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June 8, 2016

*Via E-mail*

Ms. Kirsten A. Whetstone  
Senior Planner  
Park City Municipal Corporation  
445 Marsac Avenue  
P.O. Box 1480  
Park City, UT 84060-1480

Re: Proposed Amendment to 1995 Deer Crest Settlement Agreement

Dear Kirsten:

As you are aware, on August 1, 2013 and December 11, 2015 I submitted letters to Mark Harrington requesting an amendment to the Settlement Agreement dated December 29, 1995 between Trans-Wasatch Company, L.L.C., Park City Consolidated Mines Company and Park City Municipal Corporation (as amended, the "Settlement Agreement"). Those letters requested a modification to Section 5.2.3.4 of the Settlement Agreement to eliminate the requirement that there be a permanent disconnect preventing east-west access between Highway 40 and Park City through the Deer Crest community via Deer Hollow Drive, which was formerly known as "Keetley Road." You recently indicated that it would be necessary to submit an Application for an Amendment to an MPD in order for the City to process this request. Accordingly, enclosed please find the following:

1. Application for Amendment to Master Planned Development.
2. My letter dated December 11, 2015, which is submitted to satisfy the requirement for a written statement describing the request (item 3 of the Application form). In your February 26, 2016 email you indicated that this would be sufficient. That letter also includes multiple exhibits which provide additional documentation supporting this request.
3. Copy of the Settlement Agreement, in satisfaction of submittal item 4 of the Application.
4. The following drawings and photographs which you previously indicated would be sufficient to satisfy submittal requirement for item 6 of the Application:
  - a. Aerial photo showing the approximate location of the disconnect as originally intended;

DMWEST #14481401 v1



FILE COPY

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December 11, 2015

*Via FedEx*

Mark Harrington  
Park City Municipal Corporation  
445 Marsac Avenue  
Post Office Box 1480  
Park City, UT 84060

Re: Deer Hollow Road (f/k/a Keetley Road) Disconnect

Dear Mark:

This firm represents Deer Crest Associates I, L.C. ("DCA"), the developer of the Deer Crest community ("Deer Crest"), in the matters that follow. DCA is the successor in interest to Trans-Wasatch Company, L.L.C. and Park City Consolidated Mines Company with respect to the Settlement Agreement dated December 29, 1995 (as amended, the "Settlement Agreement") with Park City Municipal Corporation ("City"). The purpose for this letter is to re-engage with the City on a proposal to amend the Settlement Agreement to eliminate the requirement for the physical disconnection of Keetley Road (now known, and in this letter referred to, as "Deer Hollow Road") as it passes through Deer Crest at the approximate location of a development parcel referred to in the Settlement Agreement as "Slalom Village".

As you will recall, Section 5.2.3.4 of the Settlement Agreement requires the permanent physical disconnection of Deer Hollow Road at the Slalom Village location, which is east of the St. Regis Hotel (the "Disconnect"), at such time as the primary structure for Slalom Village is constructed. A copy of this section of the Settlement Agreement is attached to this letter as Exhibit "A". In terms of my involvement, the impact of the Disconnect first came to light in 2009 in connection with an amendment to the CUP for the St. Regis Deer Valley Hotel (the "St. Regis"). At that time both Park City and Wasatch County expressed support for eliminating the Disconnect requirement out of concerns that implementation of the Disconnect would adversely affect emergency access to and from the St. Regis and many homes in the Deer Crest development. Over the course of the past six years there have also been negotiations between DCA and the Deer Crest Master Association ("DCMA") over the transfer of roads and open space parcels within Deer Crest from DCA to DCMA. In the course of those negotiations, which were finalized and implemented earlier this year, DCA and DCMA agreed that it was in the best interests of both to seek an amendment of the Settlement Agreement to eliminate the Disconnect requirement.

DMWEST #11347934 v4

Ms. Kirsten A. Whetstone  
June 8, 2016  
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- b. A map showing all roadways within Deer Crest, including Deer Hollow Drive;
- c. "Deer Crest Direction Map", which is another map of the roads within Deer Crest;  
and
- d. Topographical map of existing conditions along Keetley Road.

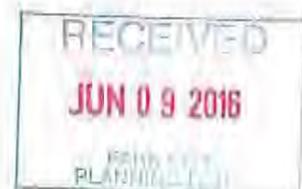
You have indicated that submissions will not be required for items 7-11 of the Application Submittal Requirements. The Application fee of \$560 will be paid by phone as soon as you provide us with a permit number. As I previously mentioned to you, we have ordered a title report for this section of the road, but it will not be available until the middle of next week. I will have that delivered to you as soon as I receive it, together with the names and stamped envelopes for all property owners within 300 feet of this property.

Very truly yours,



Thomas G. Bennett

Enclosures



The original purpose for the Disconnect was to assure that Deer Hollow Road did not become used for public access between the Jordanelle basin of Wasatch County and Park City. However, in the development of Deer Crest control gates were constructed at the east and west entrances to Deer Crest. These gates have effectively prevented public access through Deer Crest, and it is generally recognized that disconnecting Deer Hollow Road is unnecessary to prevent public access between Highway 40 and Park City. Keeping Deer Hollow Road intact also allows trucks and other large commercial delivery vehicles serving the St. Regis to enter exclusively through the Jordanelle gate into Deer Crest, rather than entering through the western gate in Deer Valley. Most importantly, keeping Deer Hollow Road as a thoroughfare provides substantially quicker access for emergency vehicles to the St. Regis and many of the homes in Deer Crest. As you may recall from the meeting we had with City officials on November 12, 2013, all of the public safety representatives present at that meeting from Park City and Wasatch County were supportive of eliminating the Disconnect requirement, as they felt that keeping Deer Hollow Road connected was important for emergency access.

There has been some question as to whether the Deer Crest control gates could at some point in the future be removed or left open, but such action would be a violation of the Master Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Deer Crest ("Master Declaration"). Specifically, Section 4.5(c)(iii) of the Master Declaration requires that "permanent control gates at the East and West entrances" shall be constructed and operated continuously. Owners of homes in Deer Crest see a substantial value in being a "gated community" and would strongly object to any efforts to remove the control gates. Removal of the gates might also violate the Settlement Agreement and Release dated August 1, 1996 between DCA and the Queen Esther Owners Association, a copy of which is attached hereto as Exhibit "B" ("Queen Esther Settlement Agreement"), which also requires, in Section 1.f., that permanent control gates be maintained at the east and west entrances to Deer Crest.

Our original request to amend the Settlement Agreement to eliminate the Deer Hollow Road Disconnect requirement was made in my letter to you dated August 1, 2013, a copy of which is attached as Exhibit "C". Following that letter, the Planning Department raised a few questions, which we have summarized and answered on attached Exhibit "D".

You have strongly suggested that we contact the Queen Esther community about this request. We have notified the Board of Directors of Queen Esther Village Project 1 Owners Association, in writing, of our intent to proceed with this request to have the Disconnect requirement eliminated. A copy of that letter is attached as Exhibit "E". In response to that letter I have had a phone call with Jerry Chizevar, an attorney and member of the board of the Queen Esther owners' association. He had a number of questions concerning the proposal and indicated that he did not expect the board to object to the elimination of the Disconnect requirement, although it is important to them that the east and west control gates into Deer Crest remain in place.

Eliminating the Disconnect requirement preserves the current traffic flow through Deer Crest, which has been operating effectively since the initial development of Deer Crest in 1997. This action is supported by public safety officials in Park City and Wasatch County, as well as by the Deer Crest Master Owners Association. A copy of a recent letter of support from Wasatch County is attached as Exhibit "F".

Mark Harrington  
December 11, 2015  
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To proceed with the removal of the Disconnect requirement, we propose that an amendment to the Settlement Agreement, in the form attached as Exhibit "G", be reviewed and approved by the City Council. We respectfully request that such amendment be reviewed by staff and placed on the City Council's agenda for action. If there is any additional information needed in order to address this issue, please let me know.

If you have any questions or concerns about the foregoing, I would be happy to discuss them with you.

Very truly yours,



Thomas G. Bennett

TGB:mc

cc: Gregson Perry  
Diane H. Banks  
Diane Foster

List of Exhibits:

- A—Excerpt from Settlement Agreement
- B— Queen Esther Settlement Agreement
- C—Letter to Mark Harrington dated August 1, 2013
- D--Exhibit "E" to Deer Crest Master Declaration - ← will be settled
- E—Answers to Questions from Planning Dept.
- F—Letter dated November 18, 2015 to Queen Esther H
- G—Wasatch County Letter dated November 3, 2015
- H—Proposed Amendment to Settlement Agreement (See Exhibit A of the Staff Report for Proposed Third Amended Settlement Agreement)

Area to Telemark Park Village outside the eastern perimeter controlled access gate, in exchange for an increase of up to ten (10) multi-family units being added to the Snow Park Hotel Site, upon Park City's consent.

**5.2.3.3 Development Alternative to Slalom Village.** In the event Property Owners elect not to construct the development described in Section 5.2.3 above, then Property Owners shall have the right to develop a single family subdivision not to exceed twelve (12) lots in place of the 83 multi-family units. The twelve (12) lots shall be platted in Wasatch County and may be recorded within the Slalom Village development envelope with limits of disturbance established by Wasatch County and as generally depicted in Exhibit "S." The Park City staff and City Council have reviewed Exhibit "S," and found said exhibit to be generally acceptable as to density, use and configuration. The twelve (12) single-family lots are in addition to the four (4) lots shown on Exhibits "C" and "F" and the 20,000 square foot Ski Academy. Property Owners shall have the right to develop the 12 single-family lot subdivision and the 20,000 square foot Ski Academy as a Wasatch County development. In the event Property Owners elect to develop the twelve (12) single-family lot subdivision, then Property Owners shall realign and construct Keetley Road as depicted on Exhibit "S," wherein Slalom Village becomes a cul-de-sac that is not accessible from the eastern portion of Keetley Road except via St. Louis Drive.

**5.2.3.4 Disconnection of Keetley Road at Slalom Village**  
**Location.** A permanent physical disconnection of Keetley Road shall occur at the Slalom Village Area location, which disconnection shall be accomplished as follows: (a) Upon the

plating of lots in the Little Baldy neighborhood or upper St. Louis neighborhood. Property Owners shall disconnect, either by steel gates and/or boulders and natural vegetation, Keetley Road so as to prevent vehicular through traffic in the Slalom Village Area; and (b) disconnection shall be permanent at the Slalom Village location upon the construction of the Primary Village Structure at Slalom Village (the footprint of which shall partially be within the historic configuration of Keetley Road right-of-way, such that the right-of-way is completely obstructed) or the construction of the cul-de-sac configuration described in Section 5.2.3.3. Upon the permanent physical disconnection, there shall be no reconnection of Keetley Road at the Slalom Village location. Nothing herein shall preclude the parking and internal circulation at the Primary Village Structure as described in Section 5.2.3.7.

#### 5.2.3.5 Conditions of Development Absent Park City

Annexation. If the Slalom Village Area is not annexed into Park City pursuant to Sections 5.2.3.1 and 5.2.3.2, Property Owners may proceed to develop Slalom Village as a Wasatch County development so long as (a) the Property Owners seek development approval in Wasatch County for density in accordance with the configuration and development restrictions described herein and depicted in Exhibits "C," "F" or "S," (b) a ski chair lift shall be constructed within a 1,100 foot radius of the Primary Village Structure prior to the issuance of a certificate of occupancy for any portion of Slalom Village, (c) the Primary Village Structure shall be placed to physically disconnect the historical configuration of Keetley Road, and (d) the same area designated for dedication and conservation easements shall be preserved by conservation easements granted to and accepted by a public entity or a

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (the "Agreement") is executed as of August 1, 1996 by and between, The Queen Esther Village Project 1 Owners Association ("Queen Esther"), Trans Wasatch Company, L.L.C. ("Trans Wasatch"), Deer Crest Associates, I, L.C. ("Deer Crest"), and Park City Consolidated Mines ("PCCM") (Trans Wasatch, Deer Crest and PCCM are collectively referred to herein as the "Developers").

**RECITALS**

- A. Queen Esther is an incorporated association of homeowners within a part of the Queen Esther Condominium Project (the "Queen Esther Project"), a portion of which is in close proximity to a presently unimproved portion of Keetley Road located within Park City. Queen Esther has asserted both contractual rights and rights pursuant to Park City approvals with respect to certain land adjacent to the Queen Esther Project that is included within the approved master plan area for the Queen Esther Project including portions of the unimproved Keetley Road.
- B. Developers are successors in interest to the original developers of the Queen Esther Project in the ownership of the land adjacent to the Queen Esther Project. Developers desire to improve Keetley Road to provide access to a new real estate development to be known as Deer Crest (the "Deer Crest Project").
- C. Park City Municipal Corporation ("Park City") and Trans Wasatch and PCCM have engaged in litigation with respect to the right of the Developers to improve Keetley Road, and those parties have entered into a settlement agreement (the "Original Settlement Agreement") that would allow the improvement of Keetley Road as a private road in connection with the development of the Deer Crest Project, subject to certain

conditions, including the vacation by Park City of any public rights of vehicular access in Keetley Road.

D. Queen Esther has asserted that the implementation of the Original Settlement Agreement and the improvement of Keetley Road would violate the rights and interests of Queen Esther in the event certain provisions of the Original Settlement Agreement were not amended or added and in the event direct enforcement rights were not extended to Queen Esther to protect the interests of homeowners within the Queen Esther Project.

E. Queen Esther and Developers desire now to settle the dispute between them and to permit Keetley Road to be vacated by Park City and improved by Developer subject to the terms of this Agreement.

**A G R E E M E N T**

In consideration of the recitals and mutual promises contained herein, Queen Esther and Developers, and each of them, agree as follows:

1. Covenants and Agreements of Developers. Developers agree to the following covenants and other terms. Developers warrant that Deer Crest is the fee title holder and, where applicable, the long-term lessee of the real property within the Deer Crest Project. All obligations of Developers from and after the date of this Agreement shall be performed by Deer Crest, and its affiliates, partners, operators, successors and assigns, and TransWasatch and PCCM shall be released from liability for non-performance of those obligations. To the extent the following provisions conflict with the obligations of Developers under the Original Settlement Agreement, the parties to this

Agreement intend that the terms of this Agreement shall govern between Queen Esther and Developers, and their affiliates, partners, operators, successors and assigns:

a. Approved Drawings: Limits of Disturbance. The 10 pages of engineering drawings identified on Exhibit A hereto (the "Approved Drawings") for the Keetley Road segment located within Park City and adjacent to the Queen Esther Project (the "Park City Keetley Road Segment") shall be the basis for the construction of the Park City Keetley Road Segment other than with respect to the design of the control gate areas and the portions of any wall above the level of asphalt on the roadway. Developers represent that the base of the downhill retaining wall adjacent to the Queen Esther Project as shown on the Approved Drawings leaves not less than 5.0 feet of distance between the downhill face of the wall and the highest existing uphill aspen tree below the road and agree that the 5.0 foot area adjacent to the base of the wall shall constitute the limits of downhill area that will be disturbed in connection with the construction, maintenance or reconstruction of the Park City Keetley Road Segment (the "Limits of Disturbance Area"). The Limits of Disturbance Area specified by this Agreement shall control over any inconsistent specification of a limits of disturbance area in the Approved Drawings. Developers shall install surveyed construction stakes identifying the base of the downhill retaining wall and the Limits of Disturbance Area and provide Queen Esther with not less than 10 days notice prior to the commencement of construction and the installation of those stakes in order to afford Queen Esther the opportunity to confirm that the proposed construction of the road and the location of the Limits of Disturbance Area conform to the locations specified in this paragraph 1.a. Developers further agree to install temporary

fences pursuant to specification G-10 on the first page of the Approved Drawings within the Limits of Disturbance Area. Developers further agree that the retaining wall shall be constructed pursuant to detail KW1 on page G-10 of the Approved Drawings in order to reasonably minimize construction-related downhill impacts. Modifications to the Approved Drawings shall be subject to the approval of Queen Esther. Queen Esther acknowledges that Developers contemplate submitting to Queen Esther for its approval a redesign of the control gates shown on the Approved Drawings.

b. Wall Landscaping and Landscape Maintenance. The landscaping plan attached as part of the Approved Drawings shall be modified in general by locating the Picea Pungens evergreens, of a height of at least 12 feet at the time of installation, at a distance of from 7 to 15 feet from the base of the downhill retaining wall and from 15 to 20 feet apart. The particular location of trees shall be jointly decided by Developers and Queen Esther so as to minimize disturbance to existing trees and to maximize visual screening of the retaining wall from directly affected properties within the Queen Esther Project. Installation of the landscaping shall occur before the end of the next occurring spring or fall planting season following completion of the downhill retaining wall for Keetley Road adjacent to the Queen Esther Project. Developers agree to maintain the installed landscaping along the base of the downhill retaining wall, including watering, the removal of aspen to allow evergreen growth (with the approval of Queen Esther), and dead tree replacement, for the longer of 5 years after planting or the period necessary to establish the trees for survival without watering. In the absence of further notice from Queen Esther, for purposes of the approvals contemplated by paragraphs 1.a. and 1.b.,



the President of the Queen Esther homeowners' association, who is presently Franklin Drake, shall be the authorized representative of Queen Esther.

c. Trash Removal. Developers shall remove trash at the base of the downhill retaining wall on a regular basis for the duration of the Deer Crest Project.

d. Park City Municipal Transportation. The use of Keetley Road for Park City municipal transportation (other than emergency vehicles) or buses shall not be allowed.

e. Oversized Vehicle and Time of Day Limitations on Use of Park City Keetley Road Segment. All RV's, vehicles pulling trailers, tractor-trailer rigs and other vehicles with three axles and all construction traffic (other than vehicles responding to an emergency situation and other than snow removal equipment) shall be prohibited from using the Park City Keetley Road Segment for any purpose other than for the purpose of constructing that road segment, and shall be required to enter and exit the Deer Crest Project at the east control gate on the Wasatch County side of the Deer Crest Project. Certain categories of vehicles trips not prohibited by the preceding sentence on the Park City Keetley Road Segment (other than vehicles responding to an emergency situation and other than snow removal equipment) shall be regulated in one or more respects by requiring a prior appointment, by imposing a time-of-day limitation or by imposing a size of vehicle limitation as applicable under the gate control regulations attached hereto as Exhibit B (the "Regulations"). Any trips not meeting all of the stated requirements of the Regulations shall be required to enter and exit the Deer Crest Project at the east control gate on the Wasatch County side of the Deer Crest Project.

f. Gate Control Regulations, Procedures and Protocols. Developers covenant that the permanent control gates shall be configured and operated in accordance with the Regulations. Developers further agree (i) that the Park City Keetley Road Segment will be used only by the authorized users contemplated by the Original Settlement Agreement as further restricted by this Agreement and as amended by the relocation of the ski academy outside of the east control gate, and (ii) that adequate records will be kept in the operation of the gates for not less than fifteen months to allow Queen Esther periodically to audit and verify compliance with the regulations.

g. Comparable Private Access or Amenity Rights. Developers hereby grant to Queen Esther, for the benefit of its homeowners, any rights of access or other recreational amenity benefits associated with the Deer Crest Project to the extent those rights or recreational amenity benefits have been granted by Developers to the public pursuant to the Original Settlement Agreement. Further, Developers agree to grant to Queen Esther, for the benefit of its homeowners, any rights of access or other recreational amenity benefits associated with the Deer Crest Project on a basis no less favorable than the rights or benefits that may be granted by Developers in the future to any third party amenity holder. For purposes of this Agreement, a third party amenity holder shall mean any person or non-governmental entity other than an owner or lessee of property within the Deer Crest Project or other person with pre-existing permanent access rights within the portion of the Deer Crest Project where public access is controlled pursuant to the Original Settlement Agreement. The requirement of Developers to grant to Queen Esther the rights or benefits indicated in this subparagraph 1.g. shall not apply

to or include temporary promotional or other temporary rights granted on a non-recurring basis, rights of access granted in connection with the operation of facilities within the Deer Crest Project by third parties, or the creation of rights-of-way or easements for utilities or ski runs or other similar interests essential to the development or operation of facilities within the Deer Crest Project.

h. Deed Restricted Open Space. The area below the Park City Keetley Road Segment and adjacent to the Queen Esther Project boundary as shown on Exhibit D (the "Open Space Area") shall be preserved by Developers as open space by an instrument recorded in favor of Queen Esther. Contemporaneously with the staking of proposed construction work on the Park City Keetley Road Segment, Developers, at Developers' expense, shall cause a registered land surveyor to complete a survey of the Open Space Area. The instrument in favor of Queen Esther shall be recorded within 15 days after the completion of the survey. The preservation of the Open Space Area as open space shall mean the preservation of the Open Space Area generally in its natural state as a visual buffer without above ground improvements. The classification of the Open Space Area as open space shall not preclude Developers from constructing, maintaining, or reconstructing the Park City Keetley Road Segment at its designated location as shown on the Approved Drawings or limit the right of Developers to work within the Limits of Disturbance Area in connection with such construction, maintenance or reconstruction or to install or irrigate vegetation within the Open Space Area. Further, Developers agree to maintain vegetation within the Open Space Area at a level that is at least equivalent to the extent of vegetation presently existing within the Open

Space Area. Developers may, at their option, improve upon the level of vegetation within the Open Space Area with the prior approval of Queen Esther.

2. Mutual Agreements.

a. Support for Amended Development Configuration. In the event Developers elect to pursue the modifications to the Original Settlement Agreement generally described below, Queen Esther, subject to being reimbursed for its out-of-pocket costs and expenses, agrees to support the following modifications to the Original Settlement Agreement that would require the approval of Park City: (i) the removal of the physical disconnect at Slalom Village, so as to permit and encourage the use of the east control gate as the point of entry and exit for commercial, oversized or trailering vehicles and vehicles traveling outside of specified hours of operation, subject to Developer's agreement to implement gate controls no less stringent than those set forth on Exhibit B hereto in the master covenants, conditions and restrictions for the Deer Crest Project, and (ii) the allowance of not more than 155 total parking spaces at the Roosevelt Gap Lodge and the permitted use of not more than 105 of those spaces for overnight resident stay within a condominium unit at the rate of one parking space for each condominium unit, subject to Developers' agreement to construct and operate not more than 105 condominium style hotel units. Any units for which a parking space is provided at the Roosevelt Gap Lodge would not be subject to a unit equivalency adjustment notwithstanding the availability of any such adjustment under the Park City Development Code. Any additional parking spaces for the Roosevelt Gap Lodge beyond the parking spaces addressed in this paragraph shall be provided at the Snow Park Lodge hotel site or

at another site adjacent thereto. Spaces associated with a condominium unit contemplated under this paragraph shall be used only in connection with occupancy of the unit.

b. Recordable Memorandum. Within 30 days following the execution and delivery of this Agreement, Deer Crest and Queen Esther shall cause to be recorded with the Summit County Recorder's Office and Wasatch County Recorder's Office a Memorandum of Agreement substantially in the form attached as Exhibit C-1. Developers may submit to legal counsel for Queen Esther proposed Covenants, Conditions and Restrictions ("CC&Rs") covering the Deer Crest Project for review and approval that the CC&R's incorporate and making binding on the proposed homeowners association the applicable ongoing covenants and obligations of Developer under this Agreement. The costs of Queen Esther's legal counsel in connection with the review and approval contemplated by this subparagraph 2.b. shall be borne by Developers. Developers may also submit to Queen Esther evidence that the proposed homeowners association is financially capable to perform the applicable ongoing covenants and obligations of Developer under this Agreement. Subject to the prior approval by Queen Esther of the CC&Rs and the financial capability of the proposed homeowners association, and subject further to the prior recording by Deer Crest of the CC&Rs against the property within the Deer Crest Project, Queen Esther agrees to release and terminate such Memorandum of Agreement, and each of the parties hereto covenants and agrees to execute and record an instrument to evidence the release and termination of this Memorandum of Agreement in the form attached hereto as Exhibit C-2. In the event Developers provide Queen Esther with copies of documents and other information necessary to allow Queen Esther to

approve or disapprove of the CC&Rs and the financial capability of the proposed homeowners association at least 30 days in advance of the earliest date that Developers contemplate recording the CC&Rs, Queen Esther shall use reasonable efforts to approve or disapprove of the matters described in the paragraph in writing and to execute and deliver the release of the Memorandum within 30 days following submittal of the documents and information to Queen Esther. Neither the execution, delivery or recordation of a release of the Memorandum shall release or be deemed a satisfaction of the Developers' obligations in this Agreement, which obligations shall continue and survive the recordation of the release. In the event Queen Esther does not approve the CC&Rs or the financial capability of the proposed homeowners association within the stated period of time, Developers shall have the right at its discretion to record the CC&Rs with the applicable county recorder's office, and in such an event the Memorandum remains in full force and effect.

3. Fees and Expenses.

Except as provided in paragraphs 2.a., 2.b. and 7, the parties each shall bear their own respective costs and expenses, including attorneys' fees, incurred in connection with this Agreement.

4. Release by Queen Esther.

a. Except as otherwise provided in Paragraph 4.c. below, Queen Esther hereby releases and forever discharges the "Developer Releasees," consisting of each of the Developers executing this Agreement, and, where applicable, their respective parents, subsidiaries, divisions, officers, directors, owners, associates, predecessors,

successors, heirs, assigns, agents, partners, employees, insurers, representatives, lawyers, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, and any suits, debts, liens, contracts, agreements, promises, liabilities, claims, demands, damages, losses, costs, or expenses, of any nature whatsoever, known or unknown, fixed or contingent, except such claims as may arise in the future under the Original Settlement Agreement or this Agreement (hereinafter "Claims"), that Queen Esther now has against the Developer Releasees, or any of them, by reason of any matter, cause, or thing whatsoever arising out of, based upon, or in any way relating to the use and development of the Park City Keetley Road Segment.

b. Queen Esther represents and warrants that there has been no assignment or other transfer of any interest in any Claim which it may have against any of the Developer Releasees and Queen Esther agrees to indemnify and hold the Developer Releasees, and each of them, harmless from any liabilities, claims, demands, damages, costs, expenses, and attorneys' fees incurred by the Developer Releasees, or any of them, as a result of any person asserting any such assignment or transfer.

c. The release set forth herein shall not extend to or be construed as releasing the Developer Releasees, or any of them, from their express representations set forth in this Agreement or as releasing Deer Crest, or its affiliates, partners, operators successors or assigns from their responsibilities, promises, obligations, covenants, and agreements under or arising out of this Agreement or the Original Settlement Agreement as the same may be amended.

5. Release by Developers.

a. Each of the Developers hereby releases and forever discharges the "Queen Esther Releasees," consisting of Queen Esther, and its respective officers, directors, unit owners, associates, predecessors, successors, heirs, assigns, agents, employees, insurers, representatives, lawyers, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, and any suits, debts, liens, contracts, agreements, promises, liabilities, claims, demands, damages, losses, costs, or expenses, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter "Claims"), that any of the Developers now has against the Queen Esther Releasees, or any of them, by reason of any matter, cause, or thing whatsoever arising out of, based upon, or in any way relating to the use and development of the Park City Keetley Road Segment.

b. Each of the Developers represents and warrants that there has been no assignment or other transfer of any interest in any Claim which any of them may have against the Queen Esther Releasees, or any of them, and each of the Developers agree to indemnify and hold the Queen Esther Releasees, and each of them, harmless from any liabilities, claims, demands, damages, costs, expenses, and attorneys' fees incurred by the Queen Esther Releasees, or any of them, as a result of any person asserting any such assignment or transfer.

6. Inspection.

Queen Esther acting through its duly authorized representatives shall have an easement over Keetley Road into and through the Deer Crest Project to monitor

compliance with this Agreement. For the purpose of this paragraph, "duly authorized representatives" shall mean the individual owners, from time to time, of Units 1 and 2 in the Queen Esther Project (being the two units in closest proximity to Keetley Road and therefore the units most affected by any misuse of Keetley Road), the President of Queen Esther, and no more than one additional trustee of Queen Esther as may be designated from time to time by the President of Queen Esther.

7. Enforcement of Agreement.

If any party to this Agreement brings an action or proceeding to enforce its rights hereunder, the prevailing party shall be entitled to recover its costs and expenses, including court costs and attorneys' fees, if any, incurred in connection with such action or proceeding. All parties recognize that damages to Queen Esther are not an adequate remedy for the breach of this Agreement. It is therefore agreed among all parties that injunctive relief is an appropriate remedy available to Queen Esther for the breach of any such provision.

8. Successors and Assigns.

This Agreement shall be binding on, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

9. Construction of Agreement.

This Agreement shall be construed as a whole in accordance with its fair meaning and in accordance with the laws of the State of Utah. The terms of this Agreement have been negotiated by the parties, and the language of the Agreement shall not be construed in favor of or against any particular party. The headings used herein are

for reference only and shall not affect the construction of this Agreement.

10. Entire Agreement.

This Agreement and any exhibits attached hereto represent the sole and entire agreement between the parties and supersede all prior agreements, negotiations, and discussions between the parties hereto and/or their respective counsel with respect to the subject matter covered hereby.

11. Agreement May Be Executed In Counterparts.

This Agreement may be executed in counterparts, which together shall constitute a fully executed original.

12. Severability.

In the event that any provision in or obligation under this Agreement shall be invalid, illegal, or unenforceable in any jurisdiction as to either Queen Esther or any of the Developers, the validity, legality, or enforceability of other provisions in or obligations under this Agreement shall not in any way be affected or impaired thereby.

13. Amendment to Agreement.

An amendment to this Agreement must be in a writing signed by duly authorized representatives of the parties hereto and stating the intent of the parties to amend this Agreement.

14. Notices.

Any notice or demand to be given by one party to the other shall be given in

writing by personal service, telecopy, express mail, FedEx, DHL, or any other similar form of courier or delivery service, or mailing in the United States mail, postage prepaid, certified and return receipt requested, and addressed to such party as follows:

If to Queen Esther:

Francis C. Brown, Jr.  
1155 Avenue of the Americas, 28th Floor  
New York, New York 10036-2711  
Telecopier: (212) 302-4988

and to:

Franklin G. Drake  
Chairman and CEO  
Drake Management Company  
2121 S.W. Broadway, Suite 320  
Portland, OR 97201-3182  
Telecopier: (503) 295-6467

with a required copy to:

Thomas A. Ellison, Esq.  
Stoel Rives LLP  
One Utah Center  
201 South Main Street, Suite 1100  
Salt Lake City, UT 84111-4904  
Telecopier: (801) 578-6999

If to Trans Wasatch or PCCM:

Trans Wasatch Company, L.L.C.  
Park City Consolidated Mines Company  
614 Main Street, Suite 202  
P.O. Box 497  
Park City, UT 84060  
Attention: Harry Reed, President  
Telecopier: (801) 649-8207

with a required copy to:

Jeffrey S. Williams, Esq.  
Giauque, Crockett, Bendinger & Peterson  
170 South Main Street, Suite 400  
Salt Lake City, UT 84101  
Telecopier: (801) 531-1486

If to Deer Crest:

Deer Crest Associates, I, L.C.  
c/o LCC Properties Group, L.C.  
2121 Avenue of the Stars, Suite 1700  
Los Angeles, CA 90067  
Attention: David M. Luber  
Telecopier: (310) 552-3229

and to:

Deer Crest Associates I, L.C.  
c/o LLC Properties Group, L.C.  
Gateway Center  
136 Heber Avenue, Suite 308  
Park City, UT 84060  
Telecopier: (801) 655-8120

with a required copy to:

Jonathan K. Butler, Esq.  
Parsons Behle & Latimer  
201 South Main Street, Suite 1800  
P.O. Box 45898  
Salt Lake City, UT 84145-0898  
Telecopier: (801) 536-6111

Any party may change the address at which such party desires to receive notice on written notice of such change to the other parties. Any such notice shall be deemed to have been given, and shall be effective, on delivery to the notice address then applicable for the party to which the notice is directed; provided, however, that refusal to accept delivery of

a notice or the inability to deliver a notice because of an address change which was not properly communicated shall not defeat or delay the giving of a notice.

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

**The Queen Esther Village  
Project 1 Owners Association:**

By: [Signature]  
Its: [Signature]

**Trans Wasatch Company, L.L.C.**

By: [Signature]  
Its: Chief Operating Officer

**Park City Consolidated Mines Company:**

By: [Signature]  
Its: President

**Deer Crest Associates, I, L.C.**  
a Utah limited liability company

By: LCC Properties Group, L.C.  
a Utah limited liability company,  
Managing Member

By: [Signature]  
David M. Luber, Managing Member

EXHIBIT A

APPROVED DRAWINGS

Plans for Keetley Road dated December 1995 and stamped on December 29, 1995 prepared for TransWasatch Company by Alliance Engineering. The plans consist of 10 sheets identified as:

1. Title Sheet
2. Layout and Utility Plan
3. Keetley Road -Sta 0+00 to 6+00
4. Keetley Road --Sta 6+00 to 12+00
5. Keetley Road -Sta 12+00 to 18+00
6. Keetley Road -Sta 18+00 to 20+46.16
7. Cross Sections
8. Cross Sections
9. Landscape Plan [12/28/95]
10. Details

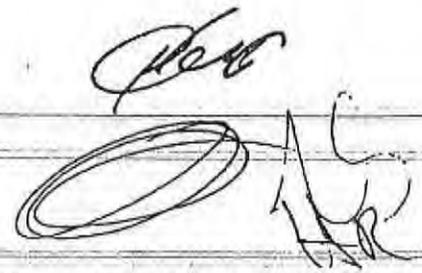
Handwritten signatures and initials are present at the bottom right of the page. One signature appears to be 'RSC' and another set of initials appears to be 'HR'.

EXHIBIT B

GATE CONTROL CONFIGURATION,  
REGULATIONS, PROCEDURES AND PROTOCOLS

LIMITATIONS ON ACCESS TO PARK CITY KEETLEY ROAD  
SEGMENT AND REQUIRED USE OF EAST CONTROL GATE

	#1	#2	#3	#4
TYPE OF TRAFFIC	APPT	HOURS	VEH SIZE	EAST GATE ONLY
Emergency Vehicle and Government entities	No	no limit	no limit	n/a
Lodge or Ski Operations and Maintenance Vehicles	No	no limit	3/4 T + 9 <sup>5</sup>	vehicles above size limit
Owners/Invitees/House Staff all properties within gates	No	no limit	no limit	n/a
Residential Services, housekeeping, babysitting	No	8 a-8 p	3/4 T + 9	vehicles above size limit or off-hour trip
Commercial Owners/ Lessees & Customers	No	no limit	3/4 T + 9	vehicles above size limit
Commercial Deliveries	No	8 a-8-p	3/4 T + 9	vehicles above size limit or off-hour trip

<sup>1</sup>Traffic allowed on Park City Keetley Road Segment by prior appointment confirmed with control gate operator

<sup>2</sup>Traffic allowed on Park City Keetley Road Segment only within this range of hours

<sup>3</sup>Traffic allowed on Park City Keetley Road Segment only if vehicle this size or smaller

<sup>4</sup>Traffic must enter and exit controlled portion of Deer Crest Project from the east control gate if the traffic meets any one of these requirements. All construction traffic, RV's, vehicles pulling trailers, semi tractor-trailer rigs and all other vehicles with three or more axes (except emergency vehicles and snow removal equipment) must enter and exit from the east control gate.

<sup>5</sup>3/4 Ton pick-up or nine passenger vehicle in size

Courier Deliveries	No	8 a-8 p	UPS van size	vehicles above size limit or off-hour trip
Vendor Residential Deliveries	Yes	no limit	3/4 T + 9	vehicles above size limit
Repairman Residential	Yes	no limit	3/4 T + 9	vehicles above size limit
Taxi and Airport Vans	Yes	no limit	3/4 T + 12'	vehicles above size limit
Construction Traffic	Yes	6:30 a-6:30 p	no limit	all traffic-no trips outside of hours limit
R.E. Sales Traffic	Yes	8 a-8 p	3/4 T + 9	vehicles above size limit or off-hour trip

Methods for Implementation and Control

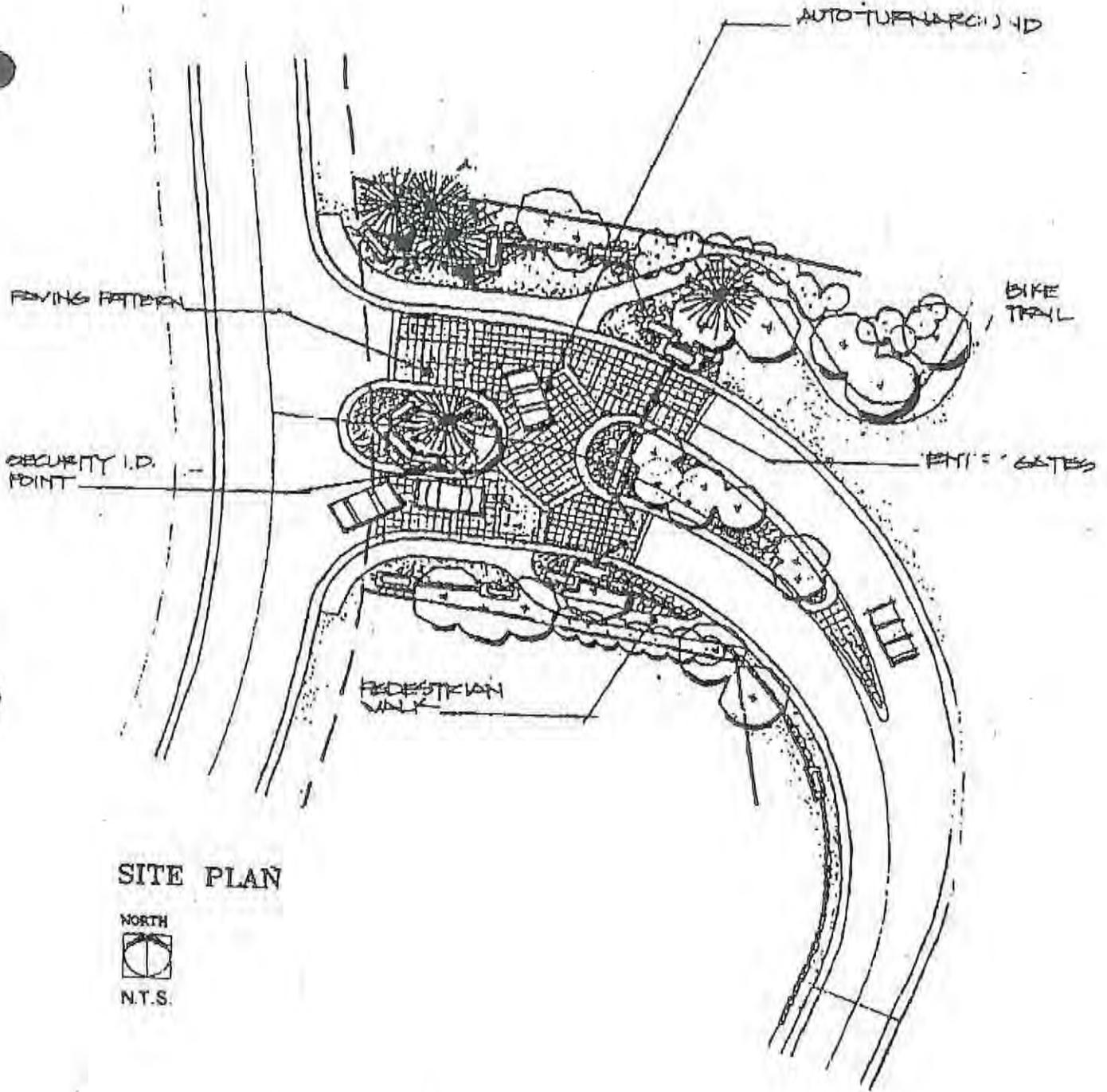
Traffic on the Park City Keedley Road Segment shall be controlled by a 24 Hour manned gate to be provided at McKinley Gap Main Gate and by a lower gate at Queen Esther Drive as generally shown on the attached plan. Guard will have audio and video control of lower Queen Esther Gate. Guard will hand log in and out the appointment traffic. New guard training will overlap by 2 weeks old guard's departure. Guard will control traffic attempting to exit to the west in order to assure that traffic required to exit from the east control gate does so.

Programmable keycards will be issued in appropriately limited quantities to Owners, Lessees, and on-site staff. Replacement price for lost cards will be set at in excess of \$50 per card. A verifiable continuous electronic log will be provided with system.

Window decals, numbered, will be issued to Owners, Lessees and on-site staff for ready identification of vehicles lacking such decals.

A system for notification, penalty, and revocation of privileges will be enforced by HOA (note: these are private streets). HOA will engage regular security patrols.

3/4 Ton pickup or 12 passenger van



SITE PLAN



EXHIBIT B MAP  
 LOWER QUEEN ESTHER GATE

EXHIBIT C-1

MEMORANDUM

When Recorded, Return To:

MEMORANDUM OF AGREEMENT

NOTICE IS HEREBY GIVEN that Deer Crest Associates I, L.C., a Utah limited liability company, Transwasatch Company, L.L.C, a Utah Limited Liability Company, Park City Consolidated Mines Company (collectively referred to herein as the "Developers") and The Queen Esther Village Project 1 Owners Association, a Utah non profit corporation, ("Queen Esther") as Buyer, have entered into that certain Settlement Agreement and Release dated as of \_\_\_\_\_, 1996, respecting the real property situated in Summit County, Utah, and Wasatch County, Utah as more particularly described on Exhibit "A" attached hereto (the "Property"). All of the terms and provisions of the Settlement Agreement and Release are hereby incorporated herein by reference.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 1996.

DEER CREST ASSOCIATES I, L.C.,  
a Utah limited liability company



By I&C Properties Group, L.C., a Utah  
liability company, Managing Member

By \_\_\_\_\_

Its \_\_\_\_\_

TRANSWASATCH COMPANY, L.L.C,  
a Utah Limited Liability Company,

By \_\_\_\_\_

Its \_\_\_\_\_



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www.ballardspahr.com

Thomas G. Bennett  
Tel: 801.531.3060  
Fax: 801.531.3001  
bennett@ballardspahr.com

August 1, 2013

*Via E-Mail and First Class Mail*

Mark D. Harrington  
City Attorney  
Park City Municipal Corporation  
445 Marsac Avenue  
P.O. Box 1480  
Park City, UT 84060

Re: Amending 1995 Deer Crest Settlement Agreement to Eliminate Keetley Road Disconnect

Dear Mark:

This firm represents Deer Crest Janna, LLC ("DCJ"), the developer and operator of the St. Regis Deer Valley hotel ("St. Regis"), and Deer Crest Associates I, L.C. ("DCA"), the developer of the Deer Crest residential and commercial project ("Deer Crest"), in the matters that follow.

As you are aware, Park City Municipal Corporation ("City") entered into a Settlement Agreement dated December 29, 1995 (as amended, the "Settlement Agreement") with Trans-Wasatch Company, L.L.C. ("Trans-Wasatch") and Park City Consolidated Mines Company ("ParkCon"). The Settlement Agreement resolved a number of issues regarding the long-term development of Deer Crest. It is my understanding that DCA is the successor in interest to Trans-Wasatch and ParkCon under the Settlement Agreement, having acquired all of the land previously owned by Trans-Wasatch and ParkCon within Deer Crest.

As a follow up to numerous conversations over the past several years with various department heads and staff at Park City, as well as Wasatch County officials, DCJ and DCA are proposing an amendment to the Settlement Agreement to eliminate the requirement for the physical disconnection of Keetley Road as it passes through Deer Crest at the approximate location of a development parcel referred to in the Settlement Agreement as "Slalom Village." In order to avoid confusion with current maps, Keetley Road will be referred to in this letter by its current name, Deer Hollow Drive. A map of the Deer Crest road system is attached for your reference.

Section 5.2.3.4 of the Settlement Agreement requires the permanent physical disconnection of Deer Hollow Drive at the Slalom Village location, which is downhill to the east of the St. Regis. Under the Settlement Agreement, the disconnect was required to be made, initially, upon the platting of lots in the Little Baldy neighborhood or upper St. Louis neighborhood, and permanently upon

DMWEST #9374016 v7

construction of the primary structure at Slalom Village. While there have been lots platted in the Little Baldy and upper St. Louis neighborhoods, there has been no development at the Slalom Village site other than the installation of the Mountaineer Express ski lift.

Deer Hollow Drive was previously a public road, but the public dedication was vacated and the road became part of the common area of Deer Crest. At the east and west borders of Deer Crest, DCA has installed manned access gates to regulate entry into Deer Crest and to minimize through traffic between Highway 40 and Park City. The gates have been extremely effective in controlling traffic through Deer Crest, and in achieving the desired objective of the Deer Hollow Road disconnect, which was to prevent Deer Hollow Road from becoming a frequently used back door access to Deer Valley and Park City.

Because of the success of the access gates and the road design within Deer Crest, DCA and DCJ believe that disconnecting Deer Hollow Road at the Slalom Village location is now unnecessary to reduce through traffic between Highway 40 and Park City. Additionally, this road is important for emergency vehicle access as it allows for a quicker response time from Highway 40 to the St. Regis and to other properties in Deer Crest. Moreover, guests, employees and delivery vehicles for the St. Regis may only use the east (Jordanelle) gate, and Deer Hollow Road provides a direct route from the east gate to the St. Regis, which means a lower impact on Deer Crest home owners than if those vehicles had to use Deer Crest Estate Drive. For these reasons, the Deer Crest Master Owners' Association is also in favor of amending the Settlement Agreement to remove the disconnect requirement. We have also had discussions with Wasatch County officials who have expressed support for such an amendment.

As you know, the owners within the Queen Esther Village Project have also, in the past, had an interest in road and traffic issues with respect to Deer Crest. The Queen Esther Owners Association is not a party to the Settlement Agreement, but it is a party to a separate Settlement Agreement and Release dated August 1, 1996 with DCA, Trans-Wasatch and ParkCon. Pursuant to that Settlement Agreement the Queen Esther Village Project 1 Owners Association agreed to support removal of the disconnect requirement. Section 2.a. of that Settlement Agreement provides as follows:

In the event Developers elect to pursue the modifications to the Original Settlement Agreement generally described below, Queen Esther, subject to being reimbursed for its out-of-pocket costs and expenses, agrees to support the following modifications to the Original Settlement Agreement that would require the approval of Park City: (i) the removal of the physical disconnect at Slalom Village, so as to permit and encourage the use of the east control gate as the point of entry and exit for commercial, oversized or trailering vehicles and vehicles traveling outside of specified hours of operation, subject to Developer's agreement to implement gate controls no less stringent than those set forth on Exhibit B . . . .

We would like to meet with you, representatives from the Planning Dept., Public Safety, and others as you deem appropriate to discuss the eliminating Deer Hollow Road disconnect. Enclosed with this letter is a proposed amendment to the Settlement Agreement that would achieve this objective. Please let me know if you have any questions or comments regarding the proposed amendment.

Mark D. Harrington  
August 1, 2013  
Page 3

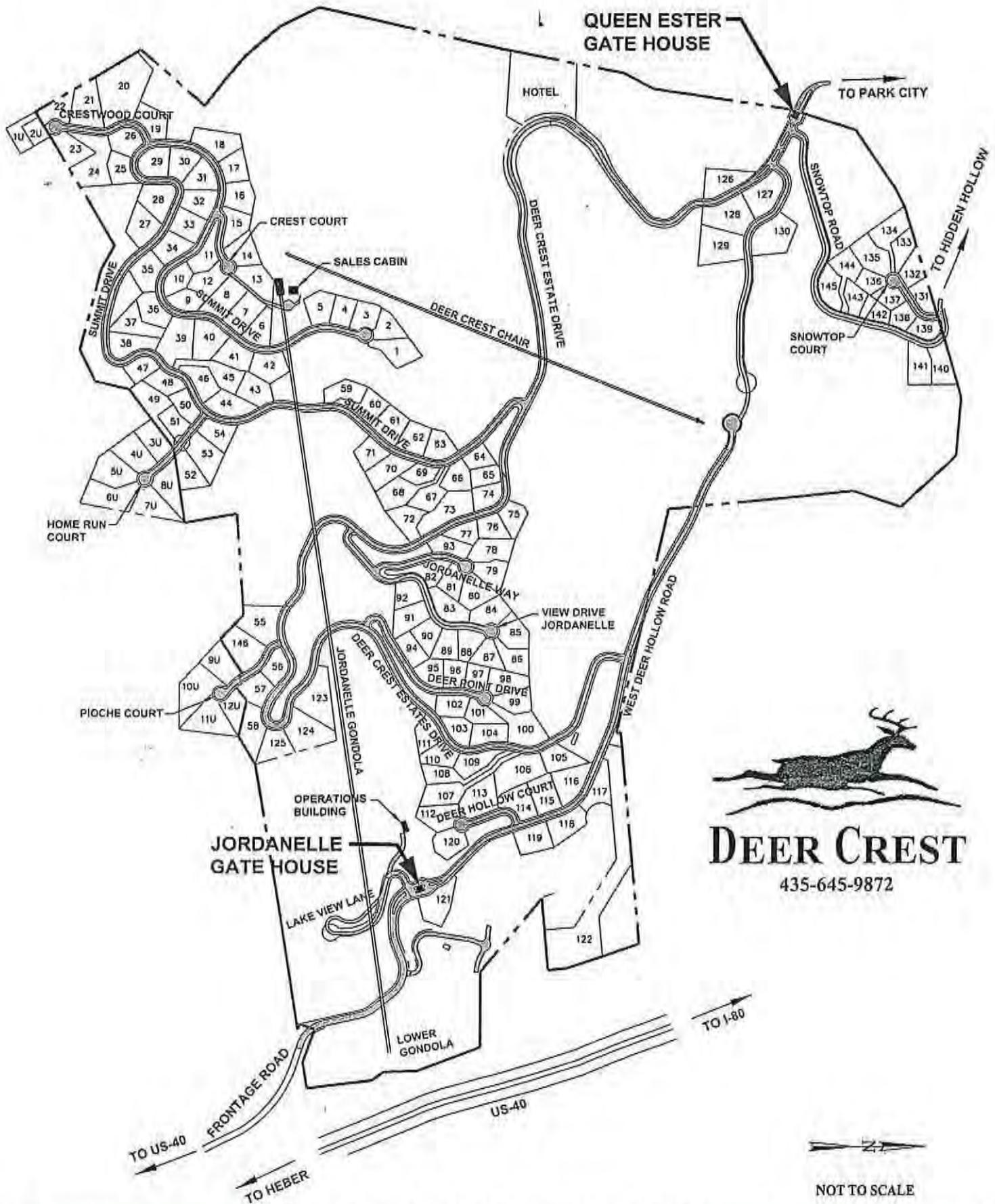
Best regards,

A handwritten signature in black ink that reads "Tom". The letters are written in a cursive, slightly slanted style. A horizontal line is drawn above the "T" and extends to the right, crossing over the "O" and "M".

Thomas G. Bennett

TGB:mrc

cc: Michael Zaccaro  
Greg Perry  
Thomas Eddington  
Mike Davis  
Polly Samuels McLean



## EXHIBIT D

Answers to Questions from Planning Department

1. Do the third-party agreements with Weilenmann, Land der Berg, United Park City Mines, and Deer Valley need to be amended to accommodate the disconnect?

No amendments to these agreements are necessary. These agreements each provide procedures to be followed in the event of a disconnect, but these procedures would be unnecessary if the disconnect requirement is removed. Pursuant to these agreements, United Park, Weillenman, and Land der Berg all have the right to use Deer Hollow Road, and such use rights are further documented in an exhibit to the Master Declaration.

2. Are guests at the St. Regis using the Deer Valley Snow Park parking lots?

It should be noted that questions 2 and 3 address issues at the St. Regis, while this request to eliminate the Disconnect requirement is coming from DCA, with support from the DCMA. Nevertheless, we can report that St. Regis operating policy, and directions to its guests, prohibit guest parking in the Deer Valley lots. Management at the St. Regis is not aware of any such use, and has not received any complaints from Deer Valley, alleging such use.

3. Can you provide operational data to confirm how the parking and circulation is working?

An updated traffic and parking study for the St. Regis was presented to the Planning Commission at its January 11, 2012 meeting. The parking study showed that less than 50% of the parking spaces beneath the St. Regis were being used on even the busiest days of the year. Both staff and the Planning Commission agreed that the parking plan and traffic patterns at the St. Regis were working smoothly, and without any complaints from the community.

4. Can you clarify who can use the west gate?

All Deer Crest lots are subject to the Master Declaration, which has a table outlining limitations on use of the west gate (see Exhibit "E" to this letter). Owners and guests have been operating consistent with this table. The proposed amendment to the Settlement Agreement would preserve the status quo, which has been successful both to serve owners within Deer Crest and prevent through traffic.

5. How would the Queen Esther development be impacted by an amendment to the Settlement Agreement?

We do not believe that the proposed amendment to the Settlement Agreement would have any impact on the Queen Esther development. In fact, Section 2.a. of the Queen Esther Settlement Agreement provides that the Queen Esther Phase 1 Owners Association will support a modification to the Settlement Agreement to eliminate the disconnect

requirement, so long as the control gates are maintained and operated consistent with the requirements of the Master.

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Thomas G. Bennett  
Tel: 801.531.3060  
bennett@ballardspahr.com

November 18, 2015

*By Federal Express*

Board Of Directors  
The Queen Esther Village Project I Owners Association  
c/o Gerald M. Chizever  
3861 Breawood Ct.  
Tarzana, CA 91356

Re: Deer Hollow Road (f/k/a Keetley Road) Disconnect

Ladies and Gentlemen:

This firm represents Deer Crest Associates I, L.C. ("DCA"), the developer of the Deer Crest community ("Deer Crest"), in the matters that follow.

DCA is a party to, and successor to the interests of Trans-Wasatch Company, L.L.C. and Park City Consolidated Mines Company with respect to, the Settlement Agreement and Release dated August 1, 1996 (the "Queen Esther Settlement Agreement") with The Queen Esther Village Project I Owners Association ("Association"), as well as the Settlement Agreement dated December 29, 1995 (as amended, the "Park City Settlement Agreement") with Park City Municipal Corporation ("City").

The Park City Settlement Agreement included a requirement that Deer Hollow Road (formerly known as Keetley Road), which is the most direct east/west route through Deer Crest, have a physical barrier (the "Keetley Road Disconnect") constructed at a location approximately a quarter mile east of the St. Regis Deer Valley hotel, for the purpose of discouraging east/west travel through Deer Crest by non-Deer Crest owners and guests. As you are aware, subsequent to the Queen Esther Settlement Agreement entry gates were installed at the east and west entries to Deer Crest in lieu of constructing the Keetley Road Disconnect. In addition, provisions were included in the CC&Rs for Deer Crest, restricting access to Deer Crest and the use of each entry gate in a manner that was at least as restrictive as the requirements of the Queen Esther Settlement Agreement.

The Deer Crest entry gate system has operated effectively for nearly 20 years to curtail public access between Park City and Wasatch County over Deer Hollow Road. Further, Wasatch County and Park City emergency service providers (fire, police and paramedics) believe that implementing the Keetley Road Disconnect would have an adverse effect on public safety, since it would delay access to many of the homes in Deer Crest, as well as to the St. Regis Deer Valley hotel. Both DCA and the Deer Crest Master Owners Association ("Master Association") believe that the entry gates are a

DMWEST #12538515 v2

The Queen Esther Village Project 1 Owners Association  
November 18, 2015  
Page 2

much better solution to limiting access through Deer Crest than constructing the Keetley Road Disconnect. Accordingly, DCA, with the support of the Master Association, is going to make a formal request that the City amend the Park City Settlement Agreement to eliminate the Keetley Road Disconnect requirement. The existing entry gate system will then remain in place and become the permanent solution for regulating access through Deer Crest.

The Queen Esther Settlement Agreement contemplated that this would likely occur, and Section 2.a. of that Agreement provides that the Association will support such a modification to the Park City Settlement Agreement. For your convenience, a copy of the Queen Esther Settlement Agreement is attached. Also attached is a copy of a letter from Wasatch County, expressing support for eliminating the Keetley Road Disconnect requirement.

We anticipate that the process for eliminating the requirement to implement the Keetley Road Disconnect will move forward over the next few months. This will be a public process involving one or more public hearings, with respect to which the Association should receive advance notice from the City. In the meantime, I would be glad to answer any questions that the Association or its members may have regarding this issue. I can be reached by email at [bennett@ballardspahr.com](mailto:bennett@ballardspahr.com), or by phone at (801) 531-3060.

Best regards,

Thomas G. Bennett

TGB:mc

Cc: P.M.A., Registered Agent

Enclosures

COUNTY MANAGER  
Michael K. Davis



COUNTY COUNCIL  
Kipp Bangerter  
Kendall Crittenden  
Danny Goode  
Steve Farrell  
Michael I. Kohler  
Greg McPhie  
Michael Petersen

November 3, 2015

City Council  
Park City Municipal Corporation  
Post Office Box 1480  
Park City, UT 84060

Andy  
Cindy  
Dick  
Liza  
Tim  
Jack

Re: Deer Hollow Road (f/k/a Keetley Road) Disconnect

Dear Council Members:

This letter is written in support of the application of Deer Crest Associates I, L.C. ("DCA"), the developer of the Deer Crest community ("Deer Crest"), with respect to removal of the requirement to disconnect the Deer Hollow Road thoroughfare through Deer Crest.

We understand DCA is the successor in interest to Trans-Wasatch Company, L.L.C. and Park City Consolidated Mines Company with respect to the Settlement Agreement dated December 29, 1995 with Park City Municipal Corporation ("Settlement Agreement"). The Settlement Agreement required the physical disconnection of Deer Hollow Road as it passes through Deer Crest at the approximate location of a development parcel referred to in the Settlement Agreement as "Slalom Village" (approximately one-quarter mile east of the St. Regis Deer Valley). In the intervening years guard gates were constructed at the east and west entrances to Deer Crest, and created effective barriers to members of the public using Deer Hollow Road for direct access between Wasatch County and Park City. Wasatch County is in favor of the Settlement Agreement being amended to remove the disconnect requirement, as implementation of the disconnect requirement would impair the ability of Wasatch County ("County") to respond to emergencies in Deer Crest and the existing gates accomplish the intended purpose of the disconnect requirement.

As you know, the County provides fire and other emergency services to Deer Crest pursuant to an Interlocal Agreement with Park City. Currently Deer Hollow Road provides direct access from Highway 40 to nearly all of the lots and developments within Deer Crest, including the St. Regis Deer Valley hotel. Without the ability to use Deer Hollow Road to reach the western areas of Deer Crest, emergency response times would be significantly increased.

Based on these and other reasons, Wasatch County would encourage Park City to adopt an amendment to the Settlement Agreement, removing the requirement for a permanent physical disconnect of Deer Hollow Road. If you need any additional information from Wasatch County as you consider this issue, please contact me.

Sincerely,  
  
Mike Davis  
County Manager