

ORDINANCE #179

**FIRST READING – July 25, 2006
SECOND READING – August 22, 2006**

AUTHORIZING THE SALE OF THE MONTAGE MOUNTAIN SKI RESORT AND BUILDINGS LOCATED THEREON TO SNOW MOUNTAIN, L.P. FOR A TOTAL SALES PRICE OF FIVE MILLION ONE HUNDRED THOUSAND (\$5,100,000.00) DOLLARS CONSISTENT WITH THE TERMS, CONDITIONS AND OBLIGATIONS SET FORTH IN THE ASSET PURCHASE AGREEMENT (“AGREEMENT”) DATED JULY 10, 2006; ACCEPTING THE SUM OF ONE MILLION (\$1,000,000.00) DOLLARS BY SNO MOUNTAIN, L.P. TO BE PAID INTO ESCROW AND CREDITED TO THE PURCHASE PRICE; ENTERING INTO A LEASE BY AND BETWEEN THE COUNTY OF LACKAWANNA AND SNO MOUNTAIN, L.P. FOR THE RESERVOIR LOCATED ADJACENT TO THE MONTAGE MOUNTAIN SKI AREA TO PROVIDE WATER TO THE SKI AREA, COMPLYING WITH ALL LAWS, STATUTES, RULES AND REGULATIONS WHICH THE COUNTY OF LACKAWANNA MAY BE SUBJECT TO AND AUTHORIZING THE APPROPRIATE INDIVIDUAL(S) TO EXECUTE AND DELIVER THE ASSET PURCHASE AGREEMENT, DEED, BILL OF SALE, OWNERS’ AFFAVIT, CERTIFICATIONS AND OTHER DOCUMENTS NECESSARY TO EFFECTUATE THE TRANSFER OF THE MONTAGE MOUNTAIN SKI RESORT TO SNO MOUNTAIN, L.P.

BACKGROUND

A. On July 10, 2006, Lackawanna County (hereby “Seller”) entered into an Asset Purchase Agreement with Sno Mountain, LLC, sole General Partner of Sno Mountain, L.P. (hereafter “Buyer”) relative to the Montage Mountain Ski Resort, including the mountain, surrounding real property, improvements, fixtures, machinery, equipment rental, sale of lift tickets, and other items directly affiliated with the operation of the ski resort (hereafter “Business”) for a total sales price of Five Million One Hundred Thousand (\$5,100,000.00) Dollars;

B. In addition to executing the Agreement, the Buyer agrees to pay the sum of One Million (\$1,000,000.00) Dollars (hereafter “Deposit”) to be held in escrow with the law firm of Ufberg, Tressler & Sileo, LLP (“Escrow Agent”), pending completion of various items and requirements contained in the Asset Purchase Agreement and to be returned by the Seller and/or Escrow Agent to Buyer should a Closing, as contemplated in the Agreement, not occur, on or before August 31, 2006.

C. The Lackawanna County Commissioners, pursuant to the authority granted to it under the Municipal Authorities Act of 1945, Act of May 2, 1945, P.L. 352, as amended as well as Section 309 of the Lackawanna County Home Rule Charter hereby agrees to sell the Montage Mountain Ski Resort to the Buyer pursuant to the terms and conditions contained in the Agreement and as more fully provided for herein.

AND NOW, therefore, it is hereby enacted and ordained by the County of Lackawanna that:

1. The Seller shall formally enter into the Asset Purchase Agreement with Buyer whereby the Seller agrees to sell, convey, quit claim and otherwise convey the Business, real property, personal property, intellectual property, contracts, receivables, prepaid items, permits, insurance benefits, and, to the extent possible, books and records in connection with the Montage Mountain Ski Resort to the Buyer for a total sales price of Five Million One Hundred Thousand (\$5,100,000.00) Dollars.

2. The Deposit shall be paid by the Buyer to the Seller's legal counsel which shall be held in escrow and applied, with interest, to the Purchase Price for the Business and Assets, as defined in the Asset Purchase Agreement conveyed by the Seller to the Buyer.