

WATER DEDICATION AGREEMENT

Gardner-Plumb, L.C., dba Gardner Company (hereinafter “Gardner-Plumb”), and **Lehi City**, a municipality and political subdivision of the State of Utah (“City”), sometimes collectively referred to as the “Parties”, hereby enter into this Water Dedication Agreement (the “Agreement”) as of this 4th day of ~~April~~^{May}, 2015 for the purpose of providing both culinary and non-culinary water on the terms and conditions and for the considerations set forth below for property being purchased by Gardner-Plumb that was annexed into Lehi City in 2008.

WHEREAS, Gardner-Plumb is considering purchasing certain property for development within Lehi City, which is commonly referred to as the “Hardman Property,” roughly located south of 2100 North – between 3600 West and 4200 West in Lehi City, Utah, as shown on the map attached as Exhibit A to this Agreement (hereinafter, the “Property”); and

WHEREAS, the Holbrook 1 Annexation Agreement executed on September 9, 2008, (“Annexation Agreement”) and Lehi City ordinances require the dedication of both culinary and non-culinary water to Lehi City as part of the development of the Property; and

WHEREAS, Article V of the Annexation Agreement describes a water quality standard which limits the total dissolved solids to no more than 1,000 parts per million; and

WHEREAS, the non-culinary water that may be dedicated to the City would exceed this standard for a portion of the year; and

WHEREAS, based on research done by the City Engineer, Lehi City is willing to accept the dedication of non-culinary water from the Utah Lake Distributing Company and/or Welby Jacob Canal and Irrigation Company even though it will exceed the standard under Section 5.1.2 of the Annexation Agreement. Accordingly, as between Lehi City and Gardner-Plumb, Section 5.12 of the Annexation Agreement is hereby amended to reflect the terms of this Agreement.

NOW THEREFORE, the Parties hereto agree as follows:

1. Water Rights Conveyance Requirements for Gardner-Plumb Property.
 - a. The culinary water rights conveyance requirement to serve 1,933 units (as approved in the agreement previously executed by the parties) is 870 acre-feet of CWP water at a total cost of Five Million Eighty-Nine Thousand Five Hundred (\$5,089,500) which is \$5,850 x 870 acre-feet. The Parties agree that this shall satisfy all of the culinary water rights conveyance requirements of the City related to the Property as currently zoned. However, the Parties further understand and agree that in the event the Property is rezoned to either increase or decrease the number of units allowed before the applicable portion of the Water Requirements have been conveyed as set forth this Agreement then either additional or fewer water rights shall be required to be provided to the City for any such

increase or decrease in the number of units allowed for that portion of the Property. City acknowledges that, in the event Gardner-Plumb elects to develop only a portion of the Property or to develop the Property in phases, Gardner-Plumb shall only be required to purchase such amount of the water necessary to service the number of units to be developed at that time.

b. As a credit against the City's impact fee for culinary water facilities that it would have otherwise been necessary to construct in order to provide culinary water service to the Property, the City shall provide water impact fee credit certificates in the amount of \$650 per acre-foot of CWP water purchased by Gardner-Plumb, its successors or assigns (for a total credit of \$565,500 based on 870 acre-feet times \$650 per acre foot), which may be assigned to third parties and redeemed as payment toward the City's culinary water impact fee then in effect at the time of application for development approval.

c. Gardner-Plumb shall transfer and assign to the City the total number of acre-feet of non-culinary water rights as required by §27.070 of the Lehi City Development Code. Gardner-Plumb may transfer, and the City shall accept, rights from the Utah Lake Distributing Company and/or Welby Jacob Canal and Irrigation Company in full satisfaction of all non-culinary water requirements for the development of the Property, including without limitation all requirements for the pressure irrigation and other irrigation component of the water rights requirements set forth in §27.070 of the Lehi City Development Code.

d. That portion of the Water Requirements required to be conveyed pursuant to the terms of this Agreement shall be provided to the City prior to or in connection with a subdivision plat being recorded or within ninety (90) days of the Municipal Council's approval of a final subdivision.

2. Integration. This Agreement contains the entire agreement and understanding of the parties with respect to the subject matter hereof, and integrates all prior conversations, discussions or undertakings of whatever kind or nature and may only be modified by a subsequent writing duly executed by the parties hereto.

3. Counterparts. This document may be executed in one or more counterparts, which together shall constitute one and the same document.

4. Amendment. This Agreement may not be modified except by an instrument in writing signed by the parties hereto.

5. Additional Acts. The parties shall do such further acts and things and shall execute and deliver such additional documents and instruments as may be necessary or reasonably requested by a party or its counsel to obtain approvals or other benefits described in this Agreement.

6. Authorization. Each individual executing this Agreement does thereby represent and warrant to the other signers that the individual has been duly authorized to execute and deliver this Agreement in the capacity and for the party specified.

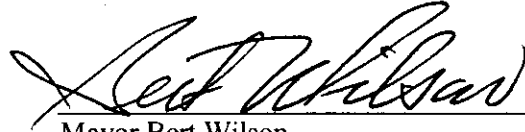
7. Mutual Participation in Document Preparation. Each party has participated materially in the negotiation and preparation of this Agreement and any related items; in the event a dispute concerning the interpretation of any provision of this Agreement or any related item, the rule of construction to the effect that certain ambiguities are to be construed against the party drafting a document will not apply.

8. No Third-Party Beneficiary Interests. Nothing contained in this Agreement is intended to benefit any person or entity other than the parties to this Agreement; and no representation or warranty is intended for the benefit of, or to be relied upon by, any person or entity which is not a party to this Agreement.

9. Binding Effect. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, representatives, officers, agents, employees, members, successors and assigns.

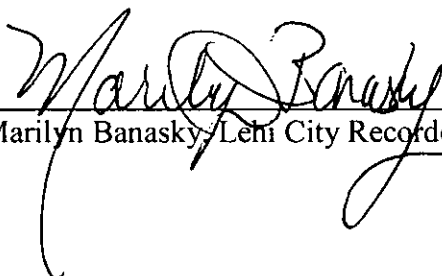
IN WITNESS WHEREOF, the Parties hereto have executed this Water Dedication Agreement individually or by and through their duly authorized representatives as of the day and year first herein above written.

LEHI CITY CORPORATION

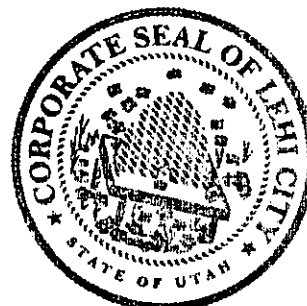


Mayor Bert Wilson

Attest:



Marilyn Banasky, Lehi City Recorder

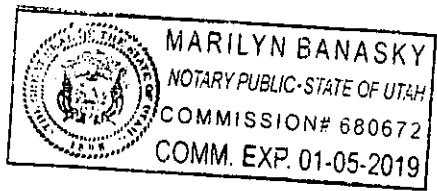


"GARDNER-PLUMB L.C."

Walter J Plumb
By: Walter J Plumb
Its: manager

STATE OF UTAH)
) : ss.
COUNTY OF UTAH)

On this 4th day of May, 2015, before me personally appeared Walter Plumb, known to me to be the person who executed the Water Dedication Agreement herein in behalf of **Gardner-Plumb L.C.**, and acknowledged to me that he/she executed the same for the purposes therein stated.



Marilyn Banasky
Notary Public

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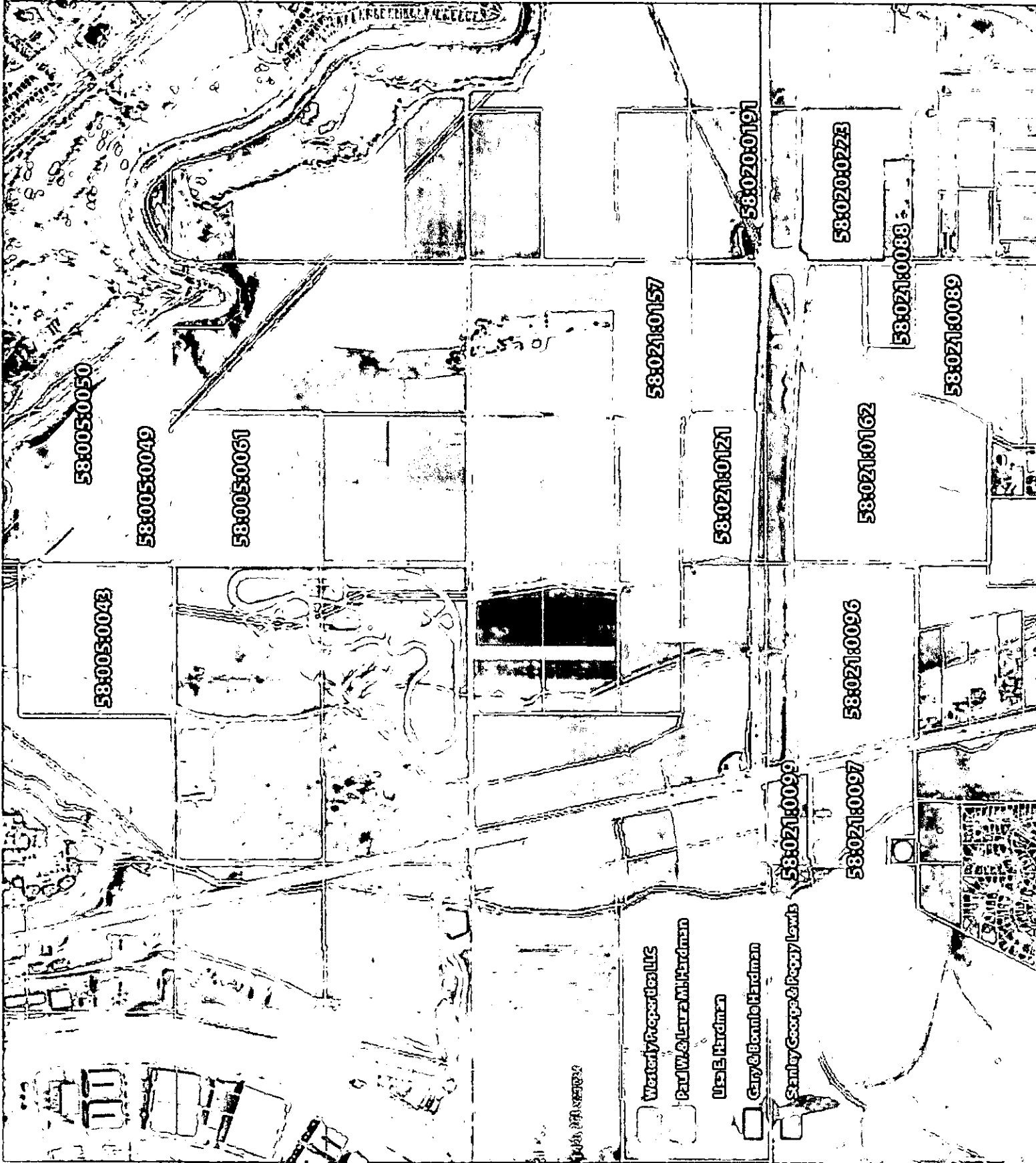


EXHIBIT "A" CONTINUED

LEGAL DESCRIPTIONS

Parcel 58:021:0072 Legal Description: COM S 585.11 FT FR W 1/4 COR. SEC. 2, T5S, R1W, SLB&M.; S 0 DEG 0' 1" W 484.5 FT; E 249.99 FT; S 250.03 FT; N 89 DEG 59' 58" E 294.46 FT; N 24 DEG 43' 38" W 67.42 FT; N 23 DEG 16' 43" W 90.72 FT; N 29 DEG 23' 33" W 54.07 FT; N 32 DEG 6' 29" W 52.9 FT; N 38 DEG 38' 53" W 161.88 FT; N 45 DEG 21' 15" W 52.85 FT; N 39 DEG 6' 30" W 56.56 FT; N 35 DEG 16' 39" W 55.71 FT; N 39 DEG 53' 46" W 107.09 FT; N 37 DEG 13' 58" W 54.84 FT; N 35 DEG 17' 17" W 54.1 FT; N 45 DEG 36' 32" W 53.04 FT; N 52 DEG 44' 17" W 49.92 FT; N 47 DEG 18' 8" W 11.48 FT TO BEG. AREA 3.752 AC.

Parcel 58:021:0097 Legal Description: COM S 391.48 FT FR W 1/4 COR. SEC. 2, T5S, R1W, SLB&M.; E 811.02 FT; S 14 DEG 5' 8" E 957.3 FT; W 499.38 FT; N 24 DEG 43' 38" W 67.82 FT; N 23 DEG 16' 43" W 90.72 FT; N 29 DEG 23' 33" W 54.07 FT; N 32 DEG 6' 29" W 52.9 FT; N 38 DEG 38' 53" W 161.88 FT; N 45 DEG 21' 15" W 52.85 FT; N 39 DEG 6' 30" W 56.56 FT; N 35 DEG 16' 39" W 55.71 FT; N 39 DEG 53' 46" W 107.09 FT; N 37 DEG 13' 58" W 54.84 FT; N 35 DEG 17' 17" W 54.1 FT; N 45 DEG 36' 32" W 53.04 FT; N 52 DEG 44' 17" W 49.92 FT; N 47 DEG 18' 8" W 11.48 FT; N 193.63 FT TO BEG. AREA 14.579 AC.

Parcel 58:021:0099 Legal Description: COM AT NW COR. SW 1/4 OF SEC. 2, T5S, R1W, SLB&M.; E 683.69 FT; S 33 DEG 34' 32" E 38.72 FT; S 12 DEG 1' 37" E 367.3 FT; W 781.64 FT; N 391.48 FT TO BEG. AREA 6.645 AC.

Parcel 58:021:0096 Legal Description: COM S .01 FT & E 831.32 FT FR W 1/4 COR. SEC. 2, T5S, R1W, SLB&M.; E 67.6 FT; S 0 DEG 1' 59" W 10.82 FT; S 38 DEG 58' 57" W 21.74 FT; S 11 DEG 57' 56" E 166.18 FT; S 8 DEG 37' 19" E 64.62 FT; S 89 DEG 31' 48" E 243.83 FT; N 85 DEG 57' 52" E 326.8 FT; E 144 FT; N 85 DEG 11' 0" E 178.63 FT; S 31 FT; E 100 FT; N 86 DEG 38' 1" E 408.7 FT; S 89 DEG 7' 18" E 310.86 FT; S 1090.05 FT; W 1493.68 FT; N 13 DEG 25' 19" W 1357.06 FT TO BEG. AREA 40.536 AC.

Parcel 58:021:0162 Legal Description: COM N 660 FT & W 18.01 FT FR SE COR. SEC. 2, T5S, R1W, SLB&M.; W 10.58 FT; N 0 DEG 9' 7" W 667.47 FT; N 0 DEG 3' 28" W 436.8 FT; W 704.69 FT; S 89 DEG 59' 53" W 127.56 FT; S 32 DEG 30' 18" W 28.45 FT; S 48 DEG 49' 17" W 225.18 FT; S 21 DEG 18' 49" W 269.97 FT; S 19 DEG 42' 33" W 104.04 FT; S 14 DEG 48' 54" W 56.86 FT; S 13 DEG 11' 2" W 76.5 FT; S 19 DEG 10' 50" W 63.52 FT; S 14 DEG 1' 27" W 81.45 FT; S 22 DEG 15' 26" W 41.33 FT; S 29 DEG 53' 29" W 33.75 FT; S 34 DEG 7' 10" W 77.16 FT; S 26 DEG 38' 13" W 110.94 FT; S 27 DEG 45' 12" W 94.41 FT; W 1216.92 FT; N 1754.7 FT; N 87 DEG 30' 4" E 251.69 FT; ALONG A CURVE TO R (CHORD BEARS: S 87 DEG 19' 19" E 1164.51 FT, RADIUS = 14819.5 FT) ARC LENGTH = 1164.81 FEET; ALONG A CURVE TO L (CHORD BEARS: S 86 DEG 29' 9" E 750.09 FT, RADIUS = 15180.5 FT) ARC LENGTH = 750.17 FEET; S 84 DEG 31' 31" E 141.64 FT; ALONG A CURVE TO L (CHORD BEARS: S 88' DEG 51' 51" E 227.64 FT, RADIUS = 15189.5 FT) ARC LENGTH = 227.64 FEET; S 43 DEG 22' 11" E 70.88 FT; N 89 DEG 17' 29" E 37.73 FT; S 0 DEG 7' 51" E 1596.01 FT TO BEG. AREA 73.856 AC.

Parcel 58:021:0089 Legal Description: COM N 0 DEG 7' 6" W 660 FT & W 27.23 FT FR SE COR. SEC. 2, T5S, R1W, SLB&M.; W 1394.47 FT; N 27 DEG 45' 12" E 94.41 FT; N 26 DEG 38' 13" E 110.94 FT; N 34 DEG 7' 10" E 77.16 FT; N 29 DEG 53' 29" E 33.75 FT; N 22 DEG 15' 26" E 41.33 FT; N 14 DEG 1' 27" E 81.45 FT; N 19 DEG 10' 50" E 63.52 FT; N 13 DEG 11' 2" E 76.5 FT; N 14 DEG 48' 54" E 56.86 FT; N 19 DEG 42' 33" E 104.04 FT; N 21 DEG 18' 33" E 269.98 FT; N 48 DEG 49' 17" E 225.18 FT; N 32 DEG 30' 18" E 28.45 FT; N 89 DEG 59' 53" E 127.56 FT; S 0 DEG 3' 27" E 428.57 FT; S 89 DEG 19' 48" E 704.75 FT; S 0 DEG 9' 7" E 667.47 FT TO BEG. AREA 22.103 AC.

Parcel 58:020:0223 Legal Description: COM S 405.46 FT & E 17.11 FT FR W 1/4 COR. SEC. 1, T5S, R1W, SLB&M.; S 0 DEG 7' 51" E 901.52 FT; E 9.76 FT; N 0 DEG 15' 52" W 242.01 FT; N 89 DEG 52' 54" E 871.17 FT; S 0 DEG 15' 52" E 243.81 FT; E 420.74 FT; N 960.58 FT; W 1209.73 FT; S 43 DEG 8' 15" W 82.18 FT; N 88 DEG 37' 44" W 37.83 FT TO BEG. AREA 23.768 AC.

Parcel 58:020:0191 Legal Description: COM N 19.87 FT & E 1320.01 FT FR W 1/4 COR. SEC. 1, T5S, R1W, SLB&M.; N 426.29 FT; S 67 DEG 50' 0" W 1105.97 FT; E 123.97 FT; S 87 DEG 7' 18" E 179.23 FT; E 721.25 FT TO BEG. AREA 5.073 AC.

Parcel 58:021:0121 Legal Description: COM N 89.93 FT & W 1321.91 FT FR E 1/4 COR. SEC. 2, T5S, R1W, SLB&M.; ALONG A CURVE TO L (CHORD BEARS: N 87 DEG 36' 10" W 1171.75 FT, RADIUS = 15185.48 FT); N 89 DEG 48' 50" W 104.23 FT; N 8 DEG 0' 0" E 254.73 FT; N 13 DEG 0' 0" W 277.2 FT; E 1301.85 FT; S 571.7 FT TO BEG. AREA 15.626 AC.

Parcel 58:021:0157 Legal Description: COM S 1320 FT & W 13.49 FT FR NE COR. SEC. 2, T5S, R1W, SLB&M.; S 0 DEG 7' 51" E 660 FT; W 1308.02 FT; N 660 FT; E 1306.51 FT TO BEG. AREA 19.796 AC.

Parcel 58:005:0061 Legal Description: COM N 1332.64 FT & E 4.1 FT & S 89 DEG 59' 4" E 16.44 FT FR S 1/4 COR. SEC. 35, T4S, R1W, SLB&M.; N 0 DEG 10' 26" E 1327.73 FT; N 89 DEG 48' 57" E 1160.78 FT; S 45 DEG 59' 0" E 199.06 FT; S 0 DEG 9' 24" W 1193.5 FT; N 89 DEG 59' 4" W 1304.7 FT TO BEG. AREA 39.580 AC. ALSO COM N 2663.95 FT & E 1328.92 FT FR S 1/4 COR. SEC. 35, T4S, R1W, SLB&M.; N 89 DEG 56' 32" W 71.41 FT; S 45 DEG 59' 0" E 99.03 FT; N 0 DEG 9' 24" E 68.74 FT TO BEG. AREA 0.056 AC. TOTAL AREA 39.636 AC.

CONTINUED**LEGAL DESCRIPTIONS**

Parcel 58:005:0049 Legal Description: COM S 1454.23 FT & E 2653.82 FT FR NW COR. SEC. 35, T4S, R1W, SLB&M.; ALONG A CURVE TO L (CHORD BEARS: S 38 DEG 2' 11" E 310.23 FT, RADIUS = 1146.4 FT); S 45 DEG 59' 0" E 1342.87 FT; S 89 DEG 48' 57" W 1152.64 FT; N 1085.63 FT; N 41 DEG 30' 3" W 6.78 FT; N 0 DEG 10' 24" E 90.46 FT TO BEG. AREA 14.860 AC.

Parcel 58:005:0050 Legal Description: COM S 1298.38 FT & E 2654.29 FT FR NW COR. SEC. 35, T4S, R1W, SLB&M.; S 89 DEG 54' 16" E 917.33 FT; S 30 DEG 56' 19" E 308.52 FT; S 44 DEG 45' 0" E 1017.86 FT; S 35 DEG 42' 28" E 425.62 FT; N 89 DEG 56' 32" W 811.6 FT; N 45 DEG 59' 0" W 1394.81 FT; ALONG A CURVE TO R (CHORD BEARS: N 35 DEG 35' 32" W 389.05 FT, RADIUS = 1095.92 FT); N 0 DEG 10' 24" E 48.23 FT TO BEG. AREA 28.149 AC.

Parcel 58:005:0044 Legal Description: COM S 1460.94 FT & E 2535.38 FT FR NW COR. OF SEC. 35, T4S, R1W, SLB&M.; S 41 DEG 30' 0" E 128.5 FT; S 0 DEG 10' 31" W 1084.2 FT; S 89 DEG 48' 57" W 315.3 FT; N 8 DEG 21' 0" E 844.59 FT; N 17 DEG 47' 0" E 363.1 FT TO BEG. AREA 5.909 AC.

Parcel 58:005:0043 Legal Description: COM S 1314.14 FT & E 1317.81 FT FR NW COR. OF SEC. 35, T4S, R1W, SLB&M.; N 89 DEG 15' 53" E 1075.57 FT; S 41 DEG 30' 0" E 147.24 FT; S 17 DEG 47' 0" W 402.19 FT; S 8 DEG 21' 0" W 852.16 FT; S 89 DEG 48' 57" W 929.66 FT; N 0 DEG 7' 46" E 1331.48 FT TO BEG. AREA 31.639 AC.