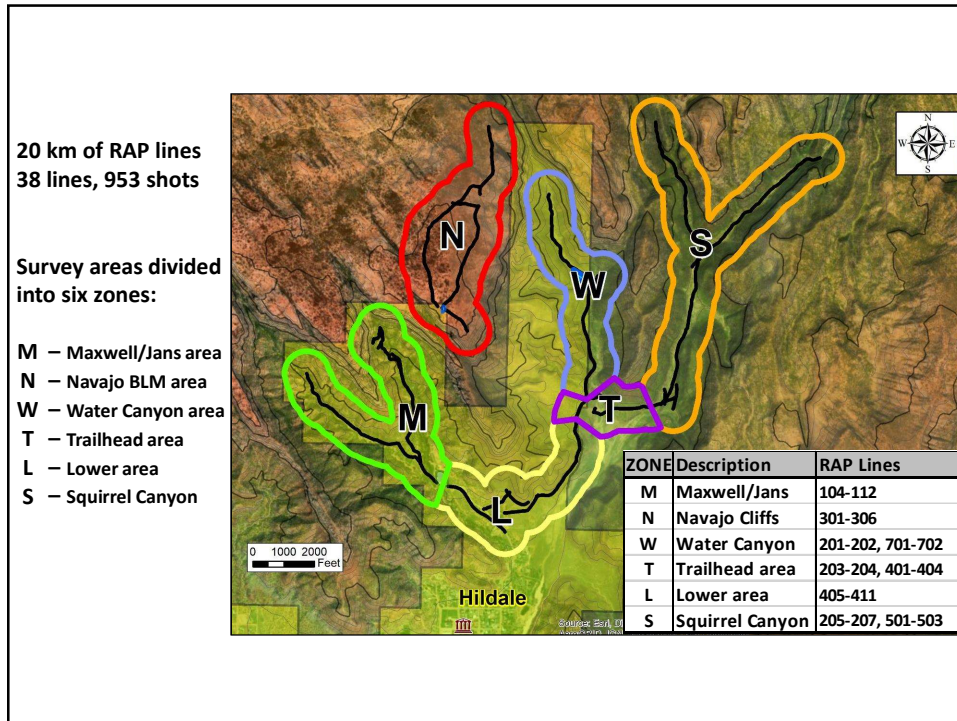
Radiometric Gamma System

Distinguishes dry versus water-filled fracture zones

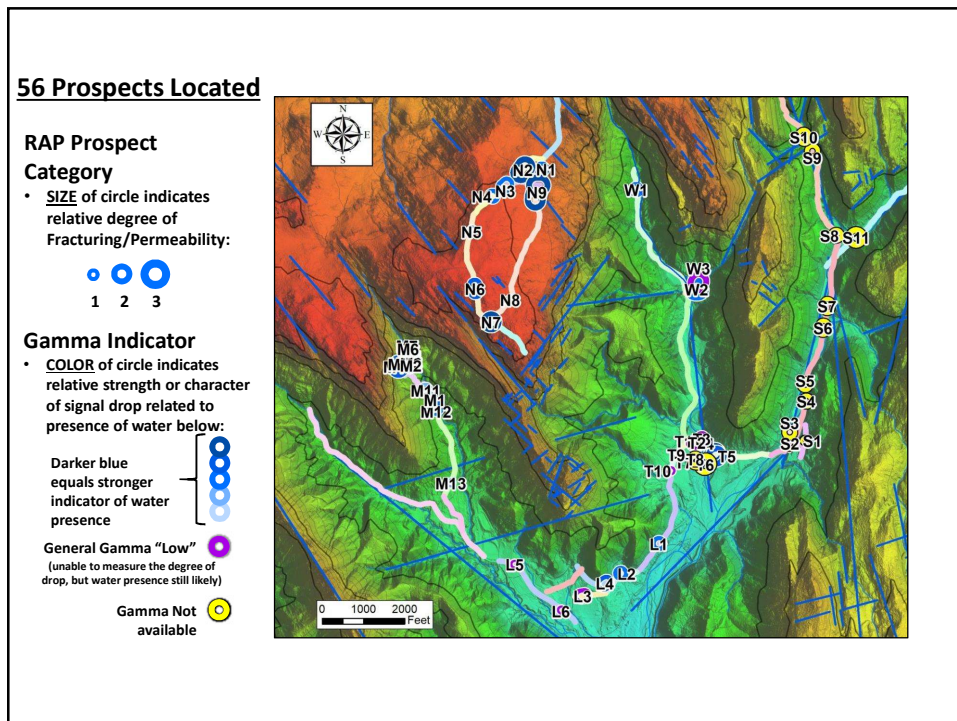
Water Canyon Springs



12



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56 Prospects Located

RAP Prospect

Category

- **SIZE** of circle indicates relative degree of Fracturing/Permeability:



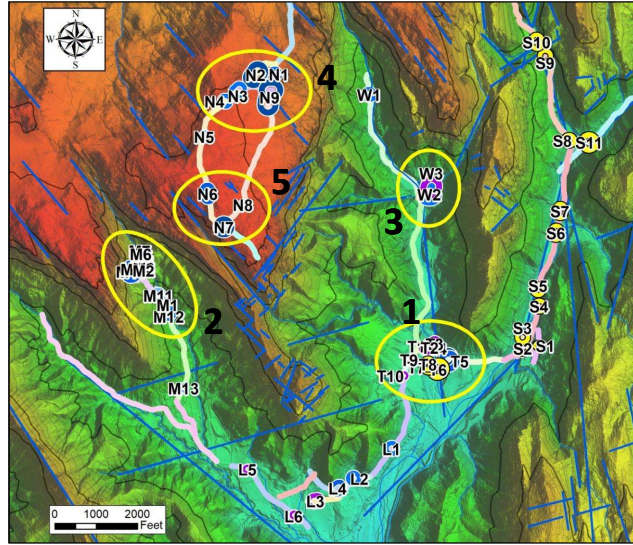
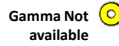
Gamma Indicator

- **COLOR** of circle indicates relative strength or character of signal drop related to presence of water below:

Darker blue equals stronger indicator of water presence



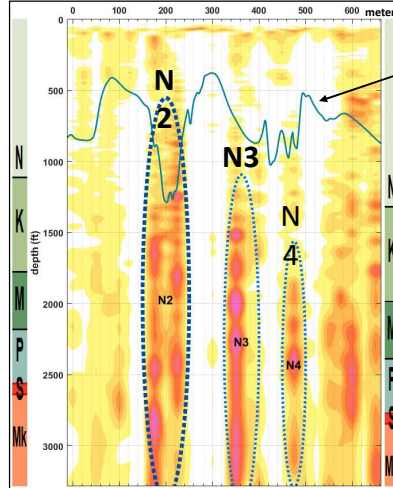
General Gamma "Low" (unable to measure the degree of drop, but water presence still likely)



15

Example of RAP section with Gamma signal overlay

RAP Line 302 in Zone "N"

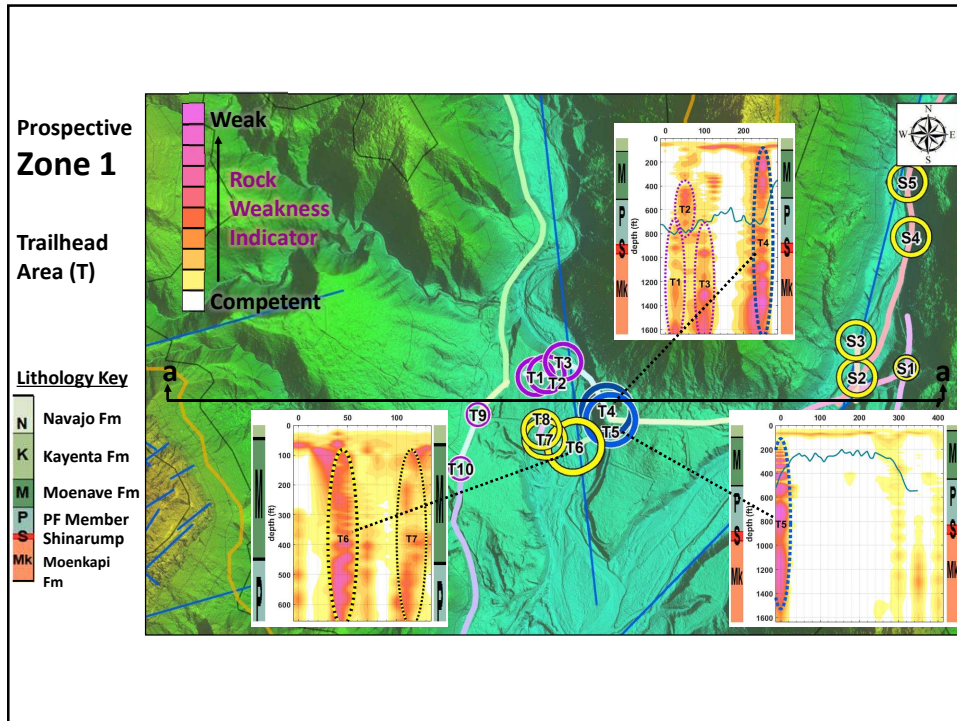


Gamma signal overlay
(water indicator)

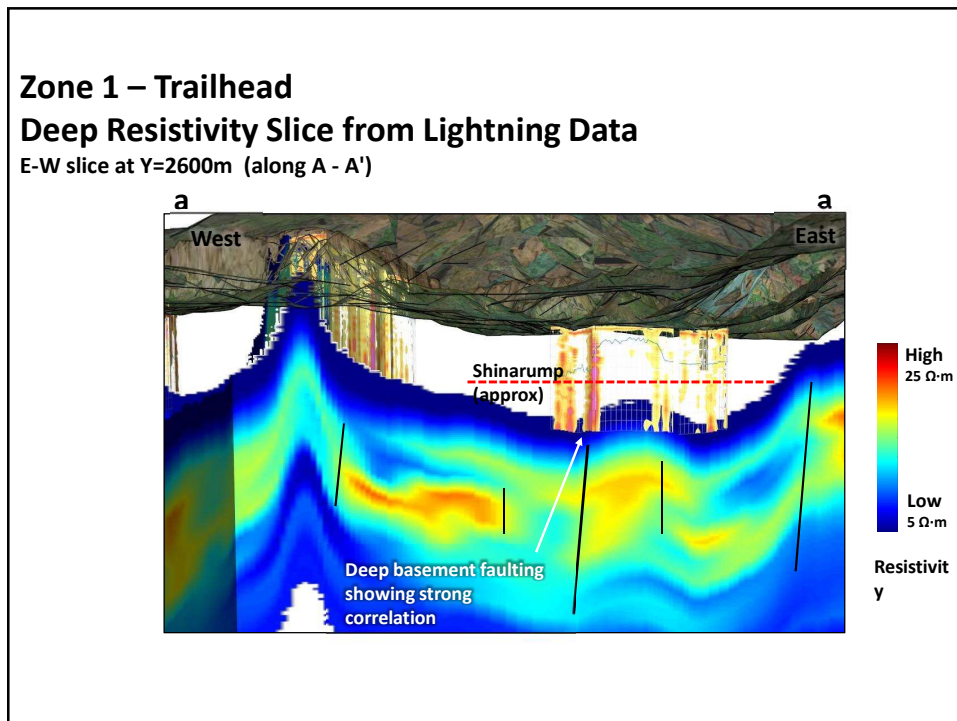
RAP Scale



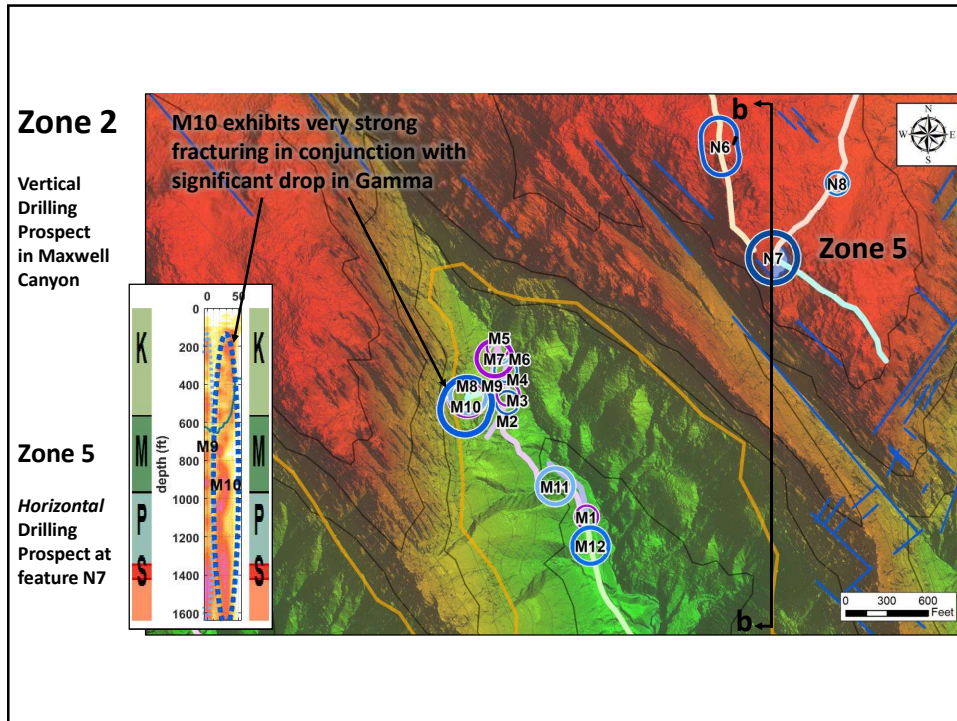
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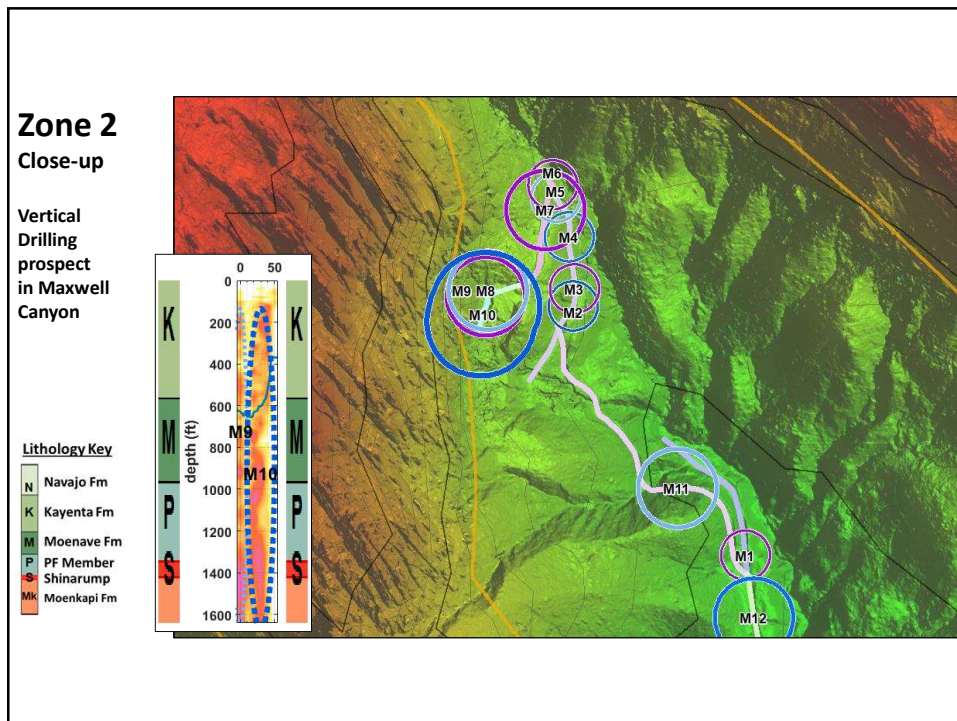
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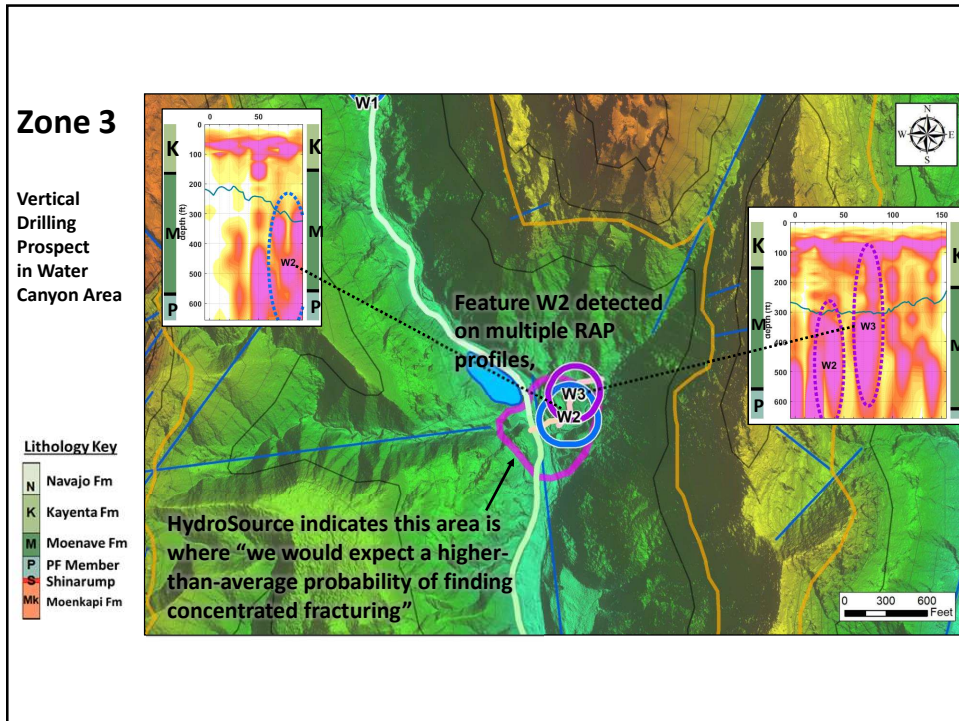
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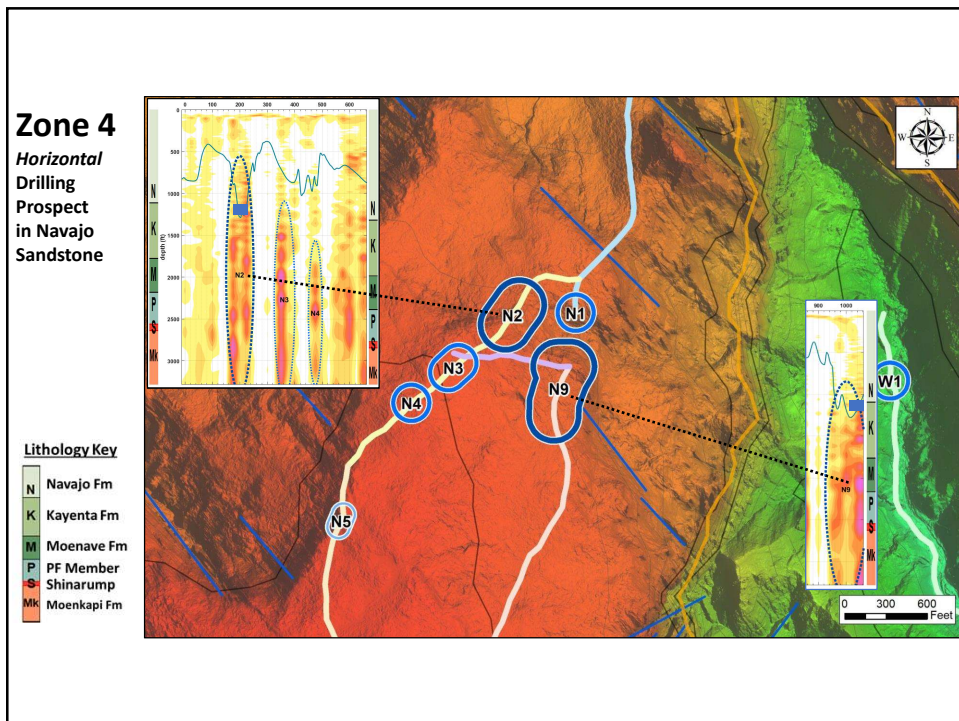
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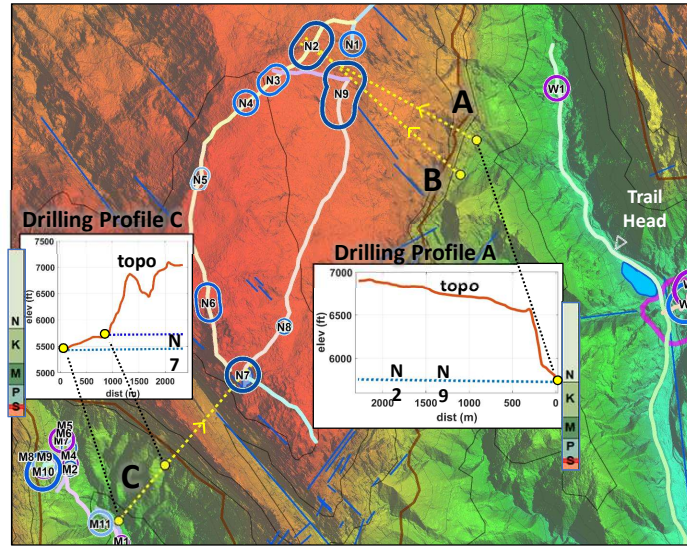
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ZONES 4 and 5

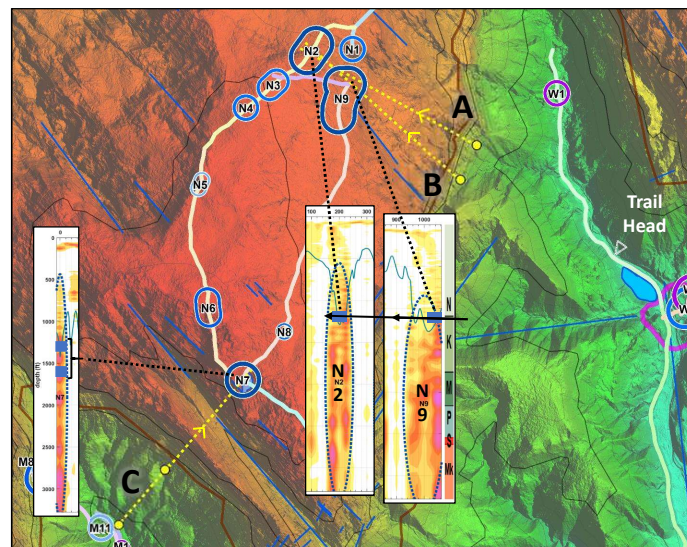
Horizontal Drilling into the Navajo and/or Kayenta



23

ZONES 4 and 5
Horizontal Drilling into the Navajo and/or Kayenta



Locations where horizontal borehole on a 1% incline would intersect the RAP profile sections



24

Drilling Program Options – Vertical Well



- Exploratory
 - Air Rotary
 - Temporary Surface casing
 - Small dia. borehole – 10-14”
 - Geologic & geophysical logs
 - Water quality zone tests (limited yield info)
 - Decision – abandon or complete as production well, or monitoring well



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Drilling Program Options – Vertical Well

- Production Well
 - Air Rotary
 - Surface casing
 - 20” borehole (pilot borehole reamed)
 - 12” production well
 - Could be equipped to 1,000 gpm





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Drilling Program Options – Horizontal Well

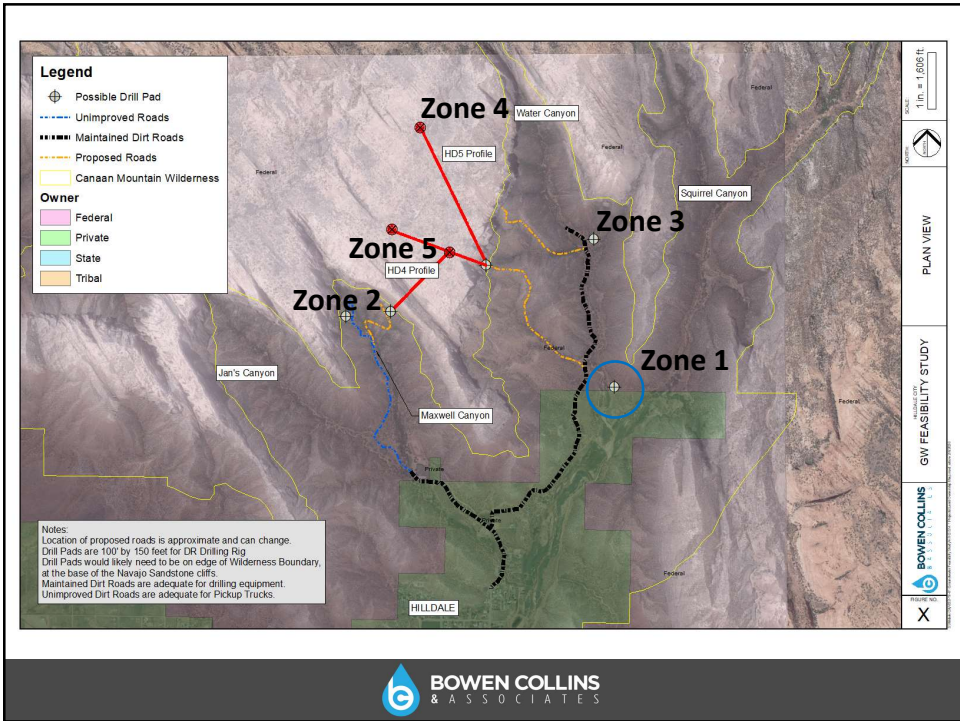
- Exploratory
 - Air Rotary
 - Use small UG core rig - 4" hole
 - Limited to about 1,000 feet of penetration (note target goes to 2,000 feet)
 - No conductor casing/seal

- Stand alone – can't be reamed with same small rig, or casing installed

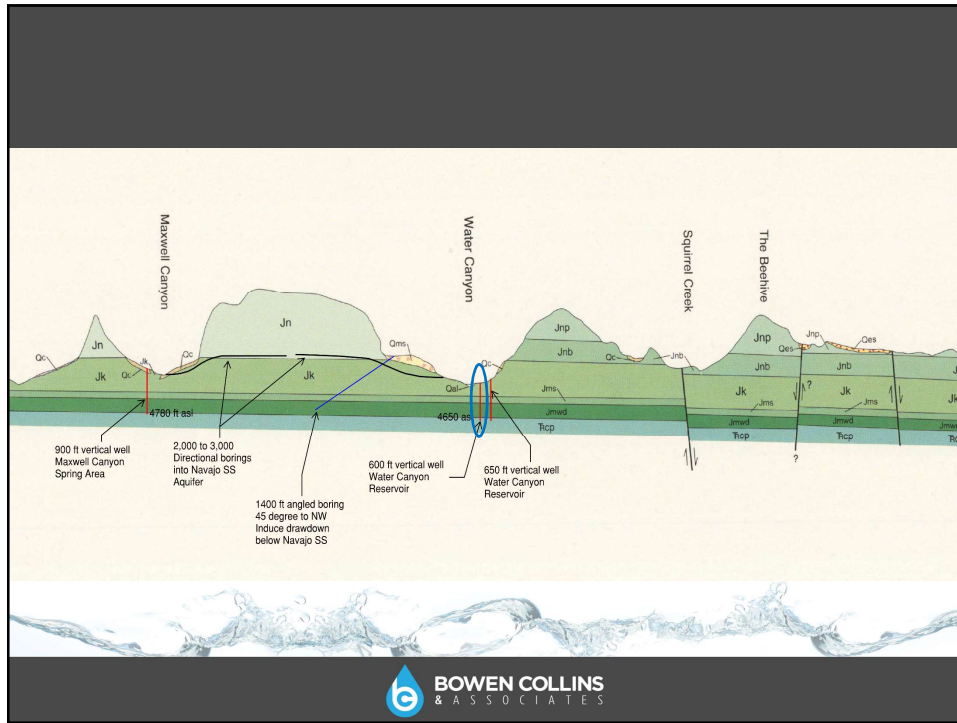




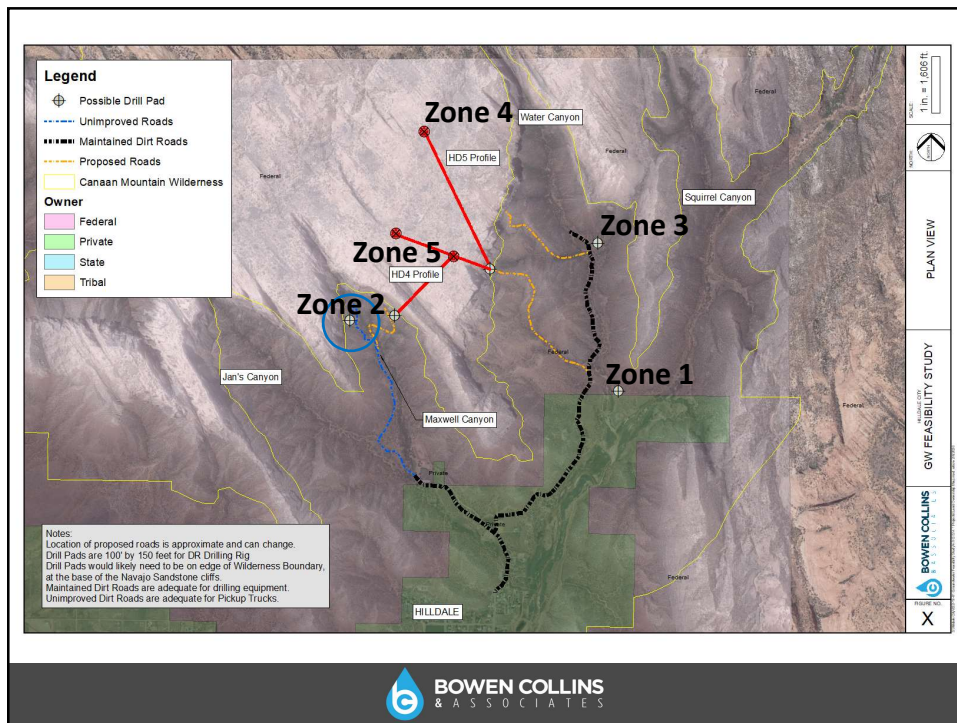
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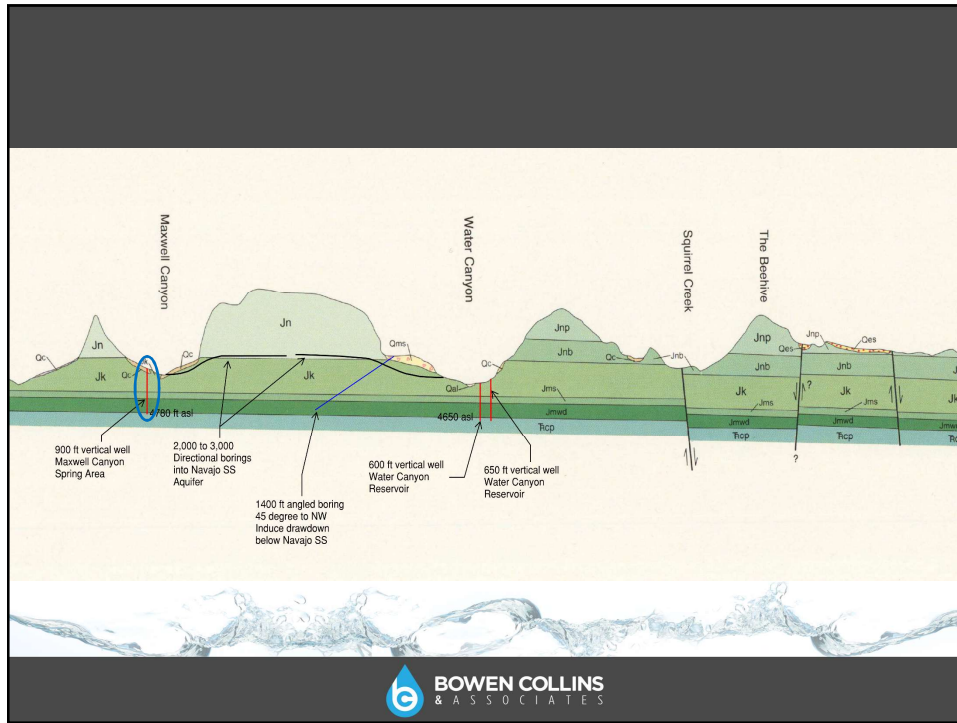
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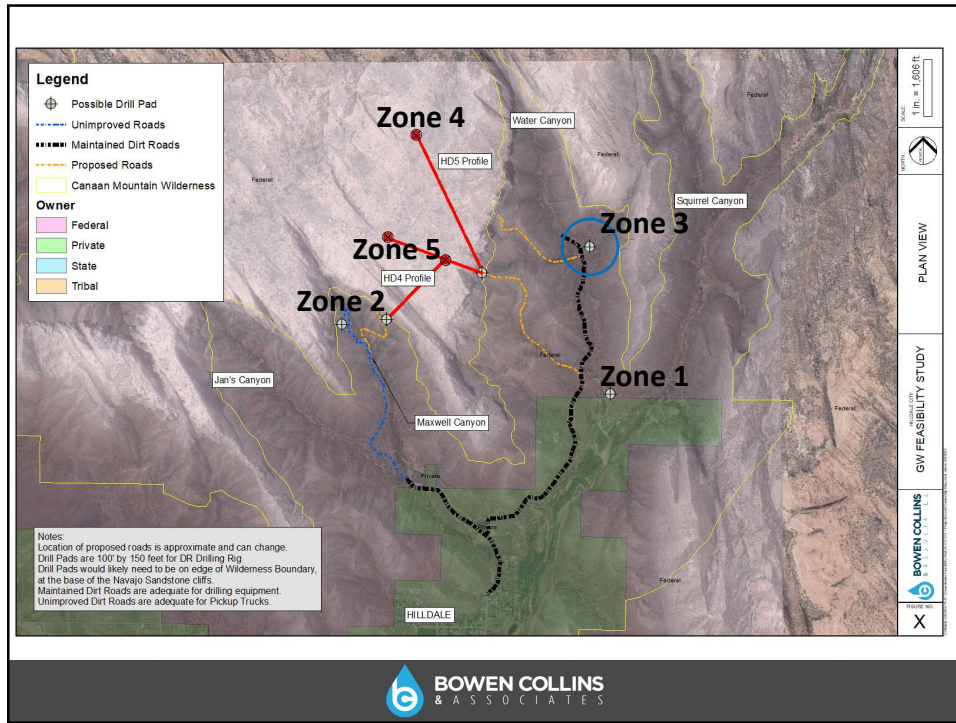


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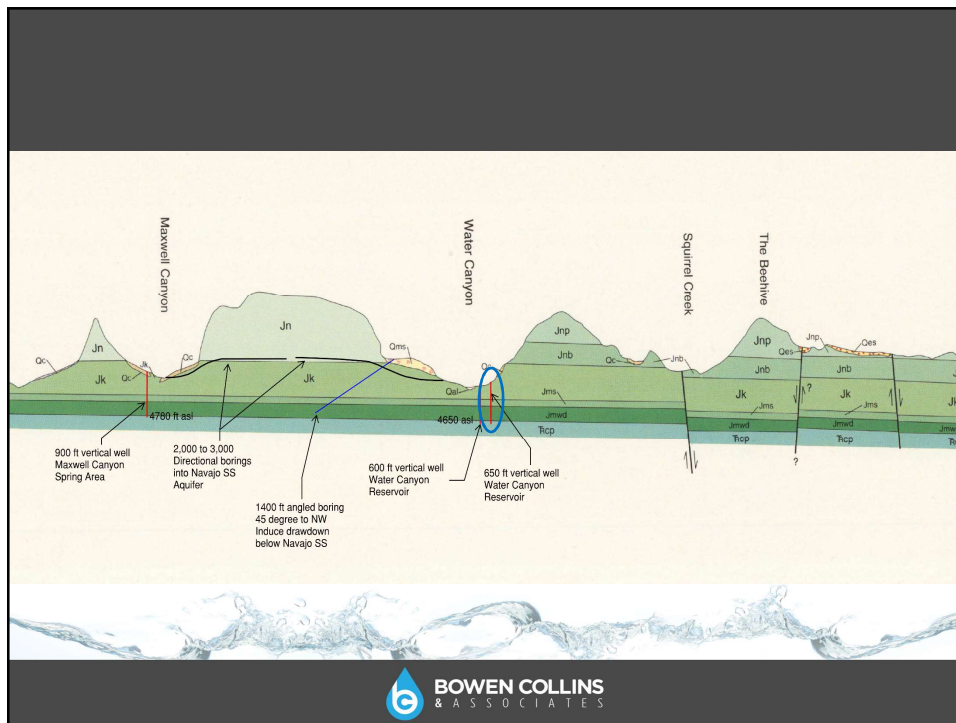
Drilling Program Options – Horizontal Well

- Production Well
 - Air Rotary
 - Surface casing /seal with blowout preventer
 - Full size DR or horizontal rig
 - Likely an 8-10” borehole (up to 17” possible)
 - Complete as 8” well with casing (no gravel pack)

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Drilling Program Technical Details

Vertical Well option in Kayenta and Moenave

- 3 Primary Targets - Zones 1, 2, 3
- Targets fracture sandstone and shale in Kayenta and Moenave Formations
- Expect to pull water down through Navajo Aquifer
- Target depths above Chinle Fm. and Shinarump Aquifer

- Pros – Increased saturated thickness, increased aquifer sustainability, lower drill costs
- Cons – targets low permeability shales (expects fractures), expected poorer water quality than Navajo

Horizontal Well option to target Navajo

- 2 Primary Targets
- Relies on Navajo Aquifer
- Targets N1, N2 identified in geophysical survey.
- Aims for fractured units with less competent rock and low gamma signature



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Drilling Program Technical Details

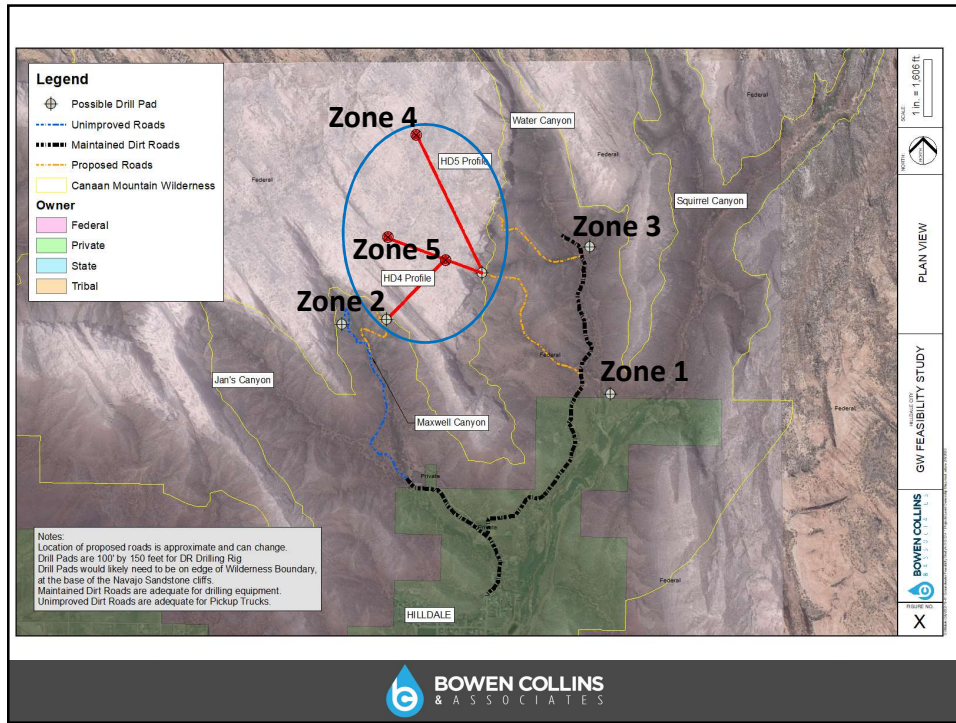
Horizontal Well option to target Navajo

- 2 Primary Targets – Zones 4 & 5
- Relies on Navajo Aquifer
- Targets N1, N2 identified in geophysical survey.
- Aims for fractured units with less competent rock and low gamma signature

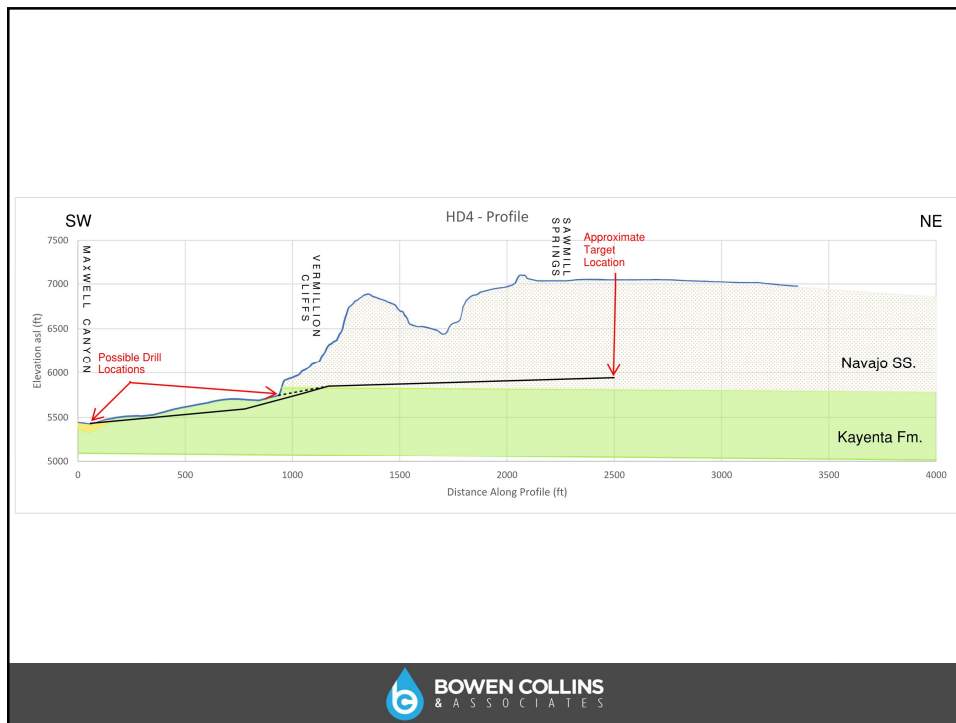
- Pros – Highest water quality
- Cons – limited saturated thickness, limited aquifer sustainability, difficult site access and mobilization costs



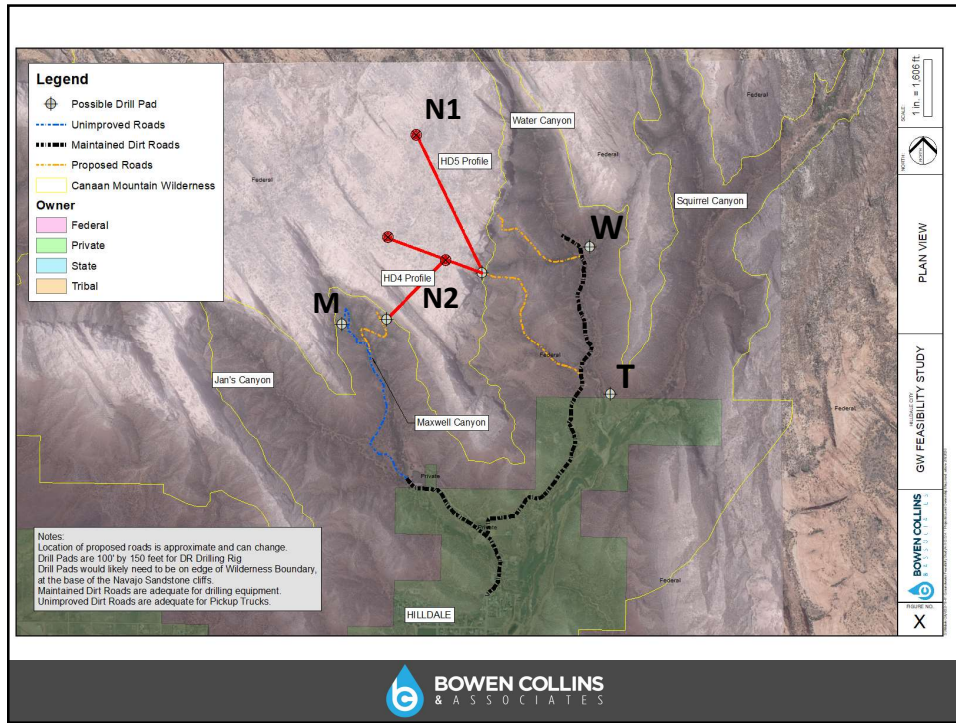
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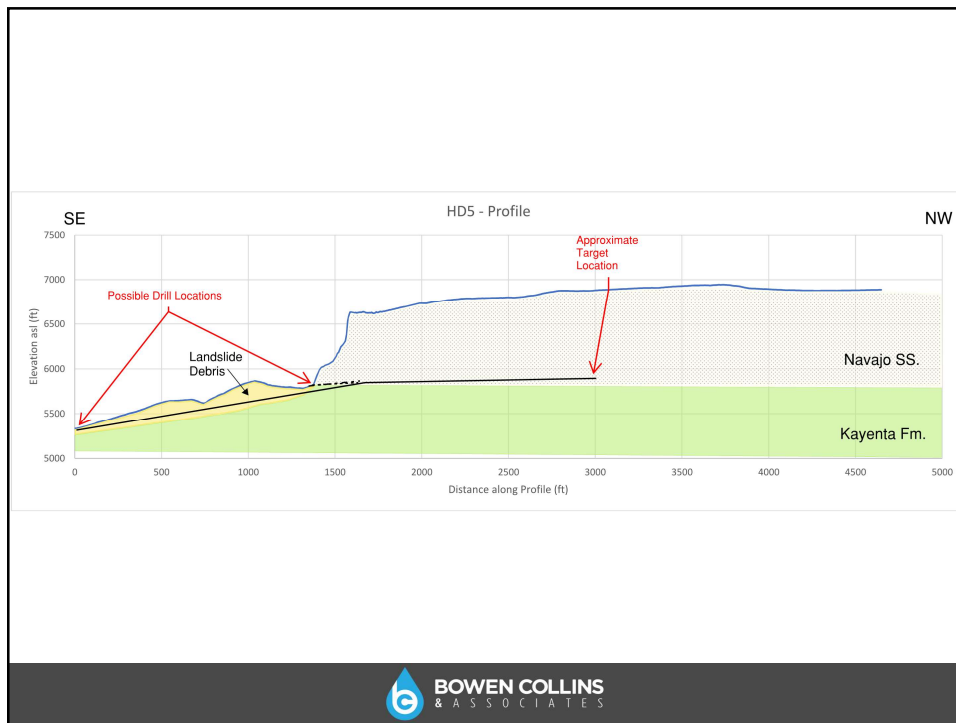
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Access Road & Drill pad Cost Estimates (Horizontal Drilling)

Target	Cost	Details
Zone 1 – Trailhead Vertical Well	\$150K	New road off Water Canyon Road Drill Pad Structural fill for road and drill pad
Zone 2 – Maxwell Vertical Well	\$1.7M	Improvements to Maxwell Canyon Road Drill Pad Structural fill for road and drill pad
Zone 3 – Water Canyon Vertical Well	\$125K	New road off Water Canyon Road Drill Pad Structural fill for road and drill pad
Zone 4 - Navajo 1 Horizontal (N1)	\$1.7 M	New road Construction from Water Canyon Road Drill Pad and Embankment Construction Structural Fill for new road and drill pad No road improvements
Zone 5 Navajo 2 Horizontal (N2)	\$1.6 M	Shorter access road when compared to N1 Road improvements on Maxwell Canyon Road Road construction up to cliff

41

Drilling Program Cost Estimates

Target	Cost		Mob/Access
	Exploratory	Production	
Zone 1	\$360K	\$500K	\$150K
Zone 2	\$425K	\$650K	\$1.7M
Zone 3	\$370K	\$550K	\$125K
Zone 4	\$300K	\$750K	\$1.7M
Zone 5	\$300K	\$750K	\$1.6M






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Other Considerations BLM Permitting

?

Discussion of requirements/expectations/schedule





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Other Considerations

Why a model was included in RFP

Groundwater Flow Model

- At this time there is limited information to build a model. Model would be based on assumptions.
- Unclear why a model was included the RFP
- Cost and time may be better used on a drill program



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**Questions?
Discussion**

 **BOWEN COLLINS
& ASSOCIATES**

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HCC UTILITY DEPARTMENT
MAKING CONNECTIONS

Annex Building Receipt

Hildale-Colorado City Utility Department
320 East Newel Avenue, Hildale UT 84784

Department Objective

The Department's objective is to acquire additional space for increased administrative offices for Department Staff and potentially for future staff to implement the Canyon Well Water Project. Additionally, we may want to provide community access to some spaces for the benefit of the Public.



Implementation

The Department staff will oversee the necessary repairs and maintenance required to begin utilizing the annex building.

Impact Assessment and Analysis

Legal

N/A

Financial

Claiming the Annex Building will increase the Department's building, maintenance and improvements budget by the joint administration fund. Our annual maintenance shall remain under \$5,000 a year, and if expenses are expected to exceed then board approval will be sought.

Operational

Until actual staff growth, there will be only minimal maintenance completed on the building. However, if the Cities choose to embark on the Canyon Wells Project then it will likely serve as a location to house the temporary staff.

IGA

N/A

**NON-EXCLUSIVE NETWORK ACCESS AND USE
AGREEMENT**

Between

**[CITY OF HILDALE, UTAH]/
[TOWN OF COLORADO CITY, ARIZONA]**

and

Effective as of _____

NON-EXCLUSIVE NETWORK ACCESS AND USE AGREEMENT

This Non-Exclusive Network Access and Use Agreement (“**Agreement**”), is made and entered into as of the ____ day of _____, 20__ (“**Effective Date**”), by and between the [City of Hildale, Utah]/[Town of Colorado City, Arizona] (“**CITY**”), a municipal corporation and a political subdivision of the State of Utah and _____, a _____ (“**Service Provider**”).

RECITALS:

A. CITY desires that residents, businesses, and other entities within its coverage area have convenient and competitively priced access to high speed, broadband fiber optic services, including voice, video and high-speed data transmission and Internet access.

B. CITY will operate and maintain a wholesale fiber optic network and provide end users access to capacity on the Network, as defined and described herein, across which private service providers will be able to offer a variety of competitive high-speed broadband services.

C. The Network will increase competitive access to consumers of services by building high performance fiber optic connections between service provider interconnections and the residences, businesses, and other various entities.

D. Service Provider desires to enter into this Agreement to use the Network to provide Services, on a non-exclusive basis, within the available areas. The Parties understand that CITY, at its sole discretion, may enter into agreements with other service providers and entities.

E. CITY, on the terms, covenants and conditions contained in this Agreement, is willing to grant Service Provider the right to use the Network, to provide Services to Subscribers.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements contained in this Agreement, CITY and Service Provider mutually agree as follows:

**ARTICLE I
DEFINITIONS**

Unless the context clearly indicates otherwise, certain terms used in this Agreement shall have the meanings set forth below:

1.1 “Agreement” means this Agreement and incorporates any Exhibits, Appendices, or other attachments referenced herein.

1.2 “CUE Agreement” shall have the meaning set forth in Section 4.6.

1.3 “Public Records Law” refers to Title 63G, Chapter 2 of the Utah Code, or Title 39, Chapter 1 of the Arizona Revised Statutes, as applicable.

1.4 “Immunity Act” refers to Title 63G, Chapter 7 of the Utah Code, or Title 12, Chapter 7, Article 2 of the Arizona Revised Statutes, as applicable.

1.5 “License” or “Property Access License” shall have the meaning set forth in Section 4.6.

1.6 “Network” means and includes, without limitation, all cables, collocation space, conduits, innerducts, manholes, nodes, optical fiber strands, patch panels, splices, switches, transmitters, junctions, terminals, internal power sources, access portals, battery backups, fault alarm systems, structures, shelters, poles or pole line attachments, similar equipment, business and operations support systems, and all articles of personal property owned or leased by CITY in connection with its fiber optics system that is used to provide Wholesale Services, as any or all of the same may be updated, supplemented, replaced or expanded, from time to time. Demarcation on the Network shall be defined as the Service Provider facing port on the CITY provider access switch and the Subscriber facing ports on the access portal installed at the Subscriber premises.

1.7 “Network Services” shall mean those services listed in CITY’s Product Catalog.

1.8 “Payment Due Date” shall have the meaning set forth in Section 5.1.

1.9 “Product Catalog” shall mean CITY’s network services and pricing, which services and pricing may be amended from time to time by CITY.

1.10 “Services” means the various services that Service Provider offers to its Subscribers over the Network.

1.11 “Subscriber(s)” means end-user residential or business customers who are being served by Service Provider through the Network.

1.12 “Service Provider” means any entity that has entered into a Service Provider agreement with CITY.

1.13 “Term” means either the Initial Term or the then-applicable Renewal Term.

1.14 “CITY’s Asset Manager” means the entity with whom CITY contracts for Network management and day-to-day operation.

1.15 “Service Level Agreement” means the document maintained by CITY which defines Network performance, operating parameters, and guarantees for Services on the Network.

ARTICLE II DESCRIPTION, TERM OF AGREEMENT

2.1 Service Provider Services. Service Provider shall use the Network to provide Services to the extent the Network is available to Subscribers. Nothing in this Agreement shall require Service Provider to use CITY’s Network exclusively.

2.2 Term. Unless sooner terminated as provided in ARTICLE XII, this Agreement shall have an initial term of one (1) year from the Effective Date (“**Initial Term**”), and shall renew in additional one (1) year terms (“**Renewal Term**”) that will each commence automatically unless either party at its sole discretion elects not to renew this Agreement by providing the other party at least ninety (90) days written notice of termination prior to the expiration of the applicable Term.

ARTICLE III NETWORK

3.1 Existing Network and Additional Phases. CITY owns the Network currently in place as of the Effective Date of this Agreement (the “Existing Network”), which is depicted on the Existing Network Map attached hereto as Exhibit “D”, and shall be provided as-is at the service level actually existing as of the Effective Date, without regard to Service Level Agreement specifications. Exhibit “D” shall be subject to revision in CITY’s sole discretion, if CITY reasonably determines that a portion of the Existing Network has inadvertently been omitted. Any undertaking to deploy additional phases of the Network shall be at Service Provider’s cost and expense. Except as provided in section 12.3 below, CITY will own any additional Network phases deployed and installed by Service Provider.

3.2 Network Design. Service Provider shall, at its own cost and expense, be solely responsible for Network design of any additional phases. The Network shall be designed to deliver according to Service Level Agreement specifications. Service Provider must include multiple Ethernet Network entry points. Service Provider may, at its sole discretion, select one or redundant entry points to connect into the Network. Service Provider shall be solely responsible for its costs to meet Network entry points including, but not limited to, interconnect costs, collocation space, rack rental, power, and other interfacing costs.

3.3 Installation of Network. Except as otherwise provided herein, Service Provider shall, at its own cost and expense, be solely responsible for additional phases of Network installation, including, without limitation, procuring rights-of-way or easements, and purchasing and installing facilities and equipment required to light and operate the Network.

3.4 Network Testing. Service Provider shall, at its own cost and expense, test each Network segment after installation to assure Network operations conform with CITY Service Level Agreement specifications. Upon CITY’s written request, Service Provider shall provide CITY a copy of the testing results.

3.5 Network Ownership. Except as provided in section 12.3, CITY shall own all Network structures, extensions, improvements and components, including those installed and deployed by Service Provider. This Agreement shall not confer on Service Provider any ownership or possessory interest in the Network, or any of its related facilities, equipment, easements or rights-of-way, or any other CITY property. Service Provider shall warranty any Network segments it installs against defects for a period of one year after installation.

3.6 Intellectual Property. In designing, installing, and operating the Network, neither party will use any third party intellectual property, except under appropriate licenses. Service Provider is responsible for obtaining all intellectual property licenses and rights with respect to

Service Provider's own equipment, software, and the like used in connection with the Network; and where applicable, is responsible for obtaining any intellectual property license or right from a third party to facilitate Network design and installation. Service Provider is not responsible for obtaining any intellectual property license or right from a third party to facilitate Network operation.

ARTICLE IV NETWORK OPERATIONS

4.1 Network Control. CITY shall have autonomy and control over the day-to-day operation of the Network, including, but not limited to, managing the platform and functionalities available over the Network. CITY shall provide primary management and control for the Network from its network operations center. Service Provider and CITY shall cooperate with each other to coordinate service turn-ups and Service deployment.

4.2 Maintenance Responsibilities. During the Term, CITY, at its cost and expense, shall be responsible for Network maintenance. CITY shall at all times maintain the Network in good working order and repair and in a safe condition, in conformity with service level agreements and all applicable laws and regulations, subject to section 3.1 above.

4.3 Troubleshooting. CITY shall respond to Network issues in accordance with its responsibilities set forth in Sections 4.4 and 4.5.

4.4 Customer Service. Service Provider shall maintain a call center to field all customer service inquiries from its Subscribers. Service Provider shall be responsible for addressing and rectifying customer service inquiries that do not involve the Network. CITY shall maintain a call center accepting calls from Service Provider to resolve customer service inquiries involving repair, maintenance or other contact with the Network. CITY shall establish procedures for tracking trouble reports and escalating resolution of inquiries as provided in Section 4.5.

4.5 Repair Timing. CITY shall restore damaged or malfunctioning portions of the Network in a timely manner. CITY acknowledges the importance of uninterrupted Network operation and shall arrive at repair sites with necessary personnel, equipment and materials and restore Network services in accordance with the service level agreements in the form attached hereto as **Exhibit A**. To the extent repairs are required to the Network to fix damage caused by Service Provider, Service Provider shall pay the repair costs. To the extent damage is caused by any other customer, CITY shall recover the repair expenses from the customer, and if the customer is Service Provider's Subscriber, Service Provider will assist CITY in making the recovery by directly billing the Subscriber for such expenses. CITY may also directly bill Service Provider's Subscribers for any such damages.

4.6 Customer Connection to Network. CITY shall provide its services to Service Provider to enable Service Provider to provide its Services to Service Provider's Subscribers. Prior to providing Services to a business Subscriber, Service Provider shall obtain from such business Subscribers either the business Property Access License, the tenant Property Access License, or both, as the case may be, in the form attached hereto as **Exhibit B** (or such other form as may be

provided by CITY). In the event Service Provider offers residential Services, Service Provider shall obtain from each Subscriber such covenants as reasonably required by CITY.

ARTICLE V

PRICING AND PAYMENTS

5.1 Network Services. In consideration of CITY's provision of the Network to be used by Service Provider for Services, and as long as Service Provider remains a Provider in Good Standing, Service Provider shall pay to CITY the prices and fees identified in the Product Catalog for Network Services, attached as **Exhibit C**. The Service Provider will be billed for services at the beginning of the service period. Invoiced fees will be due in twenty-five (25) calendar days from receipt of an invoice ("**Payment Due Date**"). In the event Service Provider disputes any fees invoiced in good faith, the details supporting such dispute must be submitted to CITY in writing prior to the Payment Due Date. If Service Provider fails to dispute all or any portion of an invoice by the Payment Due Date, the invoice shall be deemed valid by the parties and Service Provider shall have voluntarily waived all rights to dispute the same. Service Provider's obligation to pay CITY is not contingent on whether Service Provider actually received payment for the services it provided to Subscribers. Service Provider is responsible for its own collection of accounts receivable, the non-collection of which shall not impute any liability to CITY, nor relieve Service Provider of its obligations under this Agreement.

5.2 Subscriber Audits. Within 30 days after reasonable request by CITY, Service Provider shall provide copies of any and all accounting records, contracts and other documentation as the CITY may reasonably require to enable it to review and confirm the accuracy of Subscriber and Service data furnished by Service Provider for billing purposes. CITY shall not conduct a Subscriber audit more frequently than once per calendar quarter. Service Provider's failure to maintain and timely provide complete documentation as reasonably requested by CITY shall be grounds for termination of this agreement under section 12.1(a) below.

5.3 Local Fees. Service Provider shall bill for and remit to each municipality, county, or state, all applicable fees for Services imposed by those entities for Services within their jurisdictions, in the manner required by law, the actual or equivalent of applicable franchise fees, business license taxes, municipal telecommunications license taxes, E911 surcharges and other similar charges that Service Provider would have been required to pay if Service Provider were supplying Services to Subscribers utilizing its own fiber infrastructure without use of the Network, and Service Provider as allowed by law, is permitted to recover such fees, taxes, and charges by charging those fees to Service Provider's Subscribers.

5.4 Other Taxes and Fees. Service Provider shall be solely responsible for the collection and remittance of all applicable federal, state and local taxes, including, without limitation, income taxes, sales taxes, privilege taxes, or universal service fees.

5.5 Failure to Pay. If Service Provider fails to make any payments under this ARTICLE V by the Payment Due Date, in addition to all other remedies at law or in equity, CITY may collect interest on unpaid amounts at the rate of one percent (1%) per month or such lesser amounts permitted by law until Service Provider is current on all payments.

5.6 Service Suspension. Any Services with non-disputed outstanding payments exceeding 30 days past their Payment Due Date, are subject to be suspended by CITY. Charges for suspended services will continue until a service disconnect order is received by CITY. Services will be restored only upon payment of all outstanding, non-disputed amounts, that have exceeded the Payment Due Date.

ARTICLE VI MARKETING

6.1 Service Provider Marketing Efforts. Throughout the term, and any renewal thereof, Service Provider may promote its Services and the Network to acquire Subscribers, and to maintain good business relationships with Subscribers. If utilizing CITY's name, logos, or other marketing resources, Service Provider shall provide CITY: (a) a written summary of its plan for marketing Services on the Network; and (b) a non-binding twelve (12) month forecast of Subscribers and Services. Service Provider shall provide an updated non-binding forecast prior to the end of each calendar quarter during the term of this Agreement. Nothing in this Agreement shall restrict or limit CITY's ability to independently promote all or any portion of the Network, its Service Providers, and/or the service offered across the Network.

6.2 Network Service Claims. Service Provider shall not make any representations or statements regarding the Network that are inconsistent with representations or statements made in this Agreement.

6.3 Service Provider's Use of CITY's Brand Name and/or Logo. Each party may use the other party's brand name and/or logo in such party's marketing materials, advertisements and/or press releases, provided that such use shall be in accordance with the other party's brand use guidelines that are provided from time to time. Service Provider shall request written consent for any press releases using CITY's brand names and/or logos before publication. Such consent, if granted, shall be granted within ten (10) business days and not unreasonably withheld.

ARTICLE VII REPRESENTATIONS AND WARRANTIES

7.1 CITY's Representations and Warranties. CITY represents and warrants to Service Provider as follows:

(a) Authority. CITY is a municipal corporation and a political subdivision of the State of Utah or Arizona, as applicable, and possesses all requisite power and authority to enter into and to perform in accordance with the terms, covenants and conditions contained in this Agreement.

(b) Restrictions. The execution and delivery of this Agreement, any instrument or document required by this Agreement, and the consummation of the transactions contemplated by this Agreement will not violate any restriction contained in CITY's organizational documents, or any statute, ordinance, law, order, ruling, certificate or license, regulation, judgment or demand of any court, regulatory agency or other tribunal to which CITY is subject.

(c) Binding Obligation. This Agreement, when duly executed by CITY, shall constitute a valid, legal, and binding obligation of CITY, and shall be enforceable in accordance with its terms. The individual executing this Agreement on behalf of CITY has been duly authorized to sign this Agreement.

(d) Compliance with Government Requirements. To the best of its knowledge, CITY has not violated any rule, order or regulation issued by any government authority with respect to any license, permit, or franchise which may materially and adversely affect CITY's right or ability to execute, and perform in accordance with the terms of, this Agreement.

(e) Proceedings. To the best of its knowledge, no litigation or government proceeding is pending or threatened which might adversely affect this Agreement, the transactions contemplated by this Agreement, or CITY's rights under, or ability to perform pursuant to the terms of, this Agreement.

(f) Financing Restrictions. This Agreement does not violate any terms, covenants, conditions or restrictions in any mortgages, bonds and other indentures of CITY.

(g) Resources and Capacity. CITY possesses sufficient financial, managerial and technical capacity and resources to perform its obligations under this Agreement.

7.2 Service Provider's Representations and Warranties. Service Provider represents and warrants to CITY as follows:

(a) Authority. Service Provider is an entity duly organized, validly existing and in good standing under the laws of the state of its formation, and possesses all requisite power and authority to enter into and to perform in accordance with the terms, covenants and conditions contained in this Agreement.

(b) Restrictions. The execution and delivery of this Agreement, any instrument or document required by this Agreement, and the consummation of the transactions contemplated by this Agreement will not violate any restriction contained in Service Provider's organizational document, or any statute, ordinance, law, order, ruling, certificate or license, regulation, judgment or demand of any court, regulatory agency or other tribunal to which Service Provider is subject.

(c) Binding Obligation. This Agreement, when duly executed by Service Provider, shall constitute a valid, legal, and binding obligation of Service Provider, and shall be enforceable in accordance with its terms. The individual executing this Agreement on behalf of Service Provider has been duly authorized to sign this Agreement.

(d) Resources and Capacity. Service Provider possesses and shall, at all times during the term, and any renewal thereof, maintain sufficient financial, managerial, and technical capacity and resources to perform its obligations under the terms of this Agreement.

(e) Compliance with Government Requirements. To the best of its knowledge, Service Provider has not violated any rule, order or regulation issued by any government authority with respect to any license, permit, or franchise which may materially and adversely affect Service Provider's right or ability to execute, and perform in accordance with the terms of, this Agreement.

(f) Proceedings. To the best of its knowledge, no litigation or government proceeding is pending or threatened which might adversely affect this Agreement, the transactions contemplated by this Agreement, or Service Provider's rights under, or ability to perform pursuant to the terms of, this Agreement.

(g) Financing Restrictions. This Agreement does not violate any terms, covenants, conditions or restrictions in any mortgages, bonds or other indentures of Service Provider.

7.3 Disclaimer of Warranties. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, CITY MAKES NO WARRANTIES REGARDING THE NETWORK, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR THAT THE NETWORK WILL OPERATE ERROR-FREE OR WITHOUT INTERRUPTION.

ARTICLE VIII COVENANTS

8.1 Conduct of Business. CITY will support the Network in accordance with engineering specifications, will operate the Network in a safe manner, and will use its best efforts to comply in all material respects with applicable laws, regulations and government orders applicable to the Network and its operation. Service Provider will use its best efforts to comply in all material respects with applicable laws, regulations and government orders applicable to Service Provider's use of the Network to provide Services. Service Provider and its end users will comply with CITY's Acceptable Use Policies which CITY may modify from time to time in its sole discretion.

8.2 Public Records Law Compliance.

(a) CITY is subject to the disclosure requirements of the Public Records Law. CITY generally considers agreements, including this Agreement, contract documents and all accompanying material to be public and subject to disclosure. A written claim of confidentiality and a concise written statement of reasons supporting the claim must accompany any material considered by Service Provider to be proprietary. Blanket claims that this entire Agreement or entire contracts are confidential will be denied by CITY. CITY cannot guarantee that any information will be held confidential.

(b) Under the Public Records Law, Service Provider may make a claim that other records are subject to business confidentiality provisions. Upon receipt of a request, CITY will determine whether the material should be classified as public or protected, and will notify Service Provider of any determination not to classify such

records as protected. CITY agrees to hold all information classified as protected in confidence and to protect it from public disclosure to the greatest extent permitted by the Public Records Law; provided, however, that if CITY's classification is challenged, CITY shall provide Service Provider written notice of such challenge and Service Provider shall be required to pay all costs, including attorney fees and court costs, in seeking to uphold such classification.

(c) Service Provider is entitled under the Public Records Law to appeal an adverse determination regarding the classification of information. CITY is not required to notify Service Provider of a request for non-protected information, and will not consider a claim of business confidentiality unless Service Provider's claim of business confidentiality is made on a timely basis and in accordance with the Public Records Law.

8.3 CITY Confidentiality. CITY believes that all information pertaining to the Network, the Agreement, and Network information subsequently submitted to Service Provider by CITY constitute trade secrets, are otherwise commercially sensitive, or relate to general security or public safety information. Disclosure of such information can be reasonably expected to result in unfair injury to CITY. Service Provider shall not disclose any information pertaining to the Network or Network operations, without CITY's prior written authorization. Service Provider agrees to strictly maintain the confidentiality of the Confidential Information, which obligation shall survive the expiration or termination of this Agreement. As used herein, "Confidential Information" includes, without limitation, the following information of CITY regardless of whether or not such information may otherwise be classified as "public" under the Public Records Law: know-how, trade secrets, business plans, personnel information, financial information, marketing plans, pricing information, product information, customer information, building plans, computer systems, software code, system logic and systems, and network architecture and layout. Service Provider acknowledges that unauthorized disclosure or use of the Confidential Information will cause substantial and irreparable injury to CITY, that money damages will not adequately compensate for such injury, and that CITY is entitled to obtain, among other remedies, immediate injunctive and other equitable relief for any breach of this Article, without any requirement to post a bond. This Section 8.3 shall survive the termination of this Agreement and shall be binding upon Service Provider irrespective of whether the Confidential Information may be otherwise publicly available under any statute or other theory of law. In the event Service Provider breaches, or threatens to breach, its obligations of confidentiality, CITY shall be entitled to injunctive relief requiring Service Provider to specifically perform and abide by its obligations of confidentiality as set forth in this Article, without the need to post a bond.

8.4 Privacy of Customer Information. Service Provider and CITY shall comply with all applicable federal, state, and local laws, regulations and ordinances regarding the protection and use of customer information.

8.5 Electronic Surveillance in Support of Law Enforcement. The parties acknowledge that Service Provider and CITY from time to time may be required to provide a Law Enforcement Agency (LEA) with the capability to conduct electronic surveillances on the Subscribers. Where CITY is providing the underlying network facilities for on-net local voice calls between Service Provider's customers on CITY's Network, CITY agrees to provide Service Provider access to any

necessary elements of its Network required to comply with federal, state and local electronic surveillance requirements; provided, however, that the implementation and provision of any such electronic surveillance with respect to the Subscribers shall be Service Provider's sole responsibility and implemented by Service Provider's employees or agents, unless otherwise required by law or to fulfill Service Provider's compliance with such law. The Parties further agree no later than ninety (90) days after the Effective Date to document a method and procedure that fully sets forth the roles, responsibilities, methods, and procedures of the Parties for handling security and electronic surveillance issues related to the Subscribers. Service Provider shall be responsible for filing any and all reports with all applicable governmental agencies related to compliance with the provisions of this Section 8.5. On those occasions when Service Provider receives a court order that requires the assistance of CITY to capture or monitor on-net activity, and recognizing the non-disclosure obligations that may be contained therein, Service Provider shall advise the issuing authority that CITY's assistance is required and the issuing authority shall direct and serve the court order upon CITY. If either CITY or Service Provider receives an initial inquiry from the LEA, prior to the issuance of a court order, which will require the assistance of the other party to capture or monitor on-net activity, that Party shall request the LEA to name and serve both CITY and Service Provider.

8.6 Quality of Service Standards. Service Provider shall comply with the most restrictive of applicable federal, state, and local laws, regulations and ordinances regarding quality of service standards for all of its Services to assure uniformity of service to all customers connected to the Network.

8.7 Damage or Destruction. In the event any segment of the Network is damaged or destroyed, CITY or Service Provider shall give immediate notice to the other party of the occurrence of the damage or destruction. CITY and Service Provider shall cooperate with each other to reroute or substitute services delivered by means of the affected portion of the Network to allow for continued and least interrupted service to customers. CITY shall have sole repair obligation and shall use its best efforts to restore or reroute service as quickly as possible so that the use of the Network is minimally disrupted.

8.8 Service Provider Government Approvals. Service Provider has all necessary government approvals to enter into and perform its obligations under this Agreement, and, if applicable, shall comply with all rules and regulations of the Utah or Arizona Public Service Commission, as applicable, and of the Federal Communications Commission.

8.9 CITY Government Approvals. CITY has all necessary government approvals to enter into and perform its obligations under this Agreement, and, if applicable, shall comply with all rules and regulations of the Federal Communications Commission.

8.10 Insurance. During the term of this Agreement, Service Provider and CITY shall at all times, at their own cost and expense, procure and maintain insurance or some other type of comparable security as necessary to cover their respective duties assumed under this Agreement, including workers compensation, commercial general liability and property damage insurance, as well as such other insurance as may be required by law. CITY and Service Provider shall require their respective contractors, subcontractors and agents to maintain adequate insurance coverage to

respond to the types and degree of risk posed by the work performed by such parties. The Parties shall have the right to self-insure.

8.11 Regulatory Reporting Requirements. CITY will provide Service Provider all information and documents, within CITY's control, as necessary to permit Service Provider to comply with regulatory reporting requirements.

8.12 Cooperation With CITY's Asset Manager. CITY, at its sole discretion, may contract with a third party or parties ("Asset Manager") to manage CITY's assets, including the Network. Service Provider shall cooperate with CITY's Asset Manager with respect to the obligations hereunder.

ARTICLE IX ASSIGNMENT AND SECURITY INTERESTS

9.1 CITY Financings. To finance Network operations, CITY reserves the right to grant security interests in the Network to one or more third parties. Service Provider, at the request of CITY, shall execute such acknowledgments, subordinations and estoppel agreements as may be required in connection with CITY's financings.

9.2 Attornment. In the event that title to the Network changes pursuant to Section 9.1, Service Provider's obligations under this Agreement shall remain in force and in effect, and shall attorn to the benefit of the successor in title; provided, however, that any such successor in title maintains sufficient financial, managerial, and technical capacity and resources to perform its obligations under the terms of this Agreement, and such successor meets all of CITY's obligations and representations under this Agreement.

9.3 Assignment by Service Provider. Service Provider shall have the right to assign or transfer its interest in this Agreement with CITY's prior written consent which shall not be unreasonably withheld, conditioned or delayed, provided that any assignee or transferee hereunder: (1) assumes all of Service Provider's obligations under this Agreement; (2) holds all necessary government authorizations, certifications and permits to provide Services in the State of Utah or Arizona, as applicable; and (3) in the reasonable judgment of CITY, possesses sufficient financial, managerial and technical capacity to perform under the terms and conditions of this Agreement. An assignment or transfer of Service Provider's interest in this Agreement in violation of this Section 9.3, at CITY's option, shall be void, or, give CITY, in its sole discretion the right to declare a termination event under Section 12.1 of this Agreement.

9.4 No Ownership Interest. Except as provided in section 12.3, Service Provider has no ownership interest in the Network and shall not have the right to grant a security interest in or to transfer an interest in the Network to any creditor or third party.

ARTICLE X LIABILITY AND INDEMNIFICATION

10.1 CITY Indemnity. To the extent permitted by law, CITY shall indemnify, defend and hold harmless Service Provider, its officers, agents and employees of and from any claim, demand, lawsuit, or action of any kind for injury to or death of persons, including, but not limited to, Subscribers, employees of CITY or Service Provider, and damage or destruction of property, including, but not limited to, property of Subscribers, CITY or Service Provider, arising out of: (a) negligent or willful acts or omissions of CITY, its agents, officers, directors, employees or contractors; (b) the exercise by CITY of the privileges or rights given herein; and (c) the performance by CITY of any of its obligations under this Agreement. The obligation to indemnify shall extend to and encompass all costs incurred by Service Provider in defending such claims, demands, lawsuits or actions, including, but not limited to, attorney, witness and expert witness fees, and any other litigation related expenses. CITY shall pay any cost that may be incurred by Service Provider in enforcing this indemnity, including reasonable attorney fees. CITY's obligations pursuant to this Section 10.1 shall not extend to claims, demands, lawsuits or actions for liability attributable to the negligence or willful action of Service Provider, its directors, officers, employees, contractors, successors or assigns. Nothing in this Agreement shall be construed to limit CITY's rights under the Immunity Act.

10.2 Service Provider Indemnity. Service Provider shall indemnify, defend and hold harmless CITY, its officers, agents and employees of and from any claim, demand, lawsuit, or action of any kind for injury to or death of persons, including, but not limited to, Subscribers, employees of Service Provider or CITY, and damage or destruction of property, including, but not limited to, property of Subscribers, Service Provider or CITY, arising out of: (a) negligent or willful acts or omissions of Service Provider, its agents, officers, directors, employees or contractors; (b) the exercise by Service Provider of the privileges or rights given herein; and (c) the performance by Service Provider of any of its obligations under this Agreement. The obligation to indemnify shall extend to and encompass all costs incurred by CITY in defending such claims, demands, lawsuits or actions, including, but not limited to, attorney, witness and expert witness fees, and any other litigation related expenses. Service Provider shall pay any cost that may be incurred by CITY in enforcing this indemnity, including reasonable attorney fees. Service Provider's obligations pursuant to this Section 10.2 shall not extend to claims, demands, lawsuits or actions for liability attributable to the negligence or willful action of CITY, its directors, officers, employees, contractors, successors or assigns.

10.3 Intellectual Property Indemnity by CITY. To the extent permitted by law, CITY shall indemnify, defend, and hold harmless Service Provider from and against any loss, cost, expense or liability arising out of a claim that Service Provider's use, pursuant to the terms of this Agreement, of the Network infringes, misappropriates or otherwise violates the intellectual property rights of any third party. CITY will promptly inform Service Provider of any pending or threatened intellectual property claims relating to the Network of which CITY is aware, and will provide Service Provider periodic and timely updates of such notification so that Service Provider receives maximum notice of any intellectual property risks that it may want to address.

10.4 Intellectual Property Indemnity by Service Provider. Service Provider shall indemnify, defend, and hold harmless CITY from and against any loss, cost, expense or liability arising out of a claim that Service Provider's use of its own equipment, software, and the like used by Service Provider in connection with CITY's Network, infringes, misappropriates or otherwise violates the intellectual property rights of any third party. Service Provider will promptly inform

CITY of any pending or threatened intellectual property claims relating to Service Provider's use of its own equipment, software and the like used by Service Provider in connection with CITY's Network, of which Service Provider is aware, and will provide CITY periodic and timely updates of such notification so that CITY receives maximum notice of any intellectual property risks that it may want to address. This indemnification shall only apply to intellectual property third party claims solely related to Service Provider's equipment, software and the like and not related to intellectual property third party claims covering a combination of Service Provider's equipment, software and the like with CITY's Network. The parties will cooperate with each other in the defense of any third-party claims covering a combination of Service Provider's equipment, software and the like with CITY's Network.

10.5 No Consequential Damages; Direct Damages. NOTWITHSTANDING ANY PROVISION IN THIS AGREEMENT TO THE CONTRARY, NEITHER CITY, SERVICE PROVIDER NOR THEIR RESPECTIVE AGENTS, EMPLOYEES, CONTRACTORS OR SUBCONTRACTORS SHALL BE LIABLE TO THE OTHER FOR INCIDENTAL, CONSEQUENTIAL, RELIANCE, SPECIAL, PUNITIVE OR INDIRECT DAMAGES ARISING OUT OF THIS TRANSACTION WHETHER BY REASON OF CONTRACT, INDEMNITY, STRICT LIABILITY, NEGLIGENCE, BREACH OF WARRANTY OR FROM BREACH OF THIS AGREEMENT, AND REGARDLESS OF WHETHER THE PARTIES KNEW OF THE POSSIBILITY THAT SUCH DAMAGES COULD RESULT, EACH PARTY HEREBY RELEASES THE OTHER PARTY OF SUCH CLAIMS. CITY'S TOTAL LIABILITY TO SERVICE PROVIDER SHALL BE LIMITED TO THE LESSER OF THOSE AMOUNTS DUE PURSUANT TO THE PRODUCT CATALOG, OR THE TOTAL AMOUNTS ACTUALLY PAID BY SERVICE PROVIDER TO CITY DURING THE THREE (3) MONTHS IMMEDIATELY PRECEDING THE DATE OF THE ALLEGED DAMAGE OR CLAIM.

(a) NOTHING CONTAINED IN THIS SECTION 10.5 SHALL LIMIT CITY'S OR SERVICE PROVIDER'S LIABILITY TO THE OTHER FOR (i) WILLFUL OR INTENTIONAL MISCONDUCT (INCLUDING NEGLIGENCE) OR (ii) BODILY INJURY, DEATH OR DAMAGE TO TANGIBLE REAL OR TANGIBLE PERSONAL PROPERTY PROXIMATELY CAUSED BY CITY'S OR SERVICE PROVIDER'S NEGLIGENT ACT OR OMISSION OR THAT OF THEIR RESPECTIVE AGENTS, EMPLOYEES, CONTRACTORS OR SUBCONTRACTORS, NOR SHALL ANYTHING CONTAINED IN THIS SECTION 10.5 LIMIT THE PARTIES' INDEMNIFICATION OBLIGATIONS, AS SPECIFIED IN THIS AGREEMENT. FOR PURPOSES OF THIS SECTION, AMOUNTS DUE AND OWING TO CITY PURSUANT TO ARTICLE V SHALL NOT BE CONSIDERED TO BE INDIRECT, INCIDENTAL, CONSEQUENTIAL, RELIANCE, PUNITIVE OR SPECIAL DAMAGES.

(b) In the event of a breach of this Agreement that is not otherwise cured pursuant to Section 12.2, and subject to the indemnification obligations in this Agreement, the parties shall be liable to each other only for direct damages. Service Provider and CITY, respectively, shall be entitled to all monies due and owing to pursuant to Exhibit "B" and ARTICLE V, without limitation. In all other events a Party's aggregate liability for direct damages shall be limited to the lesser of (i) actual

proven damages; or (ii) the average monthly Wholesale Services billing to Service Provider for the twelve (12) months preceding the party's breach of this Agreement.

10.6 Waiver of Subrogation. To the extent such a waiver will not invalidate a party's insurance policies, each party hereby releases and waives all right of recovery against the other or anyone claiming through or under each of them by way of subrogation or otherwise with respect to the property insurance policies required by Section 8.10. The foregoing release and waiver shall not apply to losses actually paid under such policies if the releasing party's insurance policies do not contain provisions acknowledging such release and waiver. Each party shall use its commercially reasonable efforts to secure such provisions in its policies. If either party self-insures losses to its property, the waiver of subrogation shall apply as if the party maintained an insurance policy covering loss or damage to its property.

10.7 Defense of Claims. Either party, as the indemnifying party hereunder, shall have the right to defend the other by counsel of the indemnifying party's selection reasonably satisfactory to the indemnified party, with respect to any claims within the indemnification obligations of this ARTICLE X. CITY and Service Provider shall give each other prompt notice of any asserted claims or actions indemnified against, shall cooperate with each other in the defense of any such claims or actions, and shall not settle any such claims or actions without the other party's prior written consent.

10.8 Third Party Claims. Except as set forth in Sections 10.1 and 10.2, nothing in this Agreement shall be construed to create rights in, or duties or liabilities to, or any standard of care with reference to, or to grant remedies to, any person or entity not a party to this Agreement. By entering into this Agreement the parties do not hold themselves out as furnishing like or similar services to any other person or entity.

10.9 Limitation of CITY Liability. Service Provider shall have sole responsibility for the provision of Services to its Subscribers. CITY shall in no way be deemed to guarantee the adequacy of Service Provider's Services for such Subscribers' needs or requirements; subject, however, to CITY meeting the quality and reliability specifications for the Network as specifically set forth in Exhibit "A."

10.10 Applicability of Liability Limitations. The waivers and disclaimers of liability, releases from liability, exclusive remedy provisions, and (except as expressly stated to the contrary therein) indemnity and hold harmless provisions expressed throughout this Agreement shall apply even in the event of the fault, negligence (in whole or in part), strict liability, or breach of contract of the party released or whose liability is waived, disclaimed, limited, apportioned or fixed by such exclusive remedy provision, or who is indemnified or held harmless, and shall extend to their respective affiliates and its and their respective partners, directors, officers, employees and agents. Such provisions shall continue in full force and effect notwithstanding the completion, termination, suspension, cancellation or rescission of this Agreement, or termination of the rights and privileges granted by this Agreement. No officer, director, employee, agent or other individual representative of either CITY or Service Provider shall be personally responsible for any liability arising under this Agreement.

ARTICLE XI FORCE MAJEURE

11.1 Excuse of Performance. Notwithstanding anything in this Agreement to the contrary, neither party shall be liable or responsible for a delay or failure in performing its obligations (other than Service Provider's obligations to make payments for Network Services already provided by CITY) under this Agreement caused by Force Majeure (as defined below).

11.2 Definition. The term "Force Majeure" as used in this Agreement shall mean any cause beyond the reasonable control of CITY or Service Provider, as applicable, or beyond the reasonable control of any of their respective contractors, subcontractors, suppliers or vendors, including without limitation:

(a) Acts of God. Acts of God, including, but not necessarily limited to, lightning, earthquakes, adverse weather of greater duration or intensity than normally expected for the job area and time of year, fires, explosions, floods, other natural catastrophes, sabotage, utility outages, inability to secure materials, terrorist acts, acts of a public enemy, acts of government or regulatory agencies, wars, blockades, embargoes, insurrections, riots or civil disturbances;

(b) Labor Disputes. Labor disputes, including, but not necessarily limited to, strikes, work slowdowns, work stoppages or labor disruptions, labor or material shortages, or delays or disruptions of transportation;

(c) Court Orders. Orders and judgments of any federal, state or local court, administrative agency or governmental body;

(d) Change in Law. The adoption of or change in any federal, state or local laws, rules, regulations, ordinances, permits or licenses, or changes in the interpretation of such laws, rules, regulations, ordinances, permits or licenses, by a court or public agency having appropriate jurisdiction after the Effective Date; or

(e) Government Approvals. Any suspension, termination, interruption, denial or failure to issue or renew by any government authority or other party having approval rights of any approval required or necessary hereunder for the construction, installation or operation of the Network or for either party to perform its obligations hereunder, except when such suspension, termination, interruption, denial or failure to issue or renew results from the negligence or failure to act of the party claiming the occurrence of an event of Force Majeure.

11.3 Continuance after Force Majeure Event. If either CITY or Service Provider cannot fulfill any of its obligations under this Agreement by reason of Force Majeure, such party shall promptly notify the other and shall exercise due diligence to remove such inability with all reasonable dispatch; provided, that nothing contained in this Section 11.3 shall be construed as requiring CITY or Service Provider to settle any strike, work stoppage or other labor dispute in which it may be involved, or to accept any permit, certificate, license or other approval on terms deemed unacceptable to such party, or to enter into any contract or other undertaking on terms which the party deems to be unduly burdensome or costly. If the nature or duration of the Force

Majeure event is such that either party is irreparably harmed to the extent that both parties agree that the affected party is unable to perform its obligations under this Agreement, then the affected party shall be held harmless and have the right to terminate this Agreement in accordance with ARTICLE XII.

ARTICLE XII BREACH AND TERMINATION

12.1 Termination Events. The occurrence and continuance of the following events may result in the termination of this Agreement, at the terminating party's sole discretion, subject to this ARTICLE XII:

(a) Breach or Default. A material breach or a material default under the terms, covenants and conditions of this Agreement by either CITY or Service Provider, including, without limitation, the Service Provider's failure to make payments pursuant to ARTICLE V when due, and Service Provider's failure to comply with Section 6.1.

(b) Change in Law. A change in any federal, state or local law, regulation or rule, or the issuance of an Order by the Federal Communication Commission, that materially impacts CITY's ownership or operation of the Network, or Service Provider's use, or the terms for Service Provider's use, of the Network. Upon a party's notice of termination under this Section 12.1(b), each party's sole liability in such case is limited to meeting their respective obligations set forth in Section 12.3, as applicable, and as permitted under such change in law.

(c) Bankruptcy or Insolvency. Immediately without delivery of notice, upon: (1) the insolvency of Service Provider, as determined by Service Provider's inability to pay its debts to creditors as they become due, (2) the filing by Service Provider of a voluntary petition in bankruptcy, (3) the involuntary commencement against Service Provider of any proceedings under any law (whether United States or foreign) relating to insolvency or bankruptcy which is not vacated within 30 days, (4) adjudication of Service Provider as bankrupt or insolvent pursuant to an involuntary petition, (5) the appointment by any court of competent jurisdiction of a temporary or permanent receiver, custodian, trustee or other officer having similar powers for Service Provider or Service Provider's business, who is not removed within 30 days, (6) any levy under attachment, garnishment, execution or any other similar process against Service Provider which is not vacated within 30 days or removed by payment or bonding, or (7) any assignment by Service Provider for the benefit of its creditors. Service Provider shall immediately notify CITY in writing upon the occurrence of any of the above-listed events. Failure to do so shall constitute a breach of this Agreement.

12.2 Right to Cure. If the termination event is a breach or default described in Section 12.1(a), the non-defaulting party shall give written notice of such occurrence to the defaulting party. The defaulting party shall be given a reasonable time to cure any breach or default as follows:

(a) In the case of a monetary default for undisputed charges, the defaulting party shall have ten (10) calendar days after receipt of written notice to effect a cure.

(b) In the case of a nonmonetary default, the defaulting party shall have sixty (60) calendar days after receipt of written notice to effect a cure. If the nonmonetary default cannot be corrected within such sixty (60) calendar day period, the defaulting party shall have an additional reasonable time in which to effect a cure, provided the defaulting party commences corrective action within the original sixty (60) calendar day period and thereafter diligently prosecutes the corrective action to completion. If the defaulting party does not timely cure the breach or default within the time periods specified above, the non-defaulting party may elect to terminate this Agreement by providing written notice of such election to the defaulting party.

12.3 Rights upon Termination. Upon the termination of this Agreement, except as otherwise limited by this Section 12.3, the parties shall continue to abide by the terms of the Agreement, including the payment obligations set forth in ARTICLE V. The termination period shall last a maximum period of two (2) weeks following the date of termination notice. CITY shall, upon notice of termination by CITY for reasons other than pursuant to section 12.1(a) or 12.1(c), convey to Service Provider ownership of one strand of dark fiber from the Network as it exists at the time of termination. Service Provider shall have the right to use the Network to deliver Services during the termination period only as necessary to continue service to existing Subscribers until such Subscribers are migrated to Service Provider's dark fiber line or to any alternative service provider. Service Provider shall use best commercial efforts to transition its Subscribers to its dark fiber line or to another service provider using the Network, if available, within two weeks after the date of termination notice. Following the two week period after the date of termination notice, CITY may directly transfer Service Provider's Subscribers to alternative service providers, or to any other alternative solution reasonably necessary to maintain the Subscribers continuity of services, and CITY may take such other reasonable actions that may be necessary to prevent service disruptions to Subscribers as a result of the termination of this Agreement.

ARTICLE XIII MISCELLANEOUS

13.1 Final Agreement – Counterparts. This Agreement shall constitute the entire agreement and understanding of the Parties with respect to the subject matter hereof, and shall supersede all offers, negotiations and other agreements with respect thereto. Any amendment to this Agreement must be in writing and executed by the authorized representatives of each Party. This Agreement may be executed in any number of counterparts and by each of the Parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. Any signature page of this Agreement may be detached from any counterpart and reattached to any other counterpart hereof. The facsimile transmission of a signed original of this Agreement or any counterpart hereof and the retransmission of any signed facsimile transmission hereof shall be the same as delivery of an original.

13.2 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of CITY, Service Provider and their respective successors and assigns.

13.3 Waivers. The failure by either party at any time or times hereafter to require strict performance by the other of any of the undertakings, agreements or covenants contained in this Agreement shall not waive, affect or diminish any right of either party to demand strict compliance and performance therewith. None of the undertakings, agreements or covenants of the parties under this Agreement shall be deemed to have been waived unless such waiver is evidenced by an instrument in writing signed by the party to be charged specifying such waiver.

13.4 Notices. Unless otherwise specifically provided in this Agreement, any notice or other communication herein required or permitted to be given shall be in writing and may be personally served, or sent by courier or United States certified mail and shall be deemed to have been given when delivered in person or by courier service, or five (5) days after deposit in the United States mail, with postage prepaid and properly addressed, as follows:

If to CITY, to: _____

If to Service Provider, to: _____

Such addresses may be changed by notice to the other party given in the same manner as above provided.

13.5 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 any other term or provision of this Agreement.

13.6 Interpretation. Whenever the context shall require, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both other genders. The article, section and paragraph headings contained in this Agreement are for purposes of reference only and shall not limit, expand or otherwise affect the construction of any provisions hereof. All references in this Agreement to articles, sections and paragraphs, unless expressly noted otherwise, are to articles, sections and paragraphs contained in this Agreement. Unless the context requires otherwise, references in this Agreement to “party” shall be to either CITY or Service Provider, as applicable, and references to “parties” shall be to both CITY and Service Provider.

13.7 Independent Contractor Status. CITY and Service Provider reserve no control whatsoever over the employment, discharge, compensation of or services rendered by the employees or contractors of each other. Nothing in this Agreement shall be construed as inconsistent with the foregoing independent status and relationship or as creating or implying a partnership or joint venture between CITY and Service Provider.

13.8 Governing Law. This Agreement shall be governed by the laws of the State of Utah, except as specifically stated otherwise herein.

13.9 Jurisdiction and Venue. For all litigation which may arise with respect to this Agreement, the parties irrevocably and unconditionally submit to the non-exclusive jurisdiction and venue (and waive any claim of *forum nonconveniens*) of the United States Federal District Court for the District of Utah if in federal court or the Fifth District Court in and for Washington County, State of Utah, if in state court.

13.10 Commissions. No brokerage, finder's or other fee, commission or compensation shall be paid by either party in connection with the transaction contemplated by this Agreement. The parties shall indemnify and hold each other harmless (including attorney fees and costs) from and against any and all claims for brokerage and finder's fees or commissions which may be asserted against the other based on the actions or omissions of the indemnifying party.

13.11 Costs. Except as otherwise set forth in this Agreement, each party shall be responsible for its own costs, including legal fees, incurred in negotiating and finalizing this Agreement.

13.12 Construction and Interpretation. The language in all parts of this Agreement shall in all cases be construed simply, as a whole and in accordance with its fair meaning and not strictly for or against any party. The parties hereto acknowledge and agree that this Agreement has been negotiated by the parties and has been the subject of arm's length and careful negotiation over a considerable period of time, that each party has been given the opportunity to independently review this Agreement with legal counsel, and that each party has the requisite experience and sophistication to understand, interpret and agree to the particular language of the provisions hereof. Accordingly, in the event of an ambiguity in or dispute regarding the interpretation of this Agreement, this Agreement shall not be interpreted or construed against the party preparing it.

13.13 Immunity Act. CITY retains all of its rights and immunities under the Immunity Act.

13.14 Attorney Fees. If either party defaults in any of the covenants or agreements contained herein, the defaulting party shall pay all costs and expenses, including reasonable attorney fees and costs, incurred by the non-defaulting party to protect its rights hereunder, regardless of whether an action is commenced or prosecuted to judgment.

13.15 Survival. In the event of termination or upon expiration of this Agreement, at least Sections 5.1, 5.2, 5.3, 5.4, 8.2, 8.3, 8.4, 9.1, 9.2, 12.3 and ARTICLES X and XIII hereof will survive and continue in full force and effect.

ENTERED INTO as of the Effective Date written above.

CITY:

SERVICE PROVIDER:

Mayor

Company Name

Date

Authorized Representative Name Printed

ATTEST:

Authorized Representative Title

Recorder/Clerk

Authorized Representative Signature

Date

List of Exhibits

- “A” Service Level Agreement
- “B” Property Access License
- “C” Product Catalog for Network Services
- “D” Existing Network Map



From: John Barlow, Hildale City Manager
To: Mayor and Council
Date: February 26th, 2020
Subject: Staff Summary on Fiber Optic System

Orientation:

The Cities own a fiber optic system that is being managed by the Utility Department. The fiber system is mostly being used by the utility department to operate utility systems; however, the Cities have agreed, in isolated incidents, to allow some use of the fiber for commercial use. The Cities have not authorized anyone to use the municipally owned fiber infrastructure for the purposes of providing commercial internet directly to customers.

Providing Internet:

There are some economic and quality of life benefits to having high-speed commercial internet available to the public. In most parts of Hildale City, residents and businesses rely on radio to get internet which comes with speed and quality limitations.

The Utility Department and Hildale City Administration briefly considered the possibility of providing internet directly to customers; however, it became quickly evident that it would be financially costly and legally tenuous. Additionally, I feel like there is strong public sentiment against the City providing internet directly.

For the reasons stated above, Hildale City staff has not fully pursued the idea of directly providing internet with the fiber optic system.

Options Considered:

The City has expended resources to consider the following options;

1. continue to use the system as we are,
2. allow Internet Service Providers (ISPs) to use the fiber system to provide commercial internet, and
3. turn the system over to experts through an RFP process or transfer the system to a government entity that specializes in fiber systems.

Option 1: Continue as We Are:

Hildale City is at the least possible financial and legal risk by continuing to operate the system as we currently are. The major benefit to not changing anything would be that very little money would be

spent on maintaining and upgrading the system and there would be very legal risk because we would not be working within the telecommunications world or with other partners.

The two major costs to continuing to operate the way we are (i.e. not allowing the system to be used to provide commercial internet), is that 1) our system will become less valuable overtime as ISPs build up parallel systems, and 2) the economic and well-being opportunity cost from not having high-speed internet immediately available to the public.

Although, both costs are very difficult to quantify, they are both very real.

Option 2: Allow System to be Used Competitively by ISPs:

As a strong alternative to the cities actually providing internet, the cities could allow ISPs to use the system. This would create a competitive platform on which ISPs could offer internet service to residents and businesses. The City would offer a master fiber agreement (i.e. the same agreement to every ISP) to anyone who would like to provide internet.

Master fiber agreement key points:

1. The cities are paid about 30% of what the ISP charges the customer.
2. The cities own and maintain the fiber system.
3. The cities are not required to keep the system at any service level.
4. When/If the ISPs elect to expand the system, the new portions of the system will be deeded to the cities (like other utilities); however, the ISP that expands the system will forever only pay 15% for the customers connected on the expanded line.
5. The ISP, **NOT THE CITY**, will be the internet provider and the only contact for internet customers. ISPs would be required to maintain a call center and the City would only communicate with the ISPs.
6. **If the City terminates the agreement without the consent of the ISP, the ISP will be conveyed one strand of the system.**

Benefits of Option 2:

Fiber optic internet will almost instantly be available to residents. This will likely have a positive impact on Hildale City's economy and will likely over the next decade or two have a marginal impact on the City's tax revenue.

The cities fiber system will likely be maintained and expanded. It will likely, at least, keep the asset from devaluing.

Drawbacks of Option 2:

The City will be operating in a new area, and with that comes new financial, operational, and legal risk.

The legal and operational risk is hard to quantify. One consideration is that the cities role would be very small and once customer is set up it would be extremely low maintenance or customer interaction. Another consideration: however, is the ISP business is not extremely lucrative and therefor tends to attract dynamic and aggressive personalities. After discussing these risks with the fiber superintendent (Weston Barlow), the Utility Director (Harrison) and the Attorney (Christian), we are all confident that the risk (although it is very real) is manageable.

Option 3: Turn System Over

For mostly informational reasons, the we investigated ways to maximize the use of the system, while outsourcing the operational, legal, and financial risk. Below are some possible options:

1. Sell the system to a private company with contracts built in to meet the municipal needs.
 - a. Benefit: No legal, financial, or operational risk.
 - b. Drawback: Creates a monopoly for internet services and we would not likely recover the cost of putting the infrastructure in from the sale.
2. Hand the System over to a government type entity that does fiber exclusively. This would essentially be doing option 2; however, another (more specialized) government entity would own and operate it.
 - a. Benefit: There would be competitive internet provided on a very professionally ran system. No legal or operational risk.
 - b. Drawback: The cities would have to agree to take all the financial risk. It would be politically difficult to make happen.

UEP Involvement:

Although the Hildale City and the utility department were working toward a proposal and developing options for the fiber system, other matters were prioritized, and progress was slow.

ISPs (namely Tom Knudson), business, and residents were becoming increasing frustrated with the lack of action from the City. The City would que that they are looking into using the system for internet in one manner or another, and that would scare of investment, but then nothing would happen. This is not to anyone's fault; it is just the nature of the City being under resourced but also knowing that at some point the system should be used more productively.

In 2019, Tom Knudson went to the UEP Board and asked for easements through the UEP's property to work around the City. The UEP, recognizing that would make and absolute mess, directed Jeff Barlow to see if there was a better solution. Jeff talked with Tom Knudson and with the city staff (Christian and Harrison) and developed an outline for a possible agreement that worked for both parties (and future ISPs).

After I returned as City Manager, I met with Christian and Harrison, Tom Knudson, and Jeff Barlow. I reviewed a draft version of the master fiber agreement and recommend some changes which are now reflected.

“Why now?”

Z Fiber, a new company, has put in a fiber line from Hurricane, Utah, at a significant financial risk. Presumably, part of their financial analysis involved providing internet in one manner or another to Hildale City customers. I further presume, that the reason Tom Knudson (DBA TKS) is pushing the City to act, is because of that financial risk; although, I do not know the relationship between Z Fiber and TKS.

Conflict of interest disclosure:

Tom Knudson is my Uncle and I have done some very limited tax work for his business (TKS) in the past; however, this project has been the most interaction I have had with him. The Council should be aware that he is my uncle, but I do not believe that has interfered with my objectivity in this analysis.

Jeff Barlow, Director of the UEP, is my brother. While the UEP was involved with this preparing the master agreement (option 2), they do not directly benefit from any possible action the City Council could take. I do not believe that has interfered with my objectivity in this analysis.

Legal Review:

The City Attorney has been heavily involved in the development of option two, and options one and three have very little legal risk.

The City Attorney will verbally give more details at the work session; however, the City Council needs to know that there are legal risks (albeit they are estimated to be manageable) associated with option two.

For the Councilmembers that have construction experience, I will liken it to the first time you did a federal job. You knew that you would be able to manage it and deal with things as they arise, but you by know means thought, “I know exactly what I am in for legally.”

Any action taken with fiber is likely to be more legally risky than what we are doing—mostly using the system for City operations and not making it available, generally.

Financial Review:

Option 1: Very little financial risk, unless you consider opportunity cost.

Option 2: The master fiber agreement was designed to give the city almost complete control of when and/if the City spends money on fiber. There will, although not always expressly required by the agreement, costs to the City. Outlined below are very rough best- and worst-case projections.

Worst Case Estimate				
	Month		Year	
Revenue from ISPs (80 End Users)	\$	2,400.00	\$	28,800.00
Maintenance Costs				
Labor	\$	(5,000.00)	\$	(60,000.00)
Materials	\$	(1,000.00)	\$	(12,000.00)
Misc.	\$	(1,000.00)	\$	(12,000.00)
Net Loss	\$	(4,600.00)	\$	(55,200.00)

Best Case Estimate				
	Month		Year	
Revenue from ISPs (250 End Users)	\$	7,500.00	\$	90,000.00
Maintenance Costs				
Labor	\$	(5,000.00)	\$	(60,000.00)
Materials	\$	(1,000.00)	\$	(12,000.00)
Misc.	\$	(1,000.00)	\$	(12,000.00)
Net Gain	\$	500.00	\$	6,000.00

Option 3: All financial risk would be born by the City. If the City chooses this option, more financial analysis would have to be done.

NOTICE

2020 MEETING SCHEDULE

HILDALE/COLORADO CITY UTILITY BOARD

ACCORDING TO A.R.S. § 38-431.02 AND UCA § 52-4- 202, NOTICE IS HEREBY GIVEN TO THE HILDALE/COLORADO CITY UTILITY BOARD MEMBERS AND TO THE GENERAL PUBLIC THAT THE HILDALE/COLORADO CITY UTILITY BOARD WILL HOLD MEETINGS OPEN TO THE PUBLIC FOR THE CALENDAR YEAR 2020 AS FOLLOWS:

MEETINGS ARE GENERALLY HELD ON THE LAST THURSDAY OF EACH MONTH. THIS SCHEDULE MAY CHANGE FROM TIME TO TIME AND ADDITIONAL MEETINGS MAY BE CALLED. MEETING DATE, TIME, LOCATION AND AGENDAS ARE POSTED AT LEAST 24 HOURS IN ADVANCE OF THE MEETING AND MAY BE OBTAINED AT THE CITY OFFICE, BY CALLING 435-874-2323, ON LINE AT <http://www.utah.gov/pmn/index.html> OR <http://hildalecity.com>.

Meeting Schedule

Date:	Time:	Location:
January 30, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784
February 27, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784
March 26, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784
April 30, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784
May 28, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784
June 25, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784
July 30, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784
August 27, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784
September 24, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784
October 29, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784
November 26, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784
December 31, 2020	6:00 PM	320 E. Newel Ave, Hildale City, Utah, 84784

Agenda items and any variables thereto are set for consideration, discussion, approval or other action. The Utility Board may, by motion, recess into executive session which is not open to the public, to receive legal advice from the City attorney(s) on any agenda item, or regarding sensitive personnel issues, or concerning negotiations for the purchase, sale or lease of real property. Board Members may be attending by telephone. Agenda may be subject to change up to 24 hours prior to the meeting. Individuals needing special accommodations should notify the City Recorder at 435-874-2323 at least three days prior to the meeting.