2303 N. Coral Canyon Blvd, Suite 100 Washington, UT 84780

DEVELOPMENT EASEMENT NO 1869

Fund: School and USU

THIS DEVELOPMENT EASEMENT NO. 1869 (the "Agreement") is entered into re this 644 and between the State of effective this Galley day of October 2014, by and between the State of Utah, acting by and through the School and Institutional Trust Lands Administration, 673 East 500 South, Suite 500, Salt Lake City, Utah 84102 (the "GRANTOR"), and Washington City, a Utah municipal corporation (the "GRANTEE").

- GRANTOR is the owner of certain properties in Washington City known as Stenna Hills, Green Springs, and Coral Canyon ("GRANTOR's Property")
- In order to provide an adequate water supply to support the future development of GRANTOR's Property, more particularly in Green Springs, GRANTEE needs to upsize and add to its existing water infrastructure.
- GRANTEE now wishes to install a new regional waterline from Coral Canyon through Sienna Hills to tie into an existing waterline in Green Springs to provide the required water for GRANTOR's Property.

THEREFORE, for good and valuable consideration and \$43,502.45, which includes \$750.00 for easement application fees, receipt of which is acknowledged, the parties agree as follows:

- Grant of Easement GRANTOR hereby grants to GRANTEE an easement over those lands generally depicted in Exhibit A (the "Easemen Lands"), and more particularly described in Exhibit B, for the installation, operation, maintenance, repair, and replacement of an underground regional waterline (the "Waterline"). All engineering and construction pursuant to this Easement shall be in a first class workmanlike manner, in accordance with the requirements of any and all laws ordinances and regulations applicable thereto.
- Possible Realignment of portions of the Easement. GRANTEE's proposed alignment goes through areas that will not be development (such as over the ridge of the black hill as it drops to the west down into Telegraph Road), into areas that are already developed (such as the frontage along Washington Parkway and Telegraph Road), and in areas that are to be developed in the future (such as area 4 in Coral Canyon [the area east of the black hill]). At some point, GRANTOR intends to develop the undeveloped lands in the Coral Canyon area. At such time, certain portions of the Easement Lands may need to be graded, and the Waterline may need to be re-aligned of the located according to future grading plans for those portions of the Easement Lands. Until such time, GRANTEE shall install the Waterline four (4) feet below the existing, natural grade of those portions of the Easement Lands. GRANTEE hereby agrees, within ninety (90) days of receiving written notification from GRANTOR, to re-align the Waterline to the elevations specified in GRANTOR's future grading plans and to re-grade the elevation of the Easement Lands to finish grade elevations as depicted in GRANTOR's future grading plans. The costs of this possible re-alignment and re-grading shall be equally shared by GRANTOR and GRANTEE, or their respective successors and assigns GRANTOR and

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Sienna Hills and Coral Canyon Regional Waterline
Washington City

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GRANTEE, their successors and assigns shall work together in good faith to accomplish such realignment and re-grading. GRANTEE's approval of the future development of GRANTOR's Property shall not be unreasonably delayed, conditioned or withheld due to the necessity of such re-alignment and re-grading. GRANTOR will make reasonable efforts to accommodate the alignment of the Waterline as installed, and to avoid the re-alignment of said Waterline.

- 3. Restoration of Disturbed Areas. Both GRANTEE and GRANTOR are aware that development will not take place on the black hill and that any digging in the black hill for the installation of the waterline will cause scarring that could be permanent. As such, GRANTEE agrees to reconstruct the disturbed portions of the black hill in a manner that will minimize the effects of the scarring. GRANTEE further agrees to have a plan in place, showing what methods and theories will be implemented to best preserve the natural undisturbed look of the hill. This plan shall be submitted to GRANTOR and GRANTOR shall have opportunity to provide feedback, which feedback shall not be reasonably ignored. All such costs and planning will be at the sole expense of GRANTEE.
- 4. Temporary Construction Easement. In addition to those other rights granted herein, a temporary construction easement (the "Construction Easement"), sixty five feet (65') on both sides of and parallel to the centerline described in Exhibit Bas hereby issued in this Agreement. The Construction Easement shall expire upon the earlier of substantial completion of the Waterline, or within six (6) months from the commencement of construction. GRANTEE, at GRANTEE's sole expense, agrees to restore the land underlying the Construction Easement to its condition prior to the issuance of this Agreement within two weeks of the expiration(s) of the Construction Easement.
- Term. The easement granted herein is issued for a perpetual term or until the Waterline is no longer necessary or in service or rendered useless to lack of proper maintenance. However, if construction of the Waterline has not commenced within two (2) years from the date first set forth in this Agreement and/or is not completed within three (3) years from the date set forth in this Agreement, this easement shall antomatically terminate on its own terms. This easement is granted only for the purposes described herein as far as it is consistent with the principles and obligations in the Enabling Act of Utah (Act of July 16, 1894). Ch. 138, 28 Stat. 107) and the Constitution of the State of Utah.
- 6. Payment of Costs. All cost and expense in connection with the operation repair, replacement, and maintenance of the Waterline shall be the responsibility of GRANTEE. GRANTEE shall hold GRANTOR harmless from any and all liability (including expenses for attorneys fees) which may arise from the construction, operation, and maintenance of the Waterline, so long as the easement shall remain in force and effect.
- 7. <u>Liability</u>. GRANTEE assumes liability for and agrees to indemnify GRANTOR for and against any and all liability including attorney's fees, of any mature imposed upon, incurred by, or asserted against GRANTOR which in any way relates to or arises out of the activity or presence upon the Easement Lands of GRANTEE, its servants, employees, agents, sublessees, assignees, or invitees.
- 8. Insurance. GRANTEE shall carry liability insurance covering bodily injury, loss of life or property damage arising out of or in any way related to GRANTEE's activities on the Easement Lands. The limits of the policy shall be no less than \$1,000,000.00 for each claim of an individual and \$2,000,000.00 for each occurrence. The insurance may be in the form of blanker hability coverage so long as such blanket policy does not act to reduce the limits or

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diminish the coverage required hereunder GRANTEE's liability or the coverage limits required by this easement shall not be reduced by any insurance held by GRANTOR or any of the lessees, permittees or assigns thereof.

- 9. Consent to Suit. The parties consent to suit in the courts of the State of Utah in any dispute arising under the terms of this easement or as a result of operations carried on under this
- 10. Assignment. The acquisition or assumption by another party under an agreement with GRANTEE of any right or obligation of GRANTEE under this easement shall be ineffective as to GRANTOR unless and until GRANTOR shall have been notified of such agreement and shall have recognized and approved the same in writing.
- Compliance with Law. GRANTEE, in exercising the privileges granted by this easement, shall comply with the provisions of all valid Federal, State, County, and Municipal laws, ordinances, and regulations which are applicable to the Easement Lands and covered by whis easement. GRANTEE shall neither commit nor permit any waste on the Easement Lands. GRANTEE shall take reasonable precautions to prevent pollution or deterioration of lands or waters which may result from the exercise of the privileges granted pursuant to this easement.
 - 12. Easement Non-Exclusive. It is expressly understood and agreed that the right herein granted is non-exclusive and GRANTOR hereby reserves the right to issue other nonexclusive easements, leases, or permits on or across the Easement Lands where such uses are appropriate and compatible or to dispose of the property by sale or exchange.
 - (13.) Covenants Against Liens. GRANTEE shall not suffer or permit to be enforced against the Easement Lands or any part thereof, and shall indemnify and hold GRANTOR or any of the lessees and assigns thereof harmless for, from, and against (i) any mechanics, materialman's, contractor's, or subcontractor's liens arising from; and (ii) any claim for damage growing out of the work of, any construction, repair, restoration, replacement, or improvement done by or on behalf of GRANTEE on the Easement Lands, GRANTEE shall pay or cause to be paid all of such liens, claims, or demands before any action is brought to enforce the same against the Easement Cands. If GRANTEE shall in good faith contest the validity of any such lien, claim, or demand, then GRANTEE shall, at its expense, defend itself and GRANTOR and any of the lessees and assigns thereof against the same and shall pay and satisfy any adverse judgment that may be rendered thereon prior to execution thereof and in the event of any such contest GRANTEE shall at the request of GRANTOR provide such security and take such steps as may be required by law to release the Easement Lands from the effect of such lien.
 - 14. Notices. Notices shall be in writing and shall be given by (a) personal delivery, (b) deposit in the United States mail certified mail, return receipt requested (which receipt shall be preserved as evidence of delivery), postage prepaid, or (c) overnight express delivery service, addressed or transmitted to GRANTOR and GRANTEE at the following addresses, or to such other addresses as either party may designate to the other in a writing delivered in accordance with the provisions of this Paragraph:

If to GRANTOR:

School and Institutional Trust Lands Administration Attn: Assistant Director - Planning and Development 675 East 500 South, Suite 500

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Salt Cake City UT 84102

If to GRANTEE: $_{\wedge}$

Washington City 111 N. 100 E Washington, UT 84780

All notices shall be deemed to have been delivered and shall be effective upon the date on which the notice is actually received, if notice is given by personal delivery or by overnight express delivery service or on the third day after mailing if notice is sent through the United States mail.

- 15. <u>Default.</u> In the event of a default or breach of any of the terms of this Easement by the parties, including but not limited to GRANTEE's failure to construct the Waterline as described herein, the non-defaulting party shall provide the defaulting party with written notice of the default and shall provide the non-defaulting party with thirty (30) days from the date of the notice to remedy the default or such time as is reasonably required to remedy the default. In the event GRANTEE does not remedy the default in the 30-day time period set forth in the written notice, or such longer time as granted in GRANTOR's sole discretion, GRANTOR may terminate the easement granted herein. Such termination shall be effective upon GRANTOR's giving written notice. Upon receipt of such notice, GRANTEE shall immediately surrender possession of the Easement Lands to GRANTOR and all improvements on the Easement Lands shall, at GRANTOR's discretion, be forfeited and become the property of GRANTOR. In addition, the parties may exercise any other right of remedy they may have at law or equity.
- 16. Fire Suppression. GRANTEE shall at all times observe reasonable precautions to prevent fire on the Easement Lands and shall comply with all applicable laws and regulations of any governmental agency having jurisdiction. In the event of a fire on the Easement Lands proximately caused by GRANTEE which necessitates suppression action that incurs cost, GRANTEE shall pay for such costs.
- 17. Cultural Resources. It is hereby understood and agreed that all treasure-trove, all articles of antiquity, and chical paleontological resources in or upon the Easement Lands are and shall remain the property of GRANTOR. GRANTER agrees to cease all activity on the Easement Lands and immediately notify GRANTOR if any discovery of human remains or a "site" or "specimen," as defined in Section 9-8-302 or 63-73-1 Utah Code Annotated (1953), as amended, is made on the Easement Lands, and continue to cease all construction or maintenance therein until such time as the human remains, "site" or "specimen" in question has been treated to the satisfaction of GRANTOR.
- 18. No Warranty of Title. GRANTOR claims title in fee simple, but does not warrant to GRANTEE the validity of title to the Easement Lands. GRANTEE shall have no claim for damages or refund against GRANTOR for any claimed failure or deficiency of GRANTOR's title to said lands or for interference by any third party.
 - 19. <u>Inspection</u>. GRANTOR reserves the right to inspect the Easement Lands at any time and recall GRANTEE for correction of any violations of stipulations contained herein.
 - 20. Granted Pursuant to Law. This easement is granted pursuant to the provisions of all applicable laws and subject to the rules of the departments and agencies of the State of Utah presently in effect and to such laws and rules as may be hereafter promulgated by the State.

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Washington City

- Covenants Run with the Land. The grant and other provisions of this easement shall constitute a covenant running with the land, and shall be binding on and shall inure to the benefit of the parties hereto and their respective successors and assigns, all of which persons may enforce any obligation created by this Agreement.
- Interpretation. This easement shall be interpreted and governed by the laws of the State of Utah and the provisions hereof shall inure to and be binding upon the successors and assigns of GRANTEE.
- 23. No Waiver. No Waiver of Conditions by GRANTOR of any default of GRANTEE or failure of GRANTOR to timely enforce any provisions of this easement shall constitute a waiver of or constitute a bar to subsequent enforcement of the same or other provisions of this easement. No provision in this easement shall be construed to prevent GRANTOR from exercising any legal or equitable remedy it may otherwise have.
- 24. Existing Interests. GRANTEE shall be responsible to notify holders of state issued interests in the Easement Lands as such interests are set forth on Exhibit C attached hereto, of GRANTEE's rights and plans hereunder. GRANTEE accepts this Agreement subject to all such existing interests and accepts responsibility for coordination of its activities with such other interested parties.

[Remainder of page left intentionally blank.]

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Washington City COUNTY OF SALT LAKE
On the
Kevin S 2014, personally appeared before me Kevin S. Carter, who being duly sworn did say that he is the Director of the Utah School and Institutional Trust Lands Administration, and authorized to execute the above instrument. My commission expires: 8 9 15 Notary Public, residing at: C. C. [Remainder of page left intentionally blank]

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Sienna Hills and Coral Canyon Regional Waterline
Washington City EXHIBIT A Easement Lands ESMT 1869 Washington City Waterline Easement Within Section 12 and 13 Wiletes & Bounds), T428 R16W, SLB&M Within Section 18 (Metes & Bounds), T428 R14W, SLB&M Washington County Coral Canyon ¿Sienna Hills es rand KAFUSAK ESM1 1500

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EXHIBIT B Legal Description of Easement Lands

WASHINGTON PARKWAY ROUNDABOUT EASEMENT SEGMENT I

THE FOLLOWING IS A CENTERLINE DESCRIPTION FOR A 20 FOOT WIDE PERMANENT WATER LINE EASEMENT AND A 65 FOOT TEMPORARY CONSTRUCTION EASEMENT. THE FULL WIDTH OF BOTH EASEMENTS AT THE POINT OF BEGINNING RUN CONCURRENT WITH THE WASHINGTON PARKWAY DEDICATED PUBLIC ROADWAY BOUNDARY AND CLOSES AT RIGHT ANGLES TO THE CENTERLINE AT THE POINT OF TERMINUS.

BEGINNING AT A POINT ON THE NORTHEASTERLY RIGHT OF WAY LINE OF WASHINGTON PARKWAY, A PUBLIC ROADWAY, DEDICATED BY DOCUMENT NO. 20060029317 AS FILED IN THE OFFICE OF THE WASHINGTON COUNTY RECORDER SAID POINT BEING (N) 05'16"E, 1719.69 FEET ALONG THE CENTER SECTION LINE AND EAST 484.51 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 12, TOWNSHIP 42 SOUTH, RANGE 15 WEST, SALT LAKE BASE & MERIDIAN, RUNNING THENCE N66°00'58"E, 229.82 FEET; THENCE N26°02'53"W, 85.24 FEET TO THE POINT OF TERMINUS.

WASHINGTON PARKWAY ROUNDABOUT EASTMENT SEGMENT 2 THÉ FOLLOWING IS A CENTEREINE DESCRIPTION FOR A 20 FOOT WIDE >PERMANENT WATER LINE EASEMENT AND A 65 FOOT TEMPORARY CONSTRUCTION EASEMENT. THE FULL WIDTH OF BOTH EASEMENTS AT THE POINT OF BEGINNING AND AT THE POINT OF TERMINUS RUN CONCURRENT WITH THE WASHINGTON PARKWAY DEDICATED PUBLIC ROADWAY BOUNDARY.

SEGMENT 2

BEGINNING AT A POINT ON THE SOUTHEASTERLY RIGHT OF WAY LINE OF WASHINGTON PARKWAY, A PUBLIC ROADWAY, DEDICATED BY DOCUMENT NO. 20060029317 AS FILED IN THE OFFICE OF THE WASHINGTON COUNTY RECORDER, SAID POINT BEING N1°05'16"E, (1688.47 FEET ALONG THE CENTER SECTION LINE AND EAST 438.64 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 12, TOWNSHIP 🔗 42 SOUTH, RANGE 15 WEST (BÀLT LAKE BASE & MERIDIAM), SAID PONT ALSO BEING ON A 399.79 FOOTRADIUS CURVE TO THE LEFT RADIUS POINT BEARS S36°39'10"E; RUNNING THENCE SOUTHWESTERLY 220.33 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 31°34'36"; THENCE S1°54'48"W 62.53 FEET TO THE POINT OF CURVE OF A 442 FOOT RADIUS CURVE TO THE LEFT, RADIUS POINT BEARS \$88°28'11"E; THENCE SOUTHWESTERLY 50.99 FEET -OF C THE COLD STATE OF THE COLD STA ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGEL OF, 6°36'03" TO A

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POINT ON THE EASTERLY RIGHT OF WAY LINE OF SAID WASHINGTON PARKWAY, SAIDPOINT BEING THE POINT OF TERMINUS.

TELEGRAPH TO LANDFILL ROAD EASEMENT

THE FOLLOWING IS A CENTERLINE DESCRIPTION FOR A 20 FOOT WIDE PERMANENT WATER LINE EASEMENT AND A 65 FOOT TEMPORARY CONSTRUCTION EASEMENT. THE FULL WIDTH OF BOTH EASEMENTS RUN CONCURRENT WITH TELEGRAPH ROAD RIGHT OF WAY AND CONCURRENT WITH THE WESTERLY BOUNDARY OF BLM LAND AT THE POINT OF TERMINUS. BEGINNING AT A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF TELEGRAPH ROAD A PUBLIC ROADWAY, DEDICATED BY DOCUMENT NO. 911943 AS FILED IN THE OFFICE OF THE WASHINGTON COUNTY RECORDER, SAID POINT BEING SO°53'10"W, 293.38 FEET ALONG THE SECTION LINE (LINE BETWEEN THE EAST 1/4 CORNER AND THE SOUTHEAST CORNER OF SECTION 13, 1742S, R15W, SLB&M, BOTH MONUMENTED WITH 1973 BLM BRASS CAPS) AND WEST 935.65 FEET FROM THE EAST 1/4 CORNER OF SECTION 13, TOWNSHIP 42 SOUTH, RANGE 15 WEST, SALT LAKE BASE & MERIDIAN, SAID POINT ALSO BEING ON A 421.76 FOOT RADIUS CURVETO THE RIGHT, RADIUS POINT BEARS S82°38'14"W, RUNNING THENCE SOUTHEASTERLY 98.99 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 13°26'54"; THENCE S81°28'26"E, 107.05 FEET; THENCE \$75°18'23\(\text{PE}\), 182.26 FEET; THENCE \$70\(\text{S4}'18''\)E, 133.61 FEET; THENCE \$\(\text{V3}''20''\)03"E, 289,20 PEET; THENCE \$76°01'11"E, 25\$22 FEET; THENCE N56°21'15"E 665.89 FEET TO THE POINT OF CURVE OF A 1374.10 FOOT RADIUS CURVE TO THE RIGHT, RADIUS POINT BEARS S36°03'56"E; THENCE NORTHEASTERLY 171.13 FEET ALONG THE ARC OF SAID CURVE THROUGH ACENTRAL ANGLE OF 7°08'08'0'THENCE N63°01'03"E, 102.75 FEET; THENCE N64°04'46"E, 609.66 FEET; THENCE N64°19'20"E, 470.98 FEET; THENCE N66°45'54"E, 104.07 FEET; THENCE S72°35'46"E, 114.78 FEET; THENCE S76°27'03"E, 277.23 FEET; THENCE S73°26'12"E, 155 22 FEET; THENCE S76°37'51"E 215.57 FEET TO THE POINT OF CURVE OF A 425 91 FOOT RADIUS CURVE TO THE LEFT, RADIUS POINT BEARS N11°30'37"E; THENCE SOUTHEASTERLY 125.63 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 16°54'03"; THENCE N86°51'14"E, 289.42 FEET TO THE POINT OF CURVE OF A 458-65 FOOT RADIUS CURVE TO THE LEFT, RADIUS POINT BEARS N1º03'24"W THENCE NORTHEASTERLY 82.37 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 10°17'23"; THENCE N75°39'25"E, 632.41 FEET; THENCE ≫N76°23'28"E, 392.45 FEET; ĴYĤÊŇCE N75°02'12"E, 421.86 FEET©THENCE N77°44'51"E, 182.65 FEET; THENCE, (N. 1955'27"E, 147.42 FEET; THENCE N. 80°13'21"E, 139.71 FEET MORE OR LESS TO A ROINT ON THE WESTERLY BOUNDARY OF BLM LAND, SAID POINT BEING THE POINT OF TERMINUS.

HIGHLAND PARK EASEMENT THE FOLLOWING IS A CENTERLINE DESCRIPTION FOR A 20 FOOT WIDE PERMANENT WATER LINE EASEMENT AND A 65 FOOT TEMPORARY

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Washington City BEGINNING AT A POINT NO°56'40"E, 290.54 FEET ALONG THE SECTION LINE AND EAST 1659.73 FEET FROM THE EAST 1/4 CORNER OF SECTION 13, T42S, R15W, SLB&M, RUNNING THENCE N25°40'39"W, 14.21 FEET; THENCE N0°56'50"F FEET; THENCE N1°37'32"E, 72.42 FEET; THENCE N1601 4"5" LESS TO THE SOUTHERLY BOUNDARY. DOCUMENT NO. 20060057493, SAID POINT BEING AT THE END OF BLACK CANYON AVENUE, A PUBLIC ROADWAY, AS SHOWN ON SAID HIGHLANDPARK SUBDIVISION, SAID POINT ALSO BEING THE POINT OF TERMINUS.

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Washington City VERACITY NETWORKS, LLC
3940 NORTH TRAVERSE MOUNTAIN BLVD, SUITE 00
LEHI, UTAH 84043
ESMT 1075A, ESMT 1377, ESMT 1487
VASHINGTON CITY
11 NORTH 100 T WASHINGTON UT USA 84780 ESMT 1075B UTAH POWER AND LIGHTS COMPANY 1407 WEST NORTH TEMPLE RIGHT OF WAY DEPARTMENT RM 110 SALT LAKE CIT & UTAH 84116-3171 **ESMT 244** CIT PLETON, COLORADO 80120