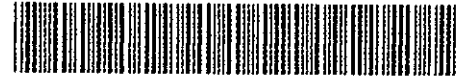


When Recorded Mail to:
STRAWBERRY WATER USERS ASSOCIATION
P.O. BOX 70
PAYSON, UTAH 84651



ENT 16645:2013 PG 1 of 9
JEFFERY SMITH
UTAH COUNTY RECORDER
2013 Feb 21 9:42 am FEE 0.00 BY ED
RECORDED FOR PAYSON CITY CORPORATION

Name: Board of Education of Nebo School District

Tax I.D. No(s): 30:058:0093; 30:059:0025; 30:059:0027; 30:059:0033; 30:059:0035; 56:014:0101; 08:143:0001;
56:014:0107; 56:014:0108; 56:014:0109; 30:067:0028

SWUA Account No: 11268/SW

Water Serial #(s): 190.000, 65.004, 407.000, 28.000, 65.007, 297.006, 332.003, 534.001, 297.008, 297.009, 297.010, 335.007

Canal Company Stock: 13.24, 0.50, 52.88, 19.62, 0.80, 13.48, 13.04, 2.04, 0.63, 0.58, 0.58, 31.54

**WATER DEDICATION AGREEMENT
AMONG
STRAWBERRY WATER USERS ASSOCIATION,
STRAWBERRY HIGH LINE CANAL CO,
THE CITY OF PAYSON, AND
BOARD OF EDUCATION OF NEBO SCHOOL DISTRICT**

LANDOWNER WARRANTIES AND REPRESENTATIONS

Board of Education of Nebo School District (Landowner), with its principal place of business at 350 South Main, Spanish Fork, Utah, represents and warrants that Landowner holds, subject to encumbrances of record, all right, title and interest in and to the following land in Utah County, Utah (Subject Land):

Mt. Nebo Junior High School – Tax Serial No. 30:058:0093 Commencing South 51.88 feet and East 233.12 feet from the West Quarter Corner of Section 17, Township 9 South, Range 2 East, Salt Lake Base and Meridian; Thence South 89 degrees 45'00" East 334.58 feet; thence North 00 degrees 08'00" East 653.70 feet; thence South 89 degrees 37'00" East 163.52 feet along a fence; thence North 01 degrees 03'30" East 647.69 feet; thence North 89 degrees 34'40" West 514.48 feet; thence South 01 degrees 20'00" East 559.53 feet; thence South 60 degrees 06'10" West 0.34 feet; thence South 04 degrees 50'55" West 83.26 feet; thence South 00 degrees 14'40" West 659.98 feet to the point or beginning.

Payson High School – Tax Serial Nos. 30:059:0025 & 30:059:0033

Commencing 9.685 chains West and 5 chains South 45' West of the Northeast Corner of the South one-half of the Southeast Quarter of Section 17, Township 9 South, Range 2 East of the Salt Lake Base and Meridian; thence South 0 degrees 45' West 7.91 chains; thence West 14.70 chains; thence North 0 degrees 15' East 7.85 chains; thence South 89 degrees East 15 chains, more or less, to the place of beginning.

Commencing 9.945 chains West and 3.676 chains North 3/4 degrees East of the Southeast Corner of Section 17, Township 9 South, Range 2 East, of the Salt Lake Base and Meridian; thence North 3/4 degree East 3.414 chains; thence West 14.645 chains; thence South 3/4 degrees West 3.414 chains; thence East 14.645 chains to the point of beginning.

Commencing 10.57 chains West of the Southeast Corner of Section 17, Township 9 South, Range 2 East of the Salt Lake Base and Meridian; thence North 0 degrees 45' East 3.676 chains; thence West 14.02 chains; thence South 0 degrees 45' West 3.676 chains; thence East 14.02 chains to the point of beginning.

Tax Serial No. 30:059:0035

Beginning at a point in the West line of Main Street, Payson City, Utah, said point being North 1354.07 feet and West 679.82 feet from the Southeast corner of Section 17, Township 9 South, Range 2 East, Salt Lake Base and Meridian; thence North 89 degrees 31' 30" West 346.0 feet, more or less, to a fence; thence South 01 degrees 55' 00" East along said fence 70.05 feet; thence South 89 degrees 31' 30" East 85.0 feet; thence North 00 degrees 23' 30" West 25.0 feet; thence South 89 degrees 31' 30" East 259.14 feet, more or less, to the West line of said Main Street; thence North 00 degrees 23' 30" West along said West Street line 45.0 feet to the point of beginning.

Payson Junior High School – Tax Serial No. 30:059:0027

Commencing at the Southwest Corner of the Southeast Quarter of Section 17, Township 9 South, Range 2 East of the Salt Lake Base and Meridian; thence North 8.136 chains; thence North 40°15' East 119.8 feet; thence East 14.26 chains; thence South 9.53 chains; thence West 15.41 chains to the place of beginning.

Larson Property – Tax Serial No. 30:067:0028

Beginning at a fence intersection, said point being South 00° 27' 44" East 262.74 feet along the section line and West 564.44 feet from the East quarter corner of Section 19, Township 9 South, Range 2 East, Salt Lake Base and Meridian; thence South 00° 41' 19"; West 345.50 feet along a fence line; thence South 00° 58' 39" West 324.15 feet along a fence line; thence North 89° 32' 59" West 941.17 feet to a set rebar and cap marked J-U-B Engineers, Inc.; thence North 00° 27' 01" East 681.26 feet, more or less, to northerly line of that property described in Entry No. 137901; 2003, parcel 3, at the Utah County Recorder's Office; thence South 89° 15' 00" East 693.96 feet, more or less, along said northerly line to the westerly line of that property described as Entry No. 96964, in Book 4457, at Page 222, at said Recorder's Office; thence South 00° 57' 43" East 7.50 feet, more or less, along said westerly line to the southwest corner of said Entry No. 96964; thence South 89° 26' 05" East 251.45 feet along said southerly line to the point of beginning.

Wilson Elementary School – Tax Serial No. 08:143:0001

All of Lots 2, 3 & 6, Block 33, Plat P, Payson City Survey of Building Lots.

Spring Lake Elementary School – Tax Serial No. 56:014:0101

Lot 101, Zeeman Plat B Phase 1 Subdivision

Lots 107, 108, and 109 Adjacent to Spring Lake Elementary School –

Tax Serial Nos., 56:014:0107, 56:014:0108, 56:014:0109

Lot 107, Zeeman Plat B Phase 1 Subdivision

Lot 108, Zeeman Plat B Phase 1 Subdivision

Lot 109, Zeeman Plat B Phase 1 Subdivision

Landowner warrants that no other person or entity claims any right, title or interest in or to the Subject Land, except encumbrances of record.

Landowner represents and warrants that appurtenant to the Subject Land are:

190.000	13.24	30 58 93	12/24/1914	6005	96	182	Mt. Nebo Junior High
65.004	0.50	30 59 25	12/24/1914	5885	96	62	Payson High School
407.000	52.88	30 59 27	1/7/1915	108	97	98	Payson Junior High School
28.000	19.62	30 59 33	12/23/1914	5834	96	28	Payson High School
65.007	0.80	30 59 35	12/24/1914	5885	96	62	Payson High School
297.006	13.48	56 14 101	12/24/1914	6107	96	284	Spring Lake Elementary School
332.003	13.04	56 14 101	12/24/1914	6141	97	18	Spring Lake Elementary School
534.001	2.04	8 143 1	7/1/1917	5271	166	78	Wilson Elementary School
297.008	0.63	56 14 107	12/24/1914				Lot 107
297.009	0.58	56 14 108	12/24/1914				Lot 108
297.010	0.58	56 14 109	12/24/1914				Lot 109
337.007	31.54	30 67 28					Larson Property

Landowner represents and warrants that the Subject Association Shares and Subject Water Right Application are in good standing.

Landowner represents and warrants that appurtenant to the Subject Land are 13.24, 0.50, 52.88, 19.62, 0.80, 13.48, 13.04, 2.04, 0.63, 0.58, 0.58, 31.54 shares of Strawberry High Line Canal Company (Company) stock, Water Serial Number 190.000, 65.004, 407.000, 28.000, 65.007, 297.006, 332.003, 534.001, 297.008, 297.009, 297.010, 337.007 (Subject Company Shares). Landowner represents and warrants that Landowner holds all right, title and interest in and to the Subject Association Shares, Subject Water Right Application, and Subject Company Shares, and that no other person or entity claims any right, title or interest in or to the Subject Water Right Application, Subject Association Shares and Subject Company Shares.

Landowner warrants and represents that together the Subject Water Right Application, Subject Association Shares, and Subject Company Shares entitle Landowner to use Strawberry Valley Project (SVP) water for the Subject Land, in a manner consistent with Association Articles of Incorporation, Bylaws, policies and contracts, and Company Articles of Incorporation, Bylaws, policies and contracts, and applicable state and federal law. The Association and the Company have agreed to act reasonably to

cooperate with the performance of this Agreement to the extent of dealing with the City regarding voting of shares, assessments, notices, delivery of the SVP water and transfers, as described in this Agreement. The Association and the Company are not obligated to incur costs beyond those they would respectively incur for their respective shareholders generally in this regard, and in particular, they are not obligated to incur attorney's fees or court costs. The Association and Company make no warranties or representations as to the effectiveness of this Agreement.

AGREEMENT TERMS

In consideration of the mutual covenants contained in the Agreement, the parties agree as follows:

1. **All Shares and the Subject Water Right Application to Remain Appurtenant to Subject Land.**
 - a. **Appurtenance and Future Owners of Subject Land –**

Except as expressly described in this Agreement, the Subject Water Right Application, Subject Association Shares and Subject Company Shares will remain appurtenant to the Subject Land for the benefit of the future owners and users of the Subject Land. In particular, except as expressly described in this Agreement, the right to call on and beneficially use SVP water on the Subject Land, as described in the Subject Water Right Application, Subject Association Shares and Subject Company Shares will remain appurtenant to the Subject Land.
 - b. **Right to Transfer SVP Water**

Landowner acknowledges that, before entering into this Water Dedication Agreement, it understands that it had the right to pursue a transfer of all or part of its SVP water to other SVP lands in accordance with applicable State law, Reclamation law, policy and contracts, Association Articles, Bylaws, policy and contracts and Company Articles, Bylaws, policy and contracts. Landowner hereby waives and forsakes in perpetuity any such right to transfer the subject SVP water.
 - c. **Right and Waiver of Right to Transfer Excess SVP Water**

Landowner acknowledges that development of its lands may create water in excess of that amount needed to meet the City's water supply requirement. Upon entering into this Water Dedication Agreement, the Landowner waives and forsakes any present or future right to initiate the transfer of the Subject Association Shares and Subject Company Shares to other lands; to avoid application of SVP water in excess of the City's water supply requirement, the Landowner may transfer the excess water to other SVP Lands consistent with applicable State law, Reclamation law and policy, Association Articles, Bylaws, policy, and contracts, and Company Articles, Bylaws, policy and contracts. Such transfer of excess water by the Landowner should be approved by the Bureau of Reclamation, Association and Company prior to Landowner executing this Agreement.

- d. Right to Seek Approval for SVP Water on Subject Lands
The City shall have any and all rights of the Landowner to seek any necessary approvals to use the SVP water available to the Subject Association Shares, Subject Water Right Application and Subject Company Shares for indoor uses on the Subject Lands, without further approval of, or compensation to Landowner. All of this shall be done in accordance with applicable State law, Reclamation law and policy, Association Articles, Bylaws, policy, and contracts, and Company Articles, Bylaws, policy, and contracts.
- e. Right to Seek Approval for Water Exchanges
The City shall have the right to seek any necessary approvals to use water from sources other than the SVP to provide for the needs of owners and users of the Subject Land, and use the SVP water available to the Subject Association Shares, Subject Water Right Application and Subject Company Shares on other lands by exchange including the transfer of some or all of the Subject Shares to other Company service areas within the SVP with the approval of the Company, the Association and Reclamation but without further approval or compensation to the Landowner. All of this shall be done in accordance with applicable State law, Reclamation law and policy, Association Articles, Bylaws, policy, and contracts, and Company Articles, Bylaws, policy, and contracts.
2. Perpetual Right to Vote Association Shares. Landowner grants to the City any and all of Landowner's rights to vote the Subject Association Shares on all matters that come before Association Class S shareholders for a vote.
3. Perpetual Right to Vote Company Shares. Landowner perpetually grants to the City any and all of Landowner's rights to vote the Subject Company Shares on all matters that come before Company shareholders for a vote.
4. Perpetual Right to Receive and Pay Assessments, Receive Notice, Delivery, and Charge Usual City Rates.
- a. Landowner grants and assigns to the City any and all of Landowner's rights and obligations to receive and pay all Association, Company, and other assessments or charges under the Subject Association Shares, Subject Water Right Application and Subject Company Shares.
- b. Landowner grants to the City any and all of Landowner's rights to receive notice relating to the Subject Association Shares, Subject Water Right Application and Subject Company Shares.
- c. Landowner grants to City any and all of Landowner's rights to receive delivery of the SVP water available under the Subject Water Right Application, Subject Association Shares, and Subject Company Shares.

- d. Landowner agrees the City may assess such development, operation, maintenance, repair or replacement charges or assessments as determined by the City to be fair and reasonable, not to exceed city rates charged to other city customers who have not dedicated SVP water, applicable for the same uses and quantities.
- e. City agrees to pay reasonable fees to cover estimated actual direct and indirect administrative costs reasonably incurred by Association and Company in reviewing, approving administering and performing this Agreement.
- f. City agrees to resolve any and all delinquencies associated with Subject Association Shares and/or Subject Company Shares.

5. **City's Obligations**

- a. Landowner has applied to City for approval to dedicate his/her Subject Shares appurtenant to the Landowner's property, described as: ("Subject Property").
- b. City agrees to accept the dedication of the Subject Shares.
- c. City agrees to use the Subject Shares to serve the needs of the Subject Property as described in this Agreement.

6. **Sub-Contracting of Delivery.** The City agrees to deliver the SVP water through its secondary irrigation system, on behalf of the Company, to the Subject Land.

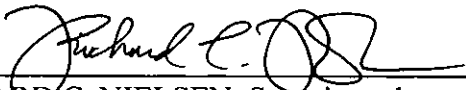
7. **Binding Upon Successors and Assigns.** Each individual signing this Agreement hereby warrants on behalf of themselves and the Party for which they sign, that their respective Party has authorized the individuals to execute this Agreement through appropriate board action, and that the Parties and their successors and assigns are bound hereby. All obligations of Landowner under this Agreement shall run with the Subject Land.

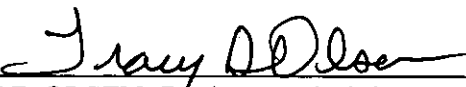
– SIGNATURES ON FOLLOWING PAGE –

IN WITNESS WHEREOF, the Parties have executed this Agreement on this 10th day of ~~November~~ ^{December}, 2011.

LANDOWNER:

**BOARD OF EDUCATION OF
NEBO SCHOOL DISTRICT**

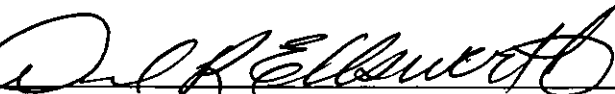
By: 
RICHARD C. NIELSEN, Superintendent

By: 
TRACY D OLSEN, Business Administrator

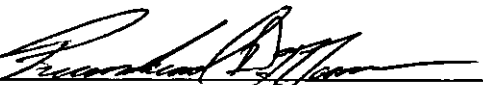
STRAWBERRY WATER USERS ASSOCIATION

By: 
President


STRAWBERRY HIGH LINE CANAL COMPANY

By: 
President

PAYSON CITY CORPORATION

By: 
Richard D. Moore, Mayor

Attest and Countersign:


Jeanette Wineteer, City Recorder



CONCURRENCE:

By: [Signature]
Area Manager, Provo Area Office
Bureau of Reclamation

Concurrence Approved:

STATE OF UTAH)
: ss.
COUNTY OF UTAH)

On the 24th day of January, 2013 personally appeared before me, Calvin V. Crandall, President of Strawberry Water Users Association, and acknowledged that he has been duly authorized to execute the foregoing Water Dedication Agreement Regarding Strawberry Water Users Association Shares on behalf of Strawberry Water Users Association, and that he executed the same on behalf of Strawberry Water Users Association.

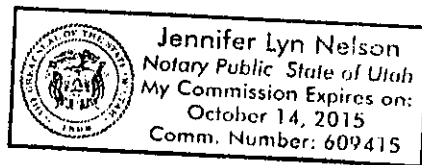


[Signature]
NOTARY PUBLIC

STATE OF UTAH)
:ss.
COUNTY OF UTAH)

On the 8th day of December, 2011, personally appeared before me Dan Ellsworth of Strawberry High Line Canal Company and acknowledged that he has been duly authorized to execute the foregoing Water Dedication Agreement Regarding Strawberry Water Users Association Shares on behalf of Strawberry High Line Canal Company, and that he executed the same on behalf of Strawberry High Line Canal Company.

Jennifer Lyn Nelson
NOTARY PUBLIC



STATE OF UTAH)
:ss.

COUNTY OF UTAH)

On the 7th day of December, 2011, personally appeared before me, Richard D. Moore, Payson City Corporation, and acknowledged that he has been duly authorized to execute the foregoing Water Dedication Agreement Regarding Strawberry Water Users Association Shares on behalf of Payson City, and that he executed the same on behalf of Payson City.

Pamela B. Knight
NOTARY PUBLIC

STATE OF UTAH)
: ss.
COUNTY OF UTAH)



On the 10th day of December, 2011, personally appeared before me, a Notary Public in and for the State of Utah, RICHARD C. NIELSEN and TRACY D OLSEN, who being by me duly sworn did say that they are the Superintendent and Business Administrator, respectively, of the BOARD OF EDUCATION OF NEBO SCHOOL DISTRICT, a body corporate and politic of the State of Utah, and that the within and foregoing instrument was signed in behalf of said School District.

Bashawn B. Abbott
NOTARY PUBLIC

