

The Town of
Star Valley Ranch, Wyoming

SPECIAL TOWN MEETING MINUTES

CULINARY WATER SYSTEM TRANSFER

Wednesday, May 30, 2007

Present: **Boyd Siddoway, Mayor**
Kent Harker, Councilman
George "Al" Redlin, Councilman
Carol Warren, Councilman
Jim Wheeler, Councilman

A **Special Town Meeting**, principally for the purposes of publicly signing the **Culinary Water System Transfer Agreements**, was held jointly with the **Star Valley Ranch Association's** board of directors on Wednesday, May 30th, 2007 at the barn. **Mayor Siddoway** called the meeting to order at 7 p.m., and welcomed and thanked all those in attendance. More than sixty people including all members of the Town Council and Clerk Andy Moffett were present.

SVRA board members present at the meeting included Chairman **Joe Angelovic, Carl Brown, John Daulton, Kathy Deitz, and Larry Watt.**

Garren Stauffer represented the **Star Valley Independent** and covered the Special Town Meeting.

A list of attendees (sign-in sheet) is on file and available for inspection at the Town Clerk's Office.

After declaring that a quorum of the Town Council was present, Mayor Siddoway led the recitation of **The Pledge of Allegiance.**

Mayor Siddoway first recognized **everyone in the audience** as a representative group of all the people that had expended time and energy in pursuit of the culinary water transfer during the preceding years, and asked that everyone give themselves and all others a **congratulatory round of applause** (*applause ensued*).

The Mayor also extended his thanks to the past and present Town Councilmen and Town staff and volunteers, as well as to the SVRA Chairman and the SVRA board members.

Proposed Agenda:

1. Call to Order, Roll Call of Councilmen, Statement of Quorum
2. Pledge of Allegiance
3. Recognition
4. Adopt Agenda
5. Culinary Water Transfer Agreement
6. SVRA Business
7. Adjournment

Councilman Redlin moved the agenda be adopted as written. Councilman Wheeler seconded the

motion. The motion carried unanimously.

All four Councilmen expressed various themes of gratitude and congratulations to the citizens, residents and SVRA board members.

Signing of Culinary Water System Transfer Agreements: Four documents were executed by the Mayor and the SVRA Chairman in two sets of identical originals, from 7:12 p.m. to 7:16 p.m:

- 1) **Transfer of Culinary Water System**
Inclusive of Exhibit A (**Asset Transfer Description**)
- 2) **Emergency Services Agreement**
Inclusive of Attachment A (**Town Water Conservation Plan**)
Inclusive of Attachment B (**Association Water Conservation Plan**)
- 3) **Lease/Purchase Agreement (Maintenance Yard / Airport Storage)**
- 4) **Purchase Agreement (Equipment, Tools and Inventory)**

The two sets of four documents that Mayor Siddoway and Joe Angelovic signed were notarized at signing.

Photograph-taking and sporadic applause accompanied the signing ceremony.

The four documents are published in the body of these minutes in their entirety:

1. Transfer of Culinary Water System

Inclusive of Exhibit A (**Asset Transfer Description**):

**Star Valley Ranch Association
Town of Star Valley Ranch**

May 30, 2007

Offer

The Star Valley Ranch Association (Association) agrees to transfer and the Town of Star Valley Ranch (Town) agrees to accept the culinary water system assets in an "as is" / "where is" condition for \$1.00 as defined in this document.

Assets to be Transferred

The following described items are the assets of the Association and comprise the items to be transferred from the Association to the Town, to wit:

1. **Prater Canyon Springs Development:** Spring and water rights, storage tanks and transmission lines,
2. **Airport Well Number One:** Well and water rights, pump and associated apparatus,
3. **Existing Culinary Water Distribution:** All distribution piping, control valves, service connection and services.

Assets Transfer Description

See Exhibit A – Asset Transfer Description

ENTIRE AGREEMENT: The Parties warrant that no promise, inducement or agreement not expressed herein has been made to them in connection with this Agreement. This Agreement contains the entire agreement between the Parties and supersedes all previous agreements between the parties. All prior negotiations, and discussions are merged herein as expressed by the written terms set forth herein, and/or in any Exhibits identified and/or incorporated herein by reference. This Agreement may not be modified, changed or altered in any way except in a writing signed by the Parties or their authorized representatives, which sets forth the change(s) to be made, and the intent of the Parties to modify or amend this Agreement.

PARTIAL INVALIDITY AND SEVERABILITY: If any provision of this Agreement, by way of this Instrument or otherwise, or the application thereof, shall for any reason and to any extent be found invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement with all remaining clauses, directives, provisions, Parties, and circumstances, with any application thereof, shall continue in full force to the maximum extent permissible under applicable law.

SUCCESSORS AND ASSIGNS: This Agreement shall be binding upon and inure to the benefit of the Parties, including their successors and assigns.

GOVERNING LAW, JURISDICTION AND VENUE: This instrument shall be governed by the laws of the State of Wyoming. The Parties submit to the sole jurisdiction and venue of the courts of the State of Wyoming to resolve any disputes arising under this Agreement.

BREACH: In the event that any Party shall breach any obligation hereunder, the Party in breach shall be liable to the other Party for all reasonable expenses, including attorneys' fees, incurred in the enforcement of the obligations created by this Agreement.

AUTHORITY TO SIGN: The Parties warrant and represent that the individuals whose signatures appear below have been duly authorized to enter into this Agreement on behalf of each Party for whom they sign.

COOPERATION OF PARTIES: The Parties agree to fully cooperate with one another through counsel or otherwise in the execution of this Agreement and in every other way necessary or proper to ensure that this Agreement is carried out in accordance with the terms set forth herein.

EFFECTIVE DATE: This Agreement shall be effective as of May 31, 2007 at 11:59 pm.

Dated this [30TH] day of May, 2007.

TOWN OF STAR VALLEY RANCH STAR VALLEY RANCH ASSOCIATION

By: Boyd Siddoway, Mayor

By: Joe Angelovic, Chairman

**Star Valley Ranch Water System
Asset Transfer Description**

EXHIBIT A

The following assets of the Star Valley Ranch Association (SVRA) water system to be conveyed to the Town of Star Valley Ranch (TOWN) along with all associated easements, rights-of-way, permits, water rights, and appurtenances. By acceptance of this conveyance, the Town of Star Valley Ranch also accepts the statutory obligations for domestic water service to those residents or property owners within the Town of Star Valley Ranch Boundaries as currently constituted; as well as those obligations for services as previously defined in the Final Settlement Agreement Between Star Valley Ranch Association and Leisure Valley, Inc. Dated August 10, 1998. (FINAL SETTLEMENT AGREEMENT).

The water system assets being conveyed are more particularly described to wit:

1) **Prater Canyon Springs** – Including but not limited to:

- Prater Canyon Springs in their entirety.
- Prater Canyon Transmission Lines (defined as the pipeline from the spring to the Prater Canyon tank and from the Prater Canyon Tank to the Distribution System.)
- Prater Canyon Tank (175,000 gallon buried concrete reservoir) including overflow and drainage piping, inlet & outlet piping, and all other related appurtenances.
- Prater Canyon Water Rights as summarized below.

Permit No.	Name	Priority	AMOUNT	NOTES
UW 13319	Prater Canyon #1	16 Apr 1971	300 gpm	Commercial / Public Utility
UW 82826	1 st Enlargement Prater Canyon #1	29 Jul 1985	600 gpm	Supply to 2052 lots, golf course, swimming pool, clubhouse
UW82827	2 nd Enlargement Prater Canyon #1	16 Jul 1987	900 gpm	Misc.
UW112130	3 rd Enlargement Prater Canyon #1	30 Sep 1998	0	Misc. –

- Associated rights-of-way, easements (written and prescriptive), access roadways, properties, permits, valves, meters, and all other related appurtenances and incidentals required for historical operation of the Prater Canyon Springs and Tank as a part of the Star Valley Ranch domestic water system.

2) **Airstrip Well No. 1** - Including but not limited to:

- The airstrip Well No. 1 facilities in their entirety.
- Airstrip Transmission Line (defined as the pipeline from the well to the Distribution System.)
- Airstrip Well No. 1 Water Rights as summarized below.

Permit No.	Name	Priority	AMOUNT	NOTES
UW 90328	Airstrip Well #1	30 Nov 1992	600 gpm	Residential
UW 112131	1 st Enlargement to Airstrip Well #1	30 Sep 1998	250 gpm	Misc.

- Associated rights-of-way, easements (written and prescriptive), access roadways, properties, permits, valves, meters, well house, disinfection system, well pump, electrical connections, and all other related appurtenances and incidentals required for historical operation of the Airstrip Well No.1 as a part of the Star Valley Ranch domestic water system.
- 3) **Culinary Water Distribution System:** The Star Valley Ranch culinary water distribution system in its entirety, further defined as all water piping in place as utilized to deliver domestic water to any and all Star Valley Ranch water users in place at the time of this agreement. This also includes that piping required to serve those water users outside the Star Valley Ranch boundaries as defined by the above referenced Final Settlement Agreement.

Also included are all associated rights-of-way, easements (written and prescriptive), access roadways, properties, permits, valves, service connections and meters, control valves, manholes, fittings, and all other related appurtenances and incidentals required for historical operation of the Star Valley Ranch domestic water distribution system.

2. Emergency Services Agreement

Inclusive of Attachment A (**Town Water Conservation Plan**)

Inclusive of Attachment B (**Association Water Conservation Plan**):

Star Valley Ranch Association, Inc.
The Town of *Star Valley Ranch, Wyoming*

Emergency Services Agreement

The purpose of this agreement is to minimize the disruption to the supply of culinary water to SVRA Members and Town Residents until the Town is able to expand its source water supply and storage systems.

The Association will continue to provide existing and available untreated water to meet the culinary water demands of the SVRA Members and Town Residents living within the current boundaries of the Town of Star Valley Ranch and those taps defined in the Final Settlement Agreement Between Star Valley Ranch Association and Leisure Valley, Inc. Dated August 10, 1998 (FINAL SETTLEMENT AGREEMENT) following the conditions set forth below:

Duration –

This document and the conditions set forth will remain in effect until such time as the Town has the water supply and storage necessary to meet the culinary needs of the residents within the current boundaries of the Town/Association and until such time as the Town is able to obtain adequate funding and construct the necessary infrastructure improvements to fully separate the systems. The Town has the right to cancel this agreement with a thirty (30) day notice at any time.

Water Conservation Plan –

The Town will enforce its Ordinance 2007-02, Appendix 4-1, Water Conservation Plan, (Attachment A). The Star Valley Ranch Association will implement and enforce, to the extent of its legal authority, the SVRA Water Conservation Plan (Attachment B).

Ingress Authority –

The Association agrees to allow the Town access to those portions of the Green Canyon system required to maintain the Association’s water supply and storage systems in a culinary condition. Access would also be granted to the pressure-reducing valve known as Lower Green PRV # 11 and the pressure sustaining valve (PSV) #22 until the Town is able to supply those sections of the Ranch from its own water sources. Should the Town need access to these points, said need shall first be communicated to the Association.

Culinary Water Services-

The Association will provide storage and transmission of untreated water to the extent available to the culinary system until the Town is able to supply water to the community from its own water sources and storage facilities.

The Association will continue to supply untreated water to the Town’s culinary water system through the line connected to the Green Canyon transmission line at the pressure-reducing valve known as Lower Green PRV, # 11 and the pressure sustaining valve #22 until the Town is able to supply those sections of the Ranch from its own water sources.

The Town will be responsible for testing and maintaining, in culinary condition, all water received from the Association.

The Association hereby agrees to supply and store any surplus untreated spring water, defined as water in excess of the amount needed by the Association for the normal maintenance and care of the Association common areas, to the SVRA Members, Town Residents and those taps defined in the Final Settlement Agreement Between Star Valley Ranch Association and Leisure Valley, Inc. Dated August 10, 1998 (FINAL SETTLEMENT AGREEMENT) using the Town’s distribution system.

The Association hereby agrees that it will aggressively defend its appropriated share of water rights.

Emergency Water Condition (EWC) Definition–

A water shortage condition exists when the demand for culinary water exceeds the Town’s maximum supply after the Water Conservation Plan is instituted and enforced at any level and the Town’s water sources are being used to their capability.

Emergency Water Supply –

During an EWC the Association, to the best of its ability, hereby agrees to provide the community, on a first priority basis, untreated water from Green Canyon Springs and the Cedar Creek well to assist in meeting the culinary water needs. In an EWC, the Town agrees to assume the actual billed electrical and repair costs for operation of the Cedar Creek Well during the period of time that water is being provided to the Town’s water system.

Aspen Hills Water Conservation Project -

The Association agrees to make reasonable efforts to comply with the Wyoming Water Development Commission’s request to remedy the waste of water at the Aspen Hills Golf Course as funds become available. If the Association has adequate resources to service a note this project will be started the fall of 2007.

Compensation to the Association for Services under this Agreement –

The Town of Star Valley Ranch, WY, in exchange for the services and obligations created under this agreement, hereby agrees to pay the Star Valley Ranch Association, Inc. the following amounts on or before July 31ST of each year. The Town of Star Valley Ranch may due to lack of funds or completion of construction of wells, storage and infrastructures with 60 days written notice, cancel any or all of the following services effective June 30th of each year with no penalties.

Storage Tank – Benefit:	\$42,000
Emergency Water Supply - Benefit:	\$14,960
Culinary Water Supply – Benefit:	\$11,840
Service to Plats:	\$17,700

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Dated this [30TH] day of May, 2007.

TOWN OF STAR VALLEY RANCH STAR VALLEY RANCH ASSOCIATION

By: Boyd Siddoway, Mayor

By: Joe Angelovic, Chairman

(Attachment A)

The Town of
Star Valley Ranch, Wyoming

ORDINANCE: 2007-02

APPENDIX 4-1 – WATER CONSERVATION PLAN

While the Town of Star Valley Ranch does not want to be accused of crying “wolf”, we do feel the need to be prepared in case of an emergency or water shortage. This Water Conservation Plan is

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designed to provide the assistance and support necessary for the Town to exercise proper stewardship over the community's water resources.

Although water conservation can be imposed on the public, it must be voluntarily and willingly accepted as a shared responsibility between the water providers and the water users of the Town to be truly effective. The Town can succeed in meeting its long-term water conservation and supply goals and its commitment to maintaining Star Valley Ranch's status as a desirable place to live only if water users are willing to embrace and practice a conservation life style.

This Water Conservation Plan will remain in effect for at least the time period required for the Town to develop and implement additional water sources and storage to meet the Town water user's demand, successfully install meters on all services, and establish and bill for water usage based on a metered usage. While the Town believes this will take approximately three years, many of the factors critical to meeting this time period are not under the control of the Town.

1. Educational Programs –

- Emails
- Website Articles
- Flyers
- Membership Mailing of Water Ordinances and Resolutions
- Newsletter Articles
- Newspaper Articles
- Town Hall Conservation Awareness Meeting / Classes
- Town Entrance / Speed Sign Poles – Top Flagged
 - Yellow – Level I
 - Orange – Level II
 - Red – Level III
- Possible “Incentive” Program (Conservation Citizen of the Year)

2. Town Preparedness –

- Community Water Advisory Committee
 - (Recommendations of Water Emergency Classification to the Mayor)
 - Chaired by the Councilman assigned the Utilities Department
 - The Town Council recommends individuals with input from the SVRA Board of Directors
 - Selected by Mayor
 - Confirmed by the Council

Ordinances

- Mayor's Authority to Declare Water Emergency
- Excessive “water use” regulations and fines (All water users)
 - First Offense of the water year (April thru March): Written Warning
 - Second Offense of the water year: \$100.00 Fine
 - Third Offense of the water year: \$750.00 Fine per incident
 - Fourth Offense of the water year Maximum allowed by law (Potentially, the inclusion of water “cut-offs”)

Resolutions

- Creation and Appointment of “Special Municipal Officer”
- Creation and Appointment of a Municipal Court with Judge

- Inspect and test water wells to produce maximum capacity

- Contract “Leak Test” Project

3. Water Shortage Classifications –

The following “Levels” are guidelines, set and based upon the advice of the Community Water Advisory Committee, however, the Mayor may increase the declared “Level” based on a perceived

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pending public health and safety issue.

“On Going Conservation”

Education

No water hookups without a building permit

Request

Drought resistant landscaping projects.

Repair home leaks

Install water saving devices

“Level I – Moderate” YELLOW

(Storage tanks are not refilling in a 24 hour period, but have a high level mark of at least 50% of capacity during that period)

On going conservation measures plus:

Initiate alternate day home lawn irrigation based on street address

Daily watering period limited to 7:00 PM thru 7:00 AM

No open end hose watering, must use a sprinkling device

Maximum of one hour per sprinkler setting (location or area)

No watering on weekends or evening before federal and state holidays

- outside watering limited to Sunday 7:00 PM thru Friday 7:00 AM

No washing of vehicles, driveways or any outside cleaning with water

No recharging of yard fountains or artificial streams

Request Golf Course and irrigation of “non-golf common property” watering limited to 7:00 PM thru 7:00 AM, Sunday 7:00 PM thru Friday 7:00 AM

Limit indoor water use

“Level II – High” ORANGE

(Following a minimum of three (3) straight days of “Moderate Condition” OR tanks are less than 10% of capacity)

Level I measures plus:

No landscape irrigation

Deferral of new water service connections

Request:

Limit toilet flushing

Collect warm-up water for use on plants

Full load washing machine only

Full load dish washing only

Reduce bath water level and shower time by ½

“Level III – Extremely High” RED

(Negative supply to demand or a minimum of three (3) days of Level II)

Level II measures plus:

No outside watering.

Request:

Drink or wash with “warm-up” / “cool down” water

Limit domestic use

1 bath / week / person

No washing machines (clothes or dishes)

(Attachment B)

Star Valley Ranch Association

WATER CONSERVATION PLAN

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(This plan will be evaluated and updated frequently during the summer as new data becomes available and actual practices are evaluated.)

The Town of Star Valley Ranch and the Star Valley Ranch Association do not want to be accused of crying “wolf”, however the community must be prepared to address any potential water shortage. Star Valley Ranch’s status as a desirable place to live will continue only if water users are willing to embrace and practice a conservation lifestyle.

Water conservation can be legally imposed on the public but, to be most effective, conservation measures must be willingly accepted as a personal responsibility by the water users.

This Water Conservation Plan will be in effect when water shortages have been declared as described in the Town’s Water Conservation Ordinance.

Under this plan the Star Valley Ranch Association will

1. Assist the Town with Educational Programs through
 - Emails
 - Website Articles
 - Flyers
 - Membership Mailing of Water Ordinances and Resolutions
 - Discussions and reminders at meetings
2. Welcome Packets for all new members will include all Town Water Ordinances, Resolutions and Educational Materials.
3. In times of declared water shortage the top line of all marquees and the SVRA Association News will be used to announce the classification of the water shortage and other water conservation information.
4. Announcements of water shortages will be incorporated into SVRA “CB” announcements.
5. Management of the common areas will conform to procedures described for the declared level of water shortage

SVRA Procedures at Various Water Shortage Classifications

“On Going Conservation”

Assist with Education

“Level I – Moderate” YELLOW

Recharge only existing golf course ponds used for irrigation

Cedar Creek Golf Course and irrigation of “non-golf common property” watering limited to 7:00 PM thru 7:00 AM. Aspen Hills Golf Course also will follow this watering plan once a new system with timers is installed.

“Level II – High” ORANGE

Level I measures plus:

Eliminate all irrigation of non-golf common property

Watering will be reduced on Cedar Creek Golf Course and limited to 7:00 PM thru 7:00 AM. Aspen Hills Golf Course also will follow this watering plan once a new system with timers is installed.

“Level III – Extremely High” RED

Level II measures plus:

Guarantee that the first water rights in Green Canyon (385 gpm) are dedicated to the Town’s culinary system.

No fairway watering on golf courses.

3. Lease/Purchase Agreement (Maintenance Yard / Airport Storage)

Star Valley Ranch Association
The Town of *Star Valley Ranch, Wyoming*

Lease/Purchase Agreement

This Lease for is entered into by and between Star Valley Ranch Association, Inc., (hereinafter "Lessor"), and the Town of Star Valley Ranch, Wyoming (hereinafter "Lessee").

LEASEHOLD

Subject to the terms and conditions set forth herein, Lessor leases to Lessee, and Lessee leases from Lessor, certain property described as follows ("Premises"):

Grounds, heated shop area, covered storage area, storage yard area currently used by and referred to as the SVRA Maintenance Shop Area of approximately 1.75 acres on the Northeast corner of Vista Drive and Vista-West Drive in the Town of Star Valley Ranch; AND Airport apron area (starting at Vista Drive and then South approximately 600 feet) currently used by Lessor for the storage of road materials.

TERM

The Term of this Lease is for a period of 36 months, subject to the Town's right to cancel, commencing on June 1, 2007 ("Commencement Date") and ending on May 31, 2010. The Town of Star Valley Ranch may, with 60 days written notice, cancel this lease on May 31st of each year with no penalties.

RENT

Lessee shall pay Lessor as rent, for the possession and use of the Premises, for Item #1: the sum of \$36,000 per year and for Item #2: the sum of \$2,700 per year. Rent is payable on or before July 31st of each year in person or at the address of Lessor at P.O. Box 159, Thayne, WY 83127.

PURCHASE OPTION

Conditional upon Lessor securing 2/3rd of its membership's authorization, the Lessee may, at its option, on or before December 31, 2008, purchase the real property described in Item #1 for a sum of \$350,000, less any payments made on the lease of Item #1 at the time of purchase.

USE OF THE PREMISES

Use and Restrictions on Use. Lessee shall use the premises for such purposes, including but not limited to, storage of equipment and materials for road maintenance and improvement, and for storage of equipment and materials for the maintenance and operation of utilities, and/or other uses anticipated as contained within the Assignment and Subletting paragraph. Lessee shall not use or allow the Premises to be used for a purpose or in a manner that is unlawful, illegal, or likely to cause damage to the Premises, to adjoining property, or in a manner which would constitute a hazard to the public or any adjoining

property, or would cause a nuisance to any members of the public or to any other Lessee of the Building.

UTILITIES

Utilities. Lessee shall be responsible for all costs associated with any utilities used by Lessee on the Premises, including but not limited to, water, electricity, and trash removal.

REPAIRS AND MAINTENANCE

(a) Lessor's Obligations. Lessor shall perform all necessary repairs and maintenance on the Building(s) and the leased Premises, and shall maintain same in good condition and working order. However, in the event of any damage or destruction resulting from any intentional or negligent acts of Lessee, Lessee shall reimburse Lessor for all expenses incurred in the repair thereof, within thirty (30) days of Lessor submitting to Lessee an invoice therefore, and such invoiced expense shall be deemed additional Rent thereafter.

(b) Lessee's Obligations. Lessee shall maintain the leased Premises in a good, clean and safe condition, and shall on the expiration of this Lease or sooner termination thereof return the leased Premises in the same condition as received by Lessee on the Commencement Date, reasonable wear and tear excepted.

INDEMNIFICATION

Indemnification. Lessor will not be liable for any loss or damage to person or property caused by theft, fire, acts of God, acts of a public enemy, riot, strike, insurrection, war, court order, requisition, or order of government body or authority, unless caused by the acts of Lessor. Lessee will indemnify and defend Lessor, by counsel acceptable to Lessor, against any liabilities, including reasonable attorney fees and court costs, arising out of or relating to the following:

(i) claims of injury to or death of persons or damage to property occurring or resulting directly or indirectly from the use or occupancy of the Premises, or from activities of Lessee, Lessee's invitees, or anyone about the Premises, or from any other cause, except to the extent caused by Lessor's negligence or willful misconduct.

HAZARDOUS MATERIALS

Use of Hazardous Materials. Lessee will not use or allow the use of the Premises in a manner that may cause Hazardous Materials to be released or to become present on, under, or about the Premises or other properties in the vicinity of the Premises. A 30% Magnesium Chloride / water solution (Dust Guard) is not considered a hazardous material. Lessor agrees to allow Lessee to store gasoline and diesel fuel on the leased premises in the facilities/tanks previously used by Lessor for such purposes, and Lessor represents to Lessee that Lessor is not aware of any leaks in the aforementioned tanks.

DEFAULT

Events of Default. The occurrence of any of the following events will, at Lessor's option, constitute an event of default (Event of Default):

(i) In the event Rent is late as defined hereunder, failure to pay Rent within thirty (30) days following written demand to pay Rent by Lessor;

(ii) vacation or abandonment of the Premises for a period of thirty (30) consecutive days.

Remedies. In the event of any default by Lessee under this Lease, Lessor shall have the following remedies:

(i) Termination In the event of the occurrence of any Event of Default, Lessor will have the right to give a written termination notice to Lessee and, on the date specified in that notice, this Lease will terminate unless on or before that date all arrears of Rent and all other

sums payable by Lessee under this Lease and all costs and expenses incurred by or on behalf of Lessor have been paid by Lessee and all other Events of Default at the time existing have been fully cured to the satisfaction of Lessor.

(ii) **Repossession** Following termination, without prejudice to other remedies Lessor may have, Lessor may (A) peaceably re-enter the Premises on voluntary surrender by Lessee; or (B) remove Lessee and any other persons occupying the Premises, using any legal proceedings that may be available.

Continuation. Even though an Event of Default may have occurred, this Lease will continue in effect for so long as Lessor does not terminate Lessee's right to possession.

ASSIGNMENT AND SUBLETTING

Prohibition. Lessee may not assign or sublet, whether voluntarily or involuntarily or by operation of law, the Premises or any part of the Premises, except for the Lincoln County School District #2 School Bus Parking Lease, without Lessor's written consent, which consent may be withheld at Lessor's sole discretion.

ENTRY

Entry. Lessor reserves the right to enter the Premises upon reasonable notice to Lessee (except in case of an emergency, in which case no notice would be required) to inspect the Premises or the performance by Lessee of the terms and conditions of this Lease.

MISCELLANEOUS

Entire Agreement. This Lease sets forth all the agreements between Lessor and Lessee concerning the Premises, and there are no other agreements, either oral or written, other than as set forth in this Lease.

Time. Time is of the essence in this Lease.

Attorney's Fees. In any action that either party brings to enforce its rights under this Lease, the prevailing party shall be entitled to all of its costs plus reasonable attorney fees. Those costs and attorney fees will be considered a part of the judgment in that action.

Severable. If any provision of this Lease or the application of any provision is held by a court of competent jurisdiction to be invalid, void, or unenforceable to any extent, the remaining provisions of this Lease and the application of it will remain in full force and will not be affected, impaired, or invalidated.

Governing Law. This Lease will be construed and enforced in accordance with the laws of the State of Wyoming.

Successors. This Lease will be binding on and inure to the benefit of the successors and assigns of Lessor and Lessee, their heirs and court appointed representative.

Sign Criteria. All signs and graphics of every kind visible from public view, corridors, or the exterior of the Real Property will be subject to Lessor's prior written approval, and will be subject to any applicable governmental laws, and ordinances. Lessee must remove all signs and graphics prior to the termination of this Lease.

No Waiver. No waiver of any default or breach under this Lease will be implied from any omission to take action on account of this Lease, regardless of any custom and practice or course of dealing. No waiver will affect any default other than the default specified in the waiver, and then the waiver will be operative only for the time and to the extent stated in the Lease. Waivers of any covenant will not be construed as a waiver of any subsequent breach of the same covenant. No waiver by either party of any provision under this Lease will be

effective unless in writing and signed by that party.

Notices. All notices to be given under this Lease will be in writing and mailed, postage prepaid, by certified or registered mail, return receipt requested, or delivered by personal or courier delivery, or sent by telecopy (immediately followed by one of the preceding methods), to Lessor's Address and Lessee's Address, or to any other place that Lessor or Lessee may designate in a written notice given to the other party. Notices will be deemed served on the earlier of receipt or three (3) days after the date of mailing.

Holding Over. If Lessee fails to surrender possession of the Premises or any part of the Premises after expiration of the Term, the holding over will constitute a month-to-month tenancy, at a rent equal to the total rent due hereunder prorated for one month. This paragraph will not be construed as Lessor's permission for Lessee to hold over. Acceptance of Rent by Lessor following expiration or termination shall not constitute a renewal of this Lease.

Surrender. Upon the termination of this Lease or Lessee's right to possession of the Premises, Lessee will surrender the Premises to Lessor.

Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Dated this [30th] day of May, 2007.

Star Valley Ranch Association, Inc., Lessor

By: Joe Angelovic, Chairman

Town of Star Valley Ranch, Lessee

By: Boyd Siddoway, Mayor

4. Purchase Agreement (Equipment, Tools and Inventory)

Star Valley Ranch Association
The Town of *Star Valley Ranch*

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT, hereafter referred to as the "Agreement", made and entered into this 30th day of May, 2007, by and between **The Town of Star Valley Ranch**, hereinafter referred to as "Purchaser", and **Star Valley Ranch Association, Inc.**, hereinafter referred to as "Seller."

WITNESSETH

That for and in consideration of the payments made and to be made, and the covenants made to be kept and performed, Seller agrees to sell, and Purchaser agrees to purchase from Seller, certain personal property including but not limited to:

Ford New Holland tractor and attachments
Ford dump truck
International dump truck
Caterpillar backhoe
Case backhoe and upright compactor
Dodge sander truck

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Chevrolet utility truck
Car hauler trailer
Misc tools & shop equipment such as, but not limited to:
Air compressor
Oxygen/Acetylene welder
Arc welder
50 ton press
Drill press
Sand blaster
Chain saw
Cut-off saw
Grinder
Tools with tool chest
2 battery chargers
Vise
Water pump
Parts washer
Steam cleaner
Air operated grease gun
Front-end lift
Transmission jack
10 ton floor jack
4 ton floor jack
Cherry picker

Water system parts inventory such as, but not limited to:
Copper tubing
4 New Amcor vaults
Miscellaneous valves and connectors

The above-described property is hereafter referred to in the Agreement as the "Property".

1. PURCHASE PRICE AND MANNER OF PAYMENT. Purchaser shall pay consideration for the Property a purchase price of the total sum of One Hundred Thirty-One Thousand Dollars (\$131,000.00) lawful money of the United States of America, to be paid in one (1) installment as follows: The first and only payment of \$131,000.00 will be paid to the Seller on or before July 31, 2007.

2. POSSESSION. Purchaser may take possession of the Property on May 31, 2007 at 11:59 pm.

3. INSPECTION OF THE PROPERTY. Purchaser warrants and agrees that Purchaser has had full opportunity to fully inspect the Property, and accepts the Property in its present condition and state of repair, "AS IS", without any representations, statements, or warranties, express or implied, with respect to the Property's condition, from Seller.

4. ATTORNEY'S FEES. Purchaser and Seller agree that should any litigation be commenced between the parties concerning the Property, this Agreement, or the rights and/or duties of either in relation thereto, the party, either Purchaser or Seller, prevailing in such litigation shall be entitled to a reasonable sum for attorney's fees as determined by the Court in such litigation or in a separate action brought for that purpose.

5. ENTIRE AGREEMENT. This written Agreement is the only and entire contract covering the subject matter herein. No other representations have been made either by Purchaser or Seller, and each has fully read and understood each condition herein stated. No change, alteration, or modification of this Agreement shall be valid unless the same shall have been made or specified in writing and signed by all the parties hereto.

6. COOPERATION OF PARTIES. The Purchaser and Seller agree to fully cooperate

with one another through counsel or otherwise in the execution of this Agreement and in every other way necessary or proper to ensure that this Agreement is carried out in accordance with the terms set forth herein.

7. SEVERABILITY. If any part of this Agreement is declared invalid by a court of competent jurisdiction, such judgment shall not affect the remainder of this Agreement, and the remainder of the Agreement shall be in full force and effect.

8. APPLICABLE LAW. This Agreement shall be construed and governed in all respects by the laws of the State of Wyoming.

9. AUTHORITY TO SIGN. The Purchaser and Seller warrant and represent that the individuals whose signatures appear below have been duly authorized to enter into this Agreement on behalf of each Party for whom they sign.

10. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and inure to the benefit of the Parties, including their successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first written above.

TOWN OF STAR VALLEY RANCH

STAR VALLEY RANCH
ASSOCIATION

By: Boyd Siddoway, Mayor

By: Joe Angelovic, Chairman

SVRA Business: Mayor Siddoway turned the meeting over to SVRA Chairman Joe Angelovic, whom announced that the homeowners association board had recently adopted a policy that prohibited SVRA board members and employees from holding appointed or volunteer positions with the Town of Star Valley Ranch, and that prohibited Town Councilmen and appointed or volunteer Town staff from serving the SVRA in any capacity. The new SVRA Chairman asked for a motion to rescind such prohibitions immediately, and such a motion was made, seconded and adopted by the SVRA board.

Mr. Angelovic adjourned the meeting.

The Special Town Meeting was adjourned at 7:19 p.m.

Boyd Siddoway, Mayor

Date

ATTEST:

Andy Moffett, Clerk

Date