

RECORDED

FEB 25 2003

CITY RECORDER

Please return to: Salt Lake City Public Utilities
Attn: Karryn Greenleaf
1530 South West Temple
Salt Lake City, Utah 84115
Salt Lake County Parcel ID No.
22-25-251-001

CONSERVATION EASEMENT
AGREEMENT

8543379

THIS CONSERVATION EASEMENT AGREEMENT (this "Easement") is entered into as of 2/25/2003, 2003, by and between PacifiCorp, an Oregon corporation, dba Utah Power & Light Company ("Grantor") and Salt Lake City Corporation, a municipal corporation of the state of Utah ("Grantee").

RECITALS

A. Grantor owns a parcel of real property located in Salt Lake County, state of Utah, and more particularly described in Exhibit A attached hereto and by this reference made a part hereof (the "Easement Property"), which Easement Property is currently owned, and has historically been used, by Grantor for operation of an electric hydropower generation facility and other related purposes in connection with Grantor's electric utility operations.

B. Grantee owns a parcel of real property located in Salt Lake County, state of Utah, and more particularly described in Exhibit B attached hereto, and by this reference made a part hereof (the "Grantee's Property"), which Grantee's Property is situated immediately adjacent to the Easement Property, and on which Grantee's Property is situated a water treatment plant owned and operated by Grantee, known as the Big Cottonwood Canyon Water Treatment Plant.

C. Grantee desires to obtain a conservation easement over the Easement Property for the benefit and protection of the water treatment plant.

D. Grantee is an entity which qualifies to receive a conservation easement pursuant to the provisions of Section 57-18-3, Utah Code Annotated 1953, as amended.

E. Grantor acknowledges receipt of the information and disclosures required under Section 57-18-4, Utah Code Annotated, more than three (3) days prior to the execution of this Easement.

NOW, THEREFORE, in consideration of the mutual benefits and covenants herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Grantor hereby conveys to Grantee, over and across the Easement Property, a perpetual conservation easement of the scope and nature hereinafter described.

2. The purpose of the easement hereby granted is to preserve, protect and maintain the Easement Property predominantly in a natural, scenic and open condition in perpetuity in order to protect Grantee's use of its water treatment plant. Accordingly, Grantor grants to Grantee the right to prevent Grantor or any third persons (whether or not claiming by, through or under Grantor) from conducting any activity on, or use of, the Easement Property that is

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inconsistent with the purpose of this Easement, and to require of Grantor or such third persons the restoration of such areas or features of the Easement Property as may be damaged by any inconsistent activity or use.

3. Any activity on or use of the Easement Property inconsistent with the purpose of this Easement is prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited on, over, under or in connection with the Easement Property, except as provided in paragraphs 4 and 5 hereof:

- A. Development or pre-sale, division, subdivision or *de facto* subdivision of the Easement Property for any type of human occupation or commercial, industrial or residential use;
- B. Construction of buildings, residences, mobile homes, or other structures, fences (other than livestock control fences), or any other improvements for use for human occupation, constructed or placed in, on, under, or upon the Easement Property;
- C. Any act or use that would impair the quality of the watershed, scenic tranquility, ecological integrity, and generally, open character of the Easement Property;
- D. Quarrying, mining, excavation, depositing or removing of rocks, gravel, minerals, sand, or other similar materials from the Easement Property;
- E. The drilling of water wells, the construction, operation and maintenance of water diversion, collection and distribution facilities, or other conduct in violation of Grantee's Watershed Protection ordinance 17.04.101 *et seq.* Salt Lake City Code, or its successor;
- F. Predatory animal control operations, including trapping;
- G. Residential, or industrial uses of the Easement Property;
- H. Commercial uses of the Easement Property;
- I. Motorized vehicular access or use of the Easement Property, except for wild land fire suppression and other emergency needs;
- J. The construction upon or over the Easement Property of any aerial tramway or other means of conveyance of the public for transportation for recreation or other uses, or the construction of downhill or alpine skiing facilities;
- K. Constructing or placing of any building mobile home, transmission or receiving tower, (excluding any snow survey and/or avalanche control facilities), energy facility, or other temporary or permanent structure or facility on or above the Easement Property;
- L. The installation of underground storage tanks or the placing, filling, storing, or dumping on the Easement Property of soil, refuse, trash, vehicle bodies, rubbish, debris, junk, waste, radioactive or hazardous waste;

M. Uses of the Easement Property that would alter the topography of the Property;

N. Uses of the Easement Property that would be detrimental to water quality or that would permanently alter the normal ground water level;

O. The creation of roads, except temporary roads that may need to be constructed for wild land fire suppression or other rescue activities, which temporary roads shall be reclaimed upon the cessation of use;

P. No utility rights-of-way shall be located within the Easement Property, or granted through easement after the date of this instrument; and

Q. Any unanticipated use or activity on or at the Easement Property, unless such use or activity is manifestly consistent with, or necessary to achieve, the conservation purposes expressed herein, in which case such use or activity shall be subject to the prior approval of Grantee, which approval shall not be unreasonably withheld.

4. Notwithstanding the foregoing, Grantor expressly reserves the following rights with respect to the Easement Property:

(a) the right of access to and use of the Easement Property for its own hydroelectric generating utility operations, including the right to cross the Easement Property with power lines, cables, fiber, underground lines, and all other necessary appurtenances thereto;

(b) the right to use and develop the Easement Property, or allow others to use and develop the Easement Property, for trails and other recreational purposes; provided, however, that any recreational trails constructed upon or recreational uses made of the Easement Property shall be first approved by Grantee, which approval shall not be unreasonably withheld, conditioned, or delayed. Grantor acknowledges that Grantee may deny any proposed recreational use of the Easement Property if such use is deemed to jeopardize the safety and security of Grantee's water treatment plant or its operations;

(c) the right to utilize the Easement Property to promote the preservation, protection, perpetuation, introduction, enhancement and management of wildlife. Grantor, or its designee approved by Grantee, may manipulate habitat, control noxious plants, construct fences, erect nesting platforms, control animal species harmful to wildlife management objectives, and engage in other related activities provided that such activity does not interfere with Grantee's operation of its water treatment plant.

5. Grantor hereby grants the following rights to Grantee, which rights shall be in addition to and not in limitation of, any other rights and remedies available to Grantee:

(a) To prevent Grantor or any third persons (whether or not claiming by, through, or under Grantor) from conducting any activity on or use of the Easement Property that is inconsistent with the purpose of this Easement, and to require of Grantor or such third persons the restoration of such areas or features of the Easement Property as may be damaged by any inconsistent activity or use;

(b) Upon two (2) business days prior notice to Grantor, and without unreasonably interfering with Grantor's use and quiet enjoyment of the Easement Property as restricted by this Easement, to enter upon the Easement Property at reasonable times and in a reasonable manner in order to monitor Grantor's compliance with and otherwise enforce the terms of this Easement, provided that in the absence of evidence which gives Grantee a reasonable basis to believe there has been a violation of the provisions of this Easement (which evidence shall be made available to Grantor), such entry shall as often as Grantee believes to be reasonable under the circumstances, but no less than twice annually;

(c) To enter onto the Easement Property in the case of an emergency as determined by Grantee, in which event Grantee shall notify Grantor prior to entering onto the Easement Property, if possible, or as soon thereafter as is reasonably practical;

(d) To obtain injunctive and other equitable relief against any violations, including restoration of the Easement Property to the condition that existed prior to any such violation (it being agreed that Grantee will have no adequate remedy at law);

(e) To enforce this Easement in the case of breaches by Grantor or by third persons (whether or not claiming by, through, or under Grantor) by appropriate legal proceedings, after providing Grantor with reasonable notice and a reasonable opportunity to cure; and

(f) To erect signs identifying Grantee as the holder of the conservation easement granted hereby, and the terms of this Easement.

6. Grantor and Grantee agree to defend, indemnify, and hold harmless the other party from and against any and all liability, damage, loss, costs, and expense, including attorney's fees, arising from the indemnifying party's use or occupation of the Easement Property or on account of injury or damage to persons or property occurring on or occasioned by any facilities owned or controlled by such indemnifying party, whether by its agents, employees, or assigns, unless such injury or damage resulted from the sole negligence or willful misconduct of the other party.

7. In the event Grantor chooses to sell or convey its remaining interest in the Easement Property encumbered by this Easement, Grantee shall have the right-of-first-refusal to purchase said remaining interest at a value equal to any bona fide offer to purchase the remaining interest.

8. In the event Grantee ceases to use the land adjacent to the Easement Property for a water treatment plant, all right, title, and interest in and to this Easement shall automatically revert to Grantor, or its successors and assigns in the Easement Property.

9. Any forbearance by Grantee to exercise its rights under this Easement in the event of any breach of any term of this Easement shall not be deemed or construed to be a waiver by Grantee of such term or of any subsequent breach of the same or any other term of this Easement or of any of Grantee's rights under this Easement. No delay or omission by Grantee in the exercise of any right to remedy upon any breach shall impair such right or remedy or be construed as a waiver.

10. Grantee shall record this instrument in a timely fashion in the records of Salt Lake County. Grantee shall deliver to Grantor a copy of this Easement certified by the Office of the Salt Lake County Recorder.

11. This Easement burdens the Easement Property for the benefit of Grantee's Property, and shall be binding upon Grantor's successors in interest and assign of the Easement Property, and shall be deemed appurtenant to Grantee's Property, shall run with the land.

12. Representation Regarding Ethical Standards for City Officers and Employees and Former City Officers and Employees. Grantor represents that it has not (1) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (2) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (3) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (4) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

DATED this 24th day of February, 2003.

GRANTOR:

PACIFICORP, an Oregon corporation,
dba Utah Power & Light Company

By: [Signature]
Its: Senior Vice President

GRANTEE:

SALT LAKE CITY CORPORATION

[Signature]
By: Ross C. Anderson
Mayor

ATTEST AND COUNTERSIGN:

[Signature]
DEPUTY CITY RECORDER



APPROVED AS TO FORM
Salt Lake City Attorney's Office

Date 2/25/03
By [Signature]

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RECORDED
FEB 25 2003
CITY RECORDER

ACKNOWLEDGMENTS

STATE OF UTAH)
 : ss.
County of Salt Lake)

On this 24th day of February, 2003, personally appeared before me Berry G. Cunniff, who being by me duly sworn, did say that he/she is the signer of the within instrument on behalf of PacifiCorp, an Oregon corporation, d.b.a. Utah Power & Light Company, and that the within and foregoing document was signed on behalf of PacifiCorp by actual authority.

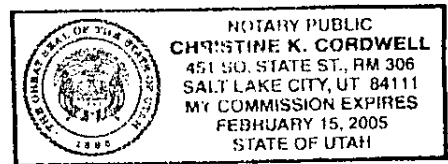


Melanie R. Allen
NOTARY PUBLIC, residing in
Salt Lake County, Utah

STATE OF UTAH)
 : ss.
County of Salt Lake)

The foregoing instrument was acknowledged before me this 25th day of Feb, 2003, by Ross C. Anderson in his capacity as Mayor of SALT LAKE CITY CORPORATION, a municipal corporation of the state of Utah.

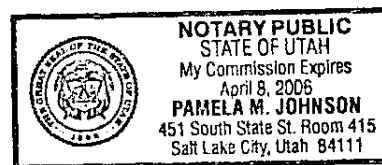
Christine K. Cordwell
NOTARY PUBLIC, residing in
Salt Lake County, Utah



STATE OF UTAH)
 : ss.
County of Salt Lake)

The foregoing instrument was acknowledged before me this 25th day of February, 2003, by Beverly Jones in his/her capacity as Chief Deputy City Recorder of SALT LAKE CITY CORPORATION, a municipal corporation of the state of Utah.

Pamela M. Johnson
NOTARY PUBLIC, residing in
Salt Lake County, Utah



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EXHIBIT A

AN EASEMENT FOR CONSERVATION IN THE NORTHEAST ONE QUARTER OF SECTION
25, TOWNSHIP 2 SOUTH, RANGE 1 EAST OF
THE SALT LAKE BASE AND MERIDIAN

October 7, 2002

Beginning at the northwest corner of the Southwest One Quarter of the Northeast One Quarter of Section 25, Township 2 South, Range 1 East of the Salt Lake Base and Meridian from which the North One Quarter Corner of said Section 25 is North 00°28'48" East 1323.43 feet; Thence South 89°48'18" East along the northerly line of the Southwest One Quarter of the Northeast One Quarter of said Section 25 1597.91 feet; Thence South 64°15'58" East 180.00 feet; Thence South 00°00'00" West 184.26 feet; Thence North 89°48'18" West 579.18 feet; Thence South 00°00'00" West 118.66 feet; Thence North 82°00'00" West 425.57 feet; Thence North 00°00'00" East 105.33 feet; Thence North 90°00'00" West 100.00 feet; Thence South 00°00'00" West 91.27 feet; Thence North 82°00'00" West 123.45 feet; Thence North 61°18'09" West 612.43 feet to the POINT OF BEGINNING. Contains 9.88 acres, more or less.

EXHIBIT B

Beginning at the northwest corner of the Southwest One Quarter of the Northeast One Quarter of Section 25, Township 2 South, Range 1 East of the Salt Lake Base and Meridian from which the North One Quarter Corner of said Section 25 is North 00°28'48" East 1323.43 feet; thence along the southerly line of an Easement for Conservation the following six courses:

- 1) Thence South 61°10'18" East 612.42 feet;
- 2) Thence South 82°00'00" East 123.45 feet;
- 3) Thence North 00°00'00" East 91.27 feet;
- 4) Thence North 90°00'00" East 100.00 feet;
- 5) Thence South 00°00'00" East 105.33 feet;
- 6) Thence South 82°00'00" East 425.57 feet;

Thence South 00°00'00" West 59.13 feet; Thence South 45°41'48" East 75.83 feet; Thence North 89°21'23" East 20.76 feet; Thence North 44°18'12" East 57.64 feet; Thence South 45°41'48" East 77.64 feet; Thence South 85°45'28" East 173.99 feet; Thence South 62°12'51" East 85.94 feet; Thence South 00°00'00" West 53.34 feet to the northerly right-of-way line of Utah State Highway Number 190/152, said right-of-way conveyed to the State Road Commission of Utah by instrument recorded as Entry Number 1396567 in Book 1138, Page 248 dated October 13, 1954 in the Salt Lake County Recorder's Office; Thence North 89°48'33" West along said northerly right-of-way line 732.35 feet to a Point of Curve to the right having a Central Angle of 22°08'21" and a Radius of 891.64 feet; Thence along the arc of said curve to the right and along said northerly right-of-way line 344.53 feet to a Point of Tangency; Thence North 69°12'56" West along said northerly right-of-way line 348.30 feet to a Point of Curve to the left having a Central Angle of 3°55'52" and a Radius of 1482.70 feet; Thence along the arc of said curve to the left and along said northerly right-of-way line 101.73 feet; Thence North 11°03'59" East 24.41 feet to a Point of Curve to the left having a Central Angle of 88°04'20" and a Radius of 64.59 feet; Thence along the arc of said curve to the left 99.28 feet to a Point of Tangency; Thence North 78°33'44" West 66.45 feet to the westerly line of the Northeast Quarter of said Section 25; Thence North 00°28'48" East along said westerly line of the Northeast Quarter of said Section 25 287.47 feet to the POINT OF BEGINNING.

Contains 8.82 acres, more or less.

Less an easement for the purposes of ingress, egress and maintenance to be retained by Utah Power Company across the easterly portion of the property.

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02/25/2003 04:12 PM NO FEE
Book - 8744 Pg - 3552-3559
GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
SL CITY PUBLIC WORKS
BY: ZJH, DEPUTY - WI B.P.

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