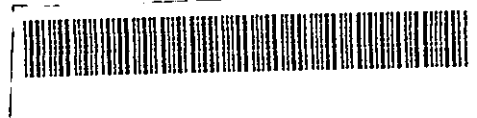


K. BUTLER ANNEXATION AGREEMENT

THE FOLLOWING ANNEXATION AGREEMENT IS ENTERED INTO THIS 16th DAY OF JUNE, 2010, BETWEEN KENNETH D. BUTLER ("APPLICANT") AND PAYSON CITY CORPORATION ("CITY"), A MUNICIPAL CORPORATION AND POLITICAL SUBDIVISION OF THE STATE OF UTAH.



RECITALS

- A. This Annexation Agreement is prepared pursuant to Chapter 19.12 of the Payson City Land Use Ordinance to specifically describe the rights, obligations and duties of the parties and to address zoning designation, specific plan, transfer of adequate water rights, compliance with City development ordinances and resolutions in relation to development of property as described in Exhibit "A."
- B. City, acting pursuant to its authority under Utah Code Annotated §10-2-401, et. seq., and §10-9a-101, et. seq. and in furtherance of its land use policies, goals, objectives, ordinances, resolutions, and regulations, has made certain determinations with respect to the Butler Annexation, and in the exercise of its legislative discretion, has elected to approve this Annexation Agreement in accordance with Chapter 19.12 of the Payson City Zoning Ordinance.
- C. This annexation is consistent with Payson City's General Plan and Annexation Policy Plan.

Now, therefore, in consideration of the mutual covenants, conditions and considerations that are more fully set forth below, Applicant and City hereby agree as follows:

Section 1 Definitions

Applicant Acceptance by Initial

- 1. Annexation means inclusion in the Payson City municipal boundaries of the property identified on the Annexation Plat of the Butler Annexation attached hereto as Attachment A.
- 2. Annexation Petition means a petition pursuant to Utah Code Annotated, 1953 (as amended) proposing the annexation of an unincorporated area that is contiguous to Payson City.
- 3. City means Payson, Utah.
- 4. Development means approval of a subdivision, issuance of a building permit, or approval of any other development related activity regulated by Payson City.

Section 2 Zoning Designation

Applicant Acceptance by Initial

In order to satisfy the development goals of City and to conform to the General Plan, the property in the annexation shall receive the zoning designation of R-1-12, Residential Zone. Applicant understands and agrees that no development can occur until the appropriate adequate public facilities studies, as required in Chapter 20.15 of the Payson City Subdivision Ordinance, are completed. The zoning designation is in no way an indication of development approval of any subdivision or other development application. Each application for development approval shall

satisfy the requirements of the development ordinances of Payson City enacted at the time of application for development approval.

Section 3 Preparation of Development Plan

Applicant Acceptance by Initial

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Applicant and City understand and agree that the use of the annexed property will include residential uses, and possibly a commercial node on the northwest portion of Applicant's property if the specific plan prepared for the Mower Annexation is implemented on Applicant's property. As such, Applicant agrees to prepare a Development Plan consistent with the regulations of the development ordinances prior to any development occurring within the annexation area. The Development Plan must be consistent with the land uses indicated on the Payson City General Plan, unless otherwise approved by the City Council in conjunction with a General Plan amendment. The Development Plan shall include the following site specific analysis:

1. **Infrastructure Plan:** Applicant understands that there are no municipal utility systems located in the proposed annexation area. Therefore, the infrastructure plan will need to include the ownership and condition of existing infrastructure, including water lines, sewer lines, power lines, roadway improvements, high pressure gas lines, roadway surface conditions and drainage facilities. Applicant will also analyze what infrastructure systems and/or upgrades will be needed for Payson City to provide municipal services to the annexation area.

Electrical Considerations: Applicant will need to satisfy all requirements of the agreement reached between City and Strawberry Electric Service District dated March 25, 1998 prior to any development approval. Applicant and City shall work together to provide needed land dedication or easements for transmission lines and substations.

Water Transfers: Applicant agrees to transfer adequate water to serve any development within the annexation area consistent with the regulations of Title 10, Water Ordinance. Although Applicant is not required to transfer adequate water at the time of annexation, no development, as defined in Section 1 herein, will be approved until the transfer of adequate water consistent with Title 10, Water Ordinance has been completed. City recognizes that Applicant has existing uses in the annexed area which use different sources of water. Applicant may continue utilizing these sources of water until Applicant decides to develop the property included in the annexation area.

During the development process, Applicant agrees to provide a letter from the High Line Canal Company and any other affected irrigation company indicating that any proposed or future development will not inhibit their ability to provide irrigation water to downstream users. Applicant will provide City with the location of all private irrigation facilities.

Municipal Utility Connections: Applicant agrees that all existing municipal utility services required at the time of development shall be connected

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and all impact, connection and related development fees shall be paid when development occurs. The existing home shall connect to municipal utility services when the phase of the Springside Meadows Subdivision closest to the home develops pursuant to an arrangement between Applicant and Salisbury Development. All applicable impact, connection and related development fees shall be those fees in place at the time a building permit application is submitted or when the existing structures are required to connect to the municipal utility services.

2. **Traffic Circulation and Access Plan:** Applicant and City shall jointly prepare a traffic circulation and access plan. The roads and streets in the development shall be constructed in such a manner as to satisfy the Design Guidelines and Standard Specifications of City, unless otherwise approved by the City.

3. **Trails:** Applicant and City shall jointly prepare a trail system and other alternative modes of transportation that will allow safe movement for pedestrians on and through the annexation area. It is anticipated that a non-motorized trail will be constructed along the south side of 2000 South on property owned by Applicant. The trail system will connect with other pedestrian facilities in the area. Applicant may be eligible for a density bonus or other consideration for accommodating the non-motorized trail system.

Section 4 Compliance with Development Ordinances and Resolutions

Applicant Acceptance by Initial



Applicant expressly acknowledges and agrees that nothing in this Annexation Agreement shall be deemed to relieve Applicant from the obligation to comply with all applicable requirements of City necessary for approval of future development proposals. Any development approval shall include the payment of fees and be in compliance with all other applicable ordinances, resolutions, regulations, policies and procedures of Payson City, including but not limited to, the Payson City Subdivision Ordinance, Zoning Ordinance, and Design Guidelines and Standard Specifications. All required building and development fees shall be those fees in effect at the time of building permit or development approval.

Section 5 Existing Uses, Businesses, and Non-Conforming Uses

Applicant Acceptance by Initial



In cooperation with Applicant, City has prepared a land use inventory that identifies all existing uses within the annexation area. City has determined the following existing uses may continue following annexation:

1. Agricultural uses including farming and pasturing, including existing animal rights for each legal parcel in the annexation, until the time of development approval for the parcel proposed to be developed. Applicant currently has 20 cows, 6 horses, 20 chickens, and 20 rabbits. These animals are grandfathered pursuant to Title 6, Animal Control Ordinance until such time as development occurs.
2. Typical residential uses associated with the existing dwelling unit.

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Unless expressly permitted by this Annexation Agreement, continuation of businesses or uses that are not consistent with the regulations and requirements of the underlying zone are not permitted.

Section 6 Reserved Legislative PowersApplicant Acceptance by Initial 

Nothing in this Annexation Agreement shall limit the future exercise of the police power by City in enacting zoning, subdivision, development, transportation, environmental, open space, and related land use plans, policies, ordinances and regulations after the date of this Agreement.

Section 7 Agreement to Run With the LandApplicant Acceptance by Initial 

This Annexation Agreement shall be recorded against the land included in the annexation to Payson City and shall run with the land and shall be binding on all successors and/or assigns of the land or development of any portion or phase of the property.

Section 8 AssignmentApplicant Acceptance by Initial 

Neither this Annexation Agreement nor any of the provisions, terms or conditions hereof can be assigned to any other party, individual or entity without assigning the rights as well as the responsibilities under this Agreement and without the prior written consent of City, which shall not be unreasonably withheld.

Section 9 No Joint Venture, Partnership or Third Party RightsApplicant Acceptance by Initial 

This Annexation Agreement does not create any joint venture, partnership, undertaking or business arrangement between the parties hereto, nor any rights or benefits to third parties. This Annexation Agreement contains the entire agreement with respect to the subject matter hereof and integrates all prior conversations, discussions, or understandings of whatever kind or nature and may only be modified by a subsequent agreement, in writing, duly executed by the parties hereto.

Section 10 AmendmentApplicant Acceptance by Initial 

This Annexation Agreement may not be amended unless agreed to in writing by the parties.

Section 11 SeverabilityApplicant Acceptance by Initial 

If any part or provision of this Agreement shall be determined to be unconstitutional, invalid or unenforceable by a court of competent jurisdiction, then such a decision shall not affect any other part or provision of this Agreement, except that specific provision determined to be unconstitutional, invalid or unenforceable. If any condition, covenant or other provision of this Agreement shall be deemed invalid due its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

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DATED this 28th day of June, 2010.

Kenneth D. Butler
Kenneth D. Butler, Petitioner

STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

On this 28th day of June, 2010, personally appeared before me, a Notary Public in and for the State of Utah, KENNETH D. BUTLER, the signers of the above instrument, who duly acknowledged to me that they executed the same.

Pamela B. Knight
NOTARY PUBLIC



Richard D. Moore
Richard D. Moore,
Mayor of Payson City

ATTEST:

Jeanette C. Wineteer
Jeanette C. Wineteer
Payson City Recorder



STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

On this 21st day of June, 2010, personally appeared before me, a Notary Public in and for the State of Utah, RICHARD D. MOORE, Mayor of Payson City Corporation, the signer of the above instrument, who duly acknowledged to me that he executed the same.



Pamela B. Knight
NOTARY PUBLIC

EXHIBIT A

Legal Description:

BEGINNING AT A POINT ON THE EXISTING PAYSON CITY BOUNDARY LINE, SAID POINT BEING THE NORTH QUARTER CORNER OF SECTION 29, TOWNSHIP 9, SOUTH RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN; THENCE ALONG THE FOLLOWING COURSES AND DISTANCES:

SOUTH 02°56'23" WEST 509.41 FEET ALONG EXISTING CITY BOUNDARY; THENCE SOUTH 89°00'00" WEST 1,402.82 FEET; THENCE NORTH 12°21'00" EAST 60.20 FEET ALONG A FENCE LINE; THENCE SOUTH 89°15'00" WEST 360.70 FEET ALONG A FENCE LINE TO EAST LINE OF SR-198; THENCE NORTH 14°05'07" EAST 334.88 FEET; THENCE NORTH 89°00'07" EAST 335.92 FEET ALONG THE PROJECTION OF, AND ALONG EXISTING CITY BOUNDARY; THENCE NORTH 12°59'10" EAST 132.88 FEET ALONG EXISTING CITY BOUNDARY; THENCE NORTH 88°37'48" EAST 48.10 FEET ALONG EXISTING CITY BOUNDARY; THENCE NORTH 89°12'08" EAST 1,281.34 FEET ALONG EXISTING CITY BOUNDARY TO THE POINT OF BEGINNING.

Contains 18.63± acres