

MILLCREEK, UTAH
ORDINANCE NO. 22-43

AN ORDINANCE DECLARING APPROXIMATELY 0.18 ACRES OF REAL PROPERTY LOCATED AT OR NEAR 3203 SOUTH HIGHLAND DRIVE IN SALT LAKE COUNTY, UTAH, AS SURPLUS AND DETERMINING THAT A TRADE FOR APPROXIMATELY .04 ACRES OF REAL PROPERTY LOCATED AT OR NEAR 3254 SOUTH HIGHLAND DRIVE IN SALT LAKE COUNTY, UTAH, IS IN THE BEST INTEREST OF THE CITY AND CONSTITUTES THE HIGHEST AND BEST ECONOMIC RETURN TO THE CITY AND APPROVING A PIPELINE RELOCATION AGREEMENT

WHEREAS, the Millcreek (“Council”) met in regular meeting on September 26, 2022, to consider, among other things, declaring approximately 0.18 acres of real property located at or near 3203 South Highland Drive in Salt Lake County, Utah, as surplus and determining that a trade for approximately .04 acres of real property located at or near 3254 South Highland Drive in Salt Lake County, Utah, is in the best interest of the city and constitutes the highest and best economic return to the City and approving a pipeline relocation agreement; and

WHEREAS, the staff has recommended to the Council, and the Council has determined that the property owned by the City located at or near 3203 South Highland Drive in Salt Lake County, Utah, (“Relinquished Property”) is not needed for City purposes; and

WHEREAS, property owned by Questar Gas Company, a Utah corporation dba Dominion Energy (“Dominion Energy”) located at or near 3254 South Highland Drive in Salt Lake County, Utah, (“Trade Property”) is needed for the redevelopment of a portion of the City; and

WHEREAS, Dominion Energy operates a natural gas regulator station on the Trade Property; and

WHEREAS, Dominion has agreed (“Relocation Agreement”) to relocate its natural gas regulator station to the Relinquished Property and abandon, decommission, and remove all fixtures from the Trade Property at no cost to the City provided the City trades the Relinquished Property for the Trade Property; and

WHEREAS, staff has advised the Council that the reasonable value of the Relinquished Property is more than \$250,000 and therefore is “a significant parcel of real property” as defined in Section 2.22.180 of the Millcreek Code of Ordinances; and

WHEREAS, staff has advised the Council that a trade of the of the Relinquished Property for the Trade Property is in the best interest of the City and the consideration is adequate because, among other reasons, a voluntary trade where Dominion Energy has agreed to pay for all relocation costs is economically beneficial to the City compared to a condemnation, consumes less resources and personal time compared to a condemnation, and a trade is consummated sooner than a condemnation; and

WHEREAS, the Council finds that the cost savings, less resources consumed by the transaction, less time to complete the transaction constitutes public policy factors, and that the exchange of Relinquished Property for the Trade Property is in the best interest of the City and as a result the Council concludes that the minimum bid for the sale of the Relinquished Property is a trade for the Trade Property; and

WHEREAS, the Council finds that the cost savings, less resources consumed by the transaction, less time to complete the transaction constitutes public policy factors, and that the exchange of Relinquished Property for the Trade Property constitutes the highest and best economic return to the City; and

WHEREAS, after careful consideration, the Council has determined that it is in the best interest of the health, safety, and welfare of the residents of the City to approve the exchange of properties as set forth above and approve the Relocation Agreement.

NOW, THEREFORE, BE IT ORDAINED by the Council that the Relinquished Property is declared surplus, that the minimum bid for the Relinquished Property is a trade for the Trade Property; and

BE IT FURTHER ORDAINED the Council finds that cost savings, less resources consumed by the transaction, and less time to complete the transaction constitutes public policy factors that the exchange constitutes the highest and best economic return to the City; and

BE IT FURTHER ORDAINED that the Council finds that the reasonable value of the Relinquished Property is more than \$250,000 and therefore is a significant parcel of real property as that term is defined in Section 2.22.180 (F) of the Millcreek Code of Ordinances and notice is required as set forth in Section 2.22.180 (D) of the Millcreek Code of Ordinances; and

BE IT FURTHER ORDAINED that the Agreement be approved, and the City Manager or Mayor and Recorder are hereby authorized and execute and deliver the Agreement.

PASSED AND APPROVED this 26th day of September 2022.

MILLCREEK

By: _____
Jeff Silvestrini, Mayor

ATTEST:

Elyse Sullivan, City Recorder

Roll Call Vote:

Silvestrini	Yes	No
Catten	Yes	No
DeSirant	Yes	No
Jackson	Yes	No
Uipi	Yes	No

CERTIFICATE OF POSTING

I, the duly appointed recorder for Millcreek, hereby certify that:

ORDINANCE 22-43: AN ORDINANCE DECLARING APPROXIMATELY ____ ACRES OF REAL PROPERTY LOCATED AT OR NEAR 3203 SOUTH HIGHLAND DRIVE IN SALT LAKE COUNTY, UTAH, AS SURPLUS AND DETERMINING THAT A TRADE FOR APPROXIMATELY .04 ACRES OF REAL PROPERTY LOCATED AT OR NEAR 3254 SOUTH HIGHLAND DRIVE IN SALT LAKE COUNTY, UTAH, IS IN THE BEST INTEREST OF THE CITY AND CONSTITUTES THE HIGHEST AND BEST ECONOMIC RETURN TO THE CITY AND APPROVING A PIPELINE RELOCATION AGREEMENT was passed and adopted this 26th day of September, 2022 and certifies that copies of the foregoing Ordinance 22-43 were posted in the following locations within the municipality this ____ day of September, 2022.

1. Millcreek City Hall, 3330 S. 1300 E., Millcreek, UT 84106
2. Millcreek Community Center, 2266 E. Evergreen Ave., Millcreek, UT 84109
3. Holladay Lions Recreation Center, 1661 E. Murray Holladay Rd., Millcreek, UT 84117

Elyse Sullivan, City Recorder



.22 AC / 9,583.2 SF

.18 AC / 7,866 SF

PIPELINE RELOCATION AGREEMENT

This Pipeline Relocation Agreement (“**Agreement**”) is entered into this _____ day of September 2022, between Questar Gas Company, a Utah corporation dba Dominion Energy Utah (“**Dominion Energy**”) and Millcreek, a Utah municipality (“**Millcreek**”). Dominion Energy and Millcreek may be referred to collectively as the “**Parties**” and singularly as a “**Party**”.

Recitals

A. Dominion Energy owns a parcel of land located at or near 3254 South Highland Drive Millcreek, Utah with a Parcel Id. 16-28-304-009 (the “**Old Property**”) on which a natural gas regulator station (the “**Old Station**”) is operated.

B. Millcreek owns a parcel of land located at or near approximately 3203 South Highland Drive Millcreek, Utah (the “**New Property**”) and illustrated in Exhibit “A” on which Dominion Energy plan to construct a new/replacement natural gas regulator station (the “**New Station**”).

C. Millcreek is in the process of redeveloping a portion of the city which includes the Old Station (the “**Project**”).

D. The Parties have concluded that, in order to accomplish the Project it is mutually beneficial to enter into this Agreement to relocate the Old Station to the New Station and exchange the Old Property for the New Property.

Operative Provisions

1. **Scope of Work.** Dominion Energy will perform the following:
 - a. Relocation. On or before May 31, 2023, Dominion Energy shall perform and furnish the following in connection with installation and construction of the New Station”) at the New Property (collectively, the “**Relocation Work**”): (i) design engineering, surveying, trenching and/or boring, and procurement of materials; and (ii) all construction activities necessary for the New Station.
 - b. Abandonment. After completion of the Relocation Work and all testing, and the New Station is in service delivering natural gas, Dominion Energy will perform all tasks necessary to abandon and decommission the Old Station and abandonment of any unnecessary sections of pipeline connecting to the Old Property. Dominion Energy will then remove all fixtures and abandon pipeline from the Old Property (collectively, the “**Abandonment Work**”).
 - c. Compliance with Law. Dominion Energy will comply with all applicable laws and will be responsible for obtaining all necessary permits or governmental approvals required in connection with completion of the Relocation Work. Dominion Energy will keep the Old Property free from mechanics’ liens or similar liens arising on account of or resulting from any act by or on behalf of Dominion Energy. In the

event any mechanics' lien or similar lien is recorded against the Old Property, Dominion Energy will promptly cause the lien to be removed.

2. **Property Rights.**

- a. New Property. Prior to the Relocation Work, Millcreek shall quit claim, to Dominion Energy, the New Property using the legal description provided on Exhibit D for the New Property. Dominion acknowledges that until Dominion Energy complete the Abandonment Work and conveys to Millcreek the Old Property, Millcreek shall continue to hold a beneficial interest in the New Property and that, in addition to any remedies available under law, Millcreek shall record a Notice of Interest against the New Property. Within fifteen (15) days after completion of the Abandonment Work and conveyance to Millcreek of the Old Property, Millcreek shall deliver to Dominion Energy a release of the Notice of Interest for recording. The terms of this provision shall survive this Agreement. Notwithstanding anything herein to the contrary, Millcreek's beneficial interest shall not grant Millcreek any right to enter the New Property.
- b. Right-of-Way. Prior to the Relocation Work, Millcreek shall provide to, Dominion Energy with a new right-of-way and easement grant for pipelines and access on the form attached to this Agreement as Exhibit "B" (the "**Easement**"), as illustrated in Exhibit "A" using the legal description and process described below:
 - i. Dominion Energy shall perform the survey work, provide legal descriptions of, and stake as needed the Easement.
 - ii. Millcreek represents and warrants that (i) Millcreek is the owner of, or has the rights to, the property to be encumbered by the Easement; and (ii) the signor(s) of the Easement has the requisite authority to execute those documents on behalf of the entity owning the property to be encumbered by the Easement.
- c. Conveyance of the Old Property. Upon completion of the Relocation Work and the Abandonment Work, Dominion Energy will quit claim to Millcreek, the Old Property to Millcreek in fee. The conveyance will be accomplished by Dominion Energy recording an executed quitclaim deed in substantially the same form as attached hereto as Exhibit "C".

3. **Consideration.** Dominion Energy shall pay the cost of the Relocation Work and the Abandonment Work. Millcreek shall deed the New Property to Dominion Energy and grant Dominion Energy the Easement and Dominion Energy shall quitclaim the Old Property to Millcreek. Each Party shall bear the costs of its legal fees incurred in preparing this Agreement and any other costs associated therewith.

4. **Conditions Precedent.** Receipt by Dominion Energy of the deed to the New Property and the Easement and receipt of all necessary permits to facilitate the Relocation Work are conditions precedent to Dominion Energy's obligations under this Agreement. Without

limiting the generality of the foregoing, completion of the Relocation Work is a condition precedent to Dominion Energy's obligation to complete the Abandonment and all subsequent acts.

5. **Schedule and Notices.** Dominion Energy shall notify Millcreek at least 48 hours in advance of beginning the Relocation Work. Dominion Energy may adjust its schedules without notice as required to handle emergencies on its system, after which it will informally notify Millcreek as to when it will resume work. Any notices provided under this Agreement should be addressed as follows:

Dominion Energy Utah
Attention: Michael L. Gill
P.O. Box 45360
Salt Lake City, UT 84145-0360

Millcreek
Attention: Mike Winder
3330 South 1300 East
Millcreek, UT 84106

With a copy to (which shall not constitute notice):
Parsons Behle & Latimer
Attention: J.D. Kesler
201 South Main Street, Suite 1800
Salt Lake City, Utah 84111

6. **Cooperation.** Millcreek shall ensure that its employees, agents, contractors, and subcontractors coordinate their efforts and cooperate fully with Dominion Energy as required for efficient completion of the Relocation Work and Abandonment Work. In particular, Millcreek and its employees, agents, contractors, and subcontractors shall observe the requirements of Utah Code Ann. § 54-8a-2 *et seq.*, Damage to Underground Utility Facilities, in connection with construction activities in the vicinity of the Relocation Work and Abandonment Work.

7. **Interference with Pipeline.** Millcreek shall ensure that no structures, buildings, or improvements are places so as to interfere with Dominion Energy's completion of the Relocation Work during the time periods necessary to complete such actions under this Agreement.

8. **Miscellaneous.**

- a. In the event of any dispute relating to this Agreement, whether or not dispute results in litigation, the prevailing Party shall be entitled to recover all costs, including reasonable attorney fees.
- b. This Agreement shall be binding upon and shall inure to the benefit of the Parties, and their respective successors and assigns.
- c. The provisions of this Agreement are severable, and should any provision be deemed void, unenforceable, or invalid, such provision shall not affect the remainder of this Agreement.
- d. This Agreement shall be governed by the laws of Utah.

- e. Except for payment of amounts due, neither Party shall be liable for any failure to perform this Agreement when the failure is due to any cause which is not reasonably within the control of the Party affected. Prompt, detailed notice of any force majeure shall be given by the Party claiming inability to perform. In the event of force majeure, the Parties shall immediately take all reasonable action necessary to abate the cause.
- f. This Agreement is the entire agreement of the Parties with respect to the Relocation Work, supersedes all past written or oral agreements between the Parties, and may be amended only in writing signed by both Parties.
- g. Each person signing this Agreement warrants that such person has full legal capacity and authority to execute this Agreement on behalf of the respective Party and to bind such Party.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

QUESTAR GAS COMPANY, DBA DOMINION ENERGY
UTAH

Millcreek

By:
Its:

By:
Its:

Exhibit A
(Illustration of New Property)



Exhibit B
(Easement Form)

WHEN RECORDED MAIL TO:

Questar Gas Company
Db, Dominion Energy Utah
P.O. Box 45360, Right-of-way
Salt Lake City, UT 84145-0360

Space above for Recorder's use
PARCEL I.D.#

EASEMENT AGREEMENT

This Easement Agreement ("**Agreement**") is made and executed this ____ day of _____, 2022, by _____, a Utah municipality ("**Grantor**") in favor of QUESTAR GAS COMPANY, dba Dominion Energy Utah, a Utah corporation ("**Grantee**").

RECITALS

- A. Grantor owns a parcel of real property located _____ ("**Grantor's Property**").
- B. Grantee desires to construct a natural gas regulator station on property adjacent to Grantor's Property described as follows: _____ ("**Grantee Parcel**"). To do so, Grantee seeks easements on a portion of Grantor's Property as described in this Agreement.
- C. Grantor desires to grant Grantee certain rights according to the terms of this Agreement.

TERMS

NOW, THEREFORE, for the sum of TEN DOLLARS (\$10.00) in hand paid and other good and valuable consideration, receipt of which is hereby acknowledged, Grantor and Grantee agree as follows:

1. Non-Exclusive Pipeline Easement.
 - 1.1 Grantor hereby conveys and warrants to Grantee a non-exclusive easement to construct, install, lay, maintain, operate, repair, alter, inspect, protect, make connections to, remove, replace and abandon in place pipelines, valves, valve boxes, cathodic monitoring and

mitigation facilities and other gas transmission and distribution facilities (the “**Pipeline Facilities**”) under and through the following described parcel:

[INSERT LEGAL DESCRIPTION]

CONTAINS: ± _____ SQ. FT. (“**Pipeline Easement**”).

2. Access Easement.

2.1 Grantor hereby conveys and warrants to Grantee a non-exclusive access easement for ingress and egress to the above-described Grantee Parcel and Pipeline Easement from Highland Drive street using any available access roads and parking areas, and more particularly over and across the following described real property:

[INSERT Descriptions for both vehicle (“**Access Easement 1**” and man door access (“**Access Easement 2**”) (collectively the “**Access Easement**”).

2.2 Access Easement 1 shall be constructed as a driveway or parking area used by Grantor with concrete or asphalt surface, and shall be maintained in perpetuity in a condition which allows the Grantee unrestricted pedestrian and vehicular traffic over and across the Access Easement to the Grantee Parcel.

2.3 Grantee may pour a concrete pad, at Grantee’s sole cost and expense, over and across the entirety of Access Easement 2. Grantor shall not in any way impair or restrict the pedestrian ingress and egress to Access Easement 2.

2.4 This Access Easement shall be appurtenant to and run with the Grantee Parcel described above.

3. Special Provisions.

Without limiting the generality of the foregoing, Grantor(s) does hereby covenant, warrant and agree to the following conditions which shall apply to the Pipeline Easement and Access Easement.

3.1 Grantor(s) shall not build or construct, nor permit to be built or constructed, over or across the Pipeline Easement, any building, retaining walls, rock walls, footings or improvement which impairs the maintenance or operation of the Pipeline Facilities. Additionally, Grantor shall not build or construct, nor permit to be built or constructed, any building, retaining walls, rock walls, footings or improvements which unreasonably restricts Grantee’s access over and across the Access Easement.

3.2 Grantor(s) shall not change the contour within the Pipeline Easement or the Access Easement without prior written consent of Grantee.

3.3 Grantor(s) shall not plant, or permit to be planted, any deep-rooted trees, or any vegetation with roots that may damage the Pipeline Facilities within the Pipeline Easement without prior written consent of Grantee.

3.4 Grantor(s) shall not place personal property within the Pipeline Easement or Access Easement that impairs the maintenance or operation of, or access to, the Pipeline Facilities.

3.5 Grantee shall have the right to cut and remove timber, trees, brush, overhanging branches, landscaping and improvements or other obstructions of any kind and nature which may injure or interfere with Grantee's use, occupation or enjoyment of the Pipeline Easement or Access Easement, without liability to Grantor(s), and without any obligation of restoration or compensation.

3.6 Grantee shall possess the rights described herein, together with all rights necessary to operate, protect and maintain the Pipeline Facilities involved with the easements granted to the Grantee under this Agreement, its successors and assigns.

4. Miscellaneous Provisions.

4.1 This Agreement shall run with the land and be binding upon and inure to the benefit of the successors and assigns of Grantor and the successors and assigns of Grantee, and may be assigned in whole or in part by Grantee.

4.2 It is hereby understood that any parties securing this Agreement on behalf of Grantee are without authority to make any representations, covenants or agreements not herein expressed.

[Signature and Acknowledgements on Following Page]

IN WITNESS WHEREOF, Grantor has caused this Agreement to be executed as of this
_____ day of _____, 2022.

[GRANTOR]

By:

Its:

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

On the _____ day of _____, 2022 personally appeared before me
_____ who, being duly sworn, did say that he is the _____, of
[GRANTOR] and that the foregoing instrument was signed on behalf of [GRANTOR], and said
he/she acknowledged to me that said [GRANTOR] duly executed the same.

Notary Public

Exhibit C
(Quitclaim Deed Form)

WHEN RECORDED, RETURN TO:

Millcreek

Attn:

Tax Parcel Id. No. 16-28-304-009-0000

QUITCLAIM DEED

Questar Gas Company, a Utah corporation, dba Dominion Energy Utah, and successor in interest to Wasatch Gas Company, Grantor, with an address of P.O. Box 45360, Salt Lake City Utah, 84145-0360 (1140 West 200 South, Salt Lake City) of Salt Lake City, Utah, hereby quitclaims to Millcreek, Grantee, with an address of _____, for the sum of one dollar, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the following described tract of land in Salt Lake County, State of Utah:

Parcel Id. No. 16-28-304-009-0000

Commencing 1252.2 FT S & 276.2 FT E of W ¼ Corner of Section 28 T1S R1E
SLM 70.76 FT E 25 FT N 70.76 FT W 25 FT to Beginning.

Contains .04 acres +/-

This Quitclaim Deed is executed by Grantor to be effective as of _____, 2022.

GRANTOR:

Questar Gas Company, dba Dominion
Energy Utah

By:

Its:

Exhibit D
(Legal Descriptions)

1. Description of the “Old Property”

Parcel Id. No. 16-28-304-009-0000

Commencing 1252.2 FT S & 276.2 FT E of W ¼ Corner of Section 28 T1S R1E
SLM 70.76 FT E 25 FT N 70.76 FT W 25 FT to Beginning.

2. Description of “New Property”

[INSERT]

3. Descriptions to be used in “Easement”

Description of Pipeline Easement [INSERT]

Description of Access Easement 1 [INSERT]

Description of Access Easement 2 [INSERT]