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GARY W. OTT
 RECORDER, SALT LAKE COUNTY, UTAH
 METROPOLITAN WATER DIST OF SL
 3430 E DANISH RD
 SANDY UT 84093
 BY: ZJM, DEPUTY - MA 18 P.

When Recorded Return to:
 Metropolitan Water District of Salt Lake & Sandy
 Attn: General Manager
 3430 East Danish Road
 Cottonwood Heights, Utah 84093-2139
 Version: 5-14-09

PARCEL NO.: 2810476030, 2810476002

ENCROACHMENT AGREEMENT
 (SLA)

THIS ENCROACHMENT AGREEMENT ("Agreement") is entered into effective this 24 day of JANUARY, 2012, between METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY ("District") and DAN C., JR. AND DEBRA R. SIMONS of 2522 Granite Crest Circle, Sandy, Utah 84092 ("Applicant"). DAN C., JR. AND DEBRA R. SIMONS shall be jointly and severally responsible to the District under this Agreement. *DRS*

AGREEMENT PURPOSES

District owns and operates the Salt Lake Aqueduct ("SLA") corridor and certain improvements located within or on the SLA corridor. (As used in this Agreement "improvements" is intended to include all manner of works, equipment, facilities and infrastructure.) District is a subdivision of the State of Utah responsible for transporting and treating public water, and as such District has regulatory authority to protect the SLA, SLA corridor, District improvements and operations, and District water.

Applicant has previously used what is now District's SLA corridor pursuant to an Agreement between the United States of America and dated December 17, 1986, Contract No. 7-07-41-L0160. That U.S. contract expired on December 16, 1996. Applicant has requested a new agreement with District for the use of the SLA corridor described below.

District is willing to permit the described use of the described portion of the SLA corridor, without representation or warranty whatsoever. Without intending to limit the scope of the immediately preceding disclaimer of **all** warranties, District specifically disclaims any representation or warranty of title, and any representation or warranty regarding the condition or fitness of the SLA corridor for the intended use by Applicant.

District owns portions of the SLA corridor in fee, and holds easements in other portions. This Agreement is intended to document the fact that Applicant's described use of the described portion of the SLA corridor is acceptable to District and consistent with District regulations. This Agreement grants a non-exclusive right to Applicant for only those uses of the SLA corridor described herein. District has no authority to grant Applicant any right of use that is

valid as against others who have title interests in the SLA corridor lands in question, and this Agreement does not purport to do so. For example, where District holds an easement, any use by someone other than the fee title holder likely requires the consent of the fee title holder, which District cannot give and does not purport to give. Nor does this Agreement purport to satisfy any legal requirement other than District regulations. Applicant is solely responsible to obtain and maintain all other required agreements, permits, licenses, etc., including any necessary planning or zoning approvals. District has not agreed to provide any assistance to Applicant in understanding or meeting these other requirements.

Notwithstanding anything written in this Agreement, no permission is intended to be given to: 1) adversely impact in any respect District improvements; or 2) introduce any substance into District improvements or water; or 3) adversely impact in any respect District's operations.

AGREEMENT TERMS AND CONDITIONS

The parties agree as follows:

I. APPLICANT'S USE OF SLA CORRIDOR.

(A) Description of Applicant's Use of SLA Corridor:

Applicant will utilize District lands for gardening and landscaping purposes limited to garden crops, lawn (including sprinkler system), shrubs (no greater than 4-feet tall when mature), existing trees, and an existing fence. No new trees shall be located within the SLA corridor. Four existing trees, located approximately 14 to 19 feet from the SLA centerline will be allowed to remain until such time as the District requires their removal for District's plans for maintenance, repair, replacement and improvement of the SLA corridor. Removal of the improvements shall be at Applicant's expense.

In the event that the District requires access to the aqueduct for the purpose of maintenance, repair or replacement, the existing fence shall be removed. The fence may be replaced in its current location at Applicant's sole expense unless District exercises its right to create an open corridor in the area.

Should District require vehicle access on that portion of the SLA corridor described herein, approved gates no smaller than twelve (12) feet wide will be installed as directed by District at Applicant's sole expense and installed within ninety (90) days of notice from District.

Applicant may utilize District-owned lands for vehicle access to the rear of Applicant's property only with prior approval from the District, which approval District is under no obligation to give. Reasonable pedestrian access through the existing man gate is approved for both Applicant and District.

(B) Term:

Five (5) years, renewable in five (5) year increments up to a maximum of fifteen (15) years. Renewals shall be initiated in writing by Applicant no less than 30 days prior to the end of each term.

At or just prior to expiration of the term of this Agreement, the parties will discuss in good faith whether a new or renewed encroachment agreement may be in their respective interests. As used in this provision "good faith" means only that both parties will meet at reasonable times, with a view toward reaching a consensus. "Good faith" is not intended to impose an obligation to act on either party in such a way that may then be contrary to that party's own best interests as seen by that party.

(C) Location by Stationing:

Approximate Salt Lake Aqueduct Stations 1662+87 to 1664+44.

(D) Legal Description of SLA Corridor Lands Applicant Will Be Using:

A portion of Salt Lake Aqueduct Tract 412 located in Parcel No. 2810476002 and extending east of Applicant's property approximately 62.5 feet. Tract 412 is described as follows:

A strip of land in the West Half of the Southeast Quarter of the Southeast Quarter (W $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section Ten (10), Township Three (3) South, Range One (1) East, Salt Lake Base and Meridian, One Hundred Twenty-five (125.0) feet wide and included between two lines extended to the property lines and everywhere distant Seventy-five (75.0) feet on the West or left side and Fifty (50.0) feet on the East or right side of the following described center line of the Salt Lake Aqueduct from Station 1652+79.0 to Station 1666+21.0, measured at right angles and/or radially thereto. Said center line is more particularly described as follows:

Beginning at station 1652+79.0, a point in the West Half of the Southeast Quarter of the Southeast Quarter (W $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$) of said Section 10, from which point the Southeast corner of said Section 10 lies South Eleven and Seventy-two/One-hundredths (11.72) feet and East One Thousand Sixty-nine and Seventy-one/One-hundredths (1069.71) feet, more or less; thence North 0°11'30" East One Hundred Sixty-two and Six-tenths (162.6) feet; thence on a regular curve to the right having a radius of Sixteen Hundred (1600.0) feet and a distance of One Hundred Ninety-five and Two-tenths (195.2) feet, as measured on the arc of the curve; thence North 7°11' East Nine Hundred Eighty-four and Two-tenths (984.2) feet to Station 1666+21.0, from which point the Southeast corner of said Section 10 lies South Thirteen Hundred Forty-five and Forty-three/One-hundredths (1345.43) feet and East Nine Hundred Thirty-three and Fifty-six/One-hundredths (933.56) feet, more or less; containing 3.8 acres, more or less.

(E) Legal Description of Applicant's Property Benefited by this Agreement to Which the Rights and Responsibilities of Applicant Shall Run:

The property benefited from this agreement is known as Lot 12 of the Granite View Estates Subdivision, Parcel No. 2810470630, with a street address of 2522 Granite Crest Circle, Sandy, Utah 84092.

(F) Approved Plans, Drawings, Maps, Plats, etc. Attached and Incorporated Into This Agreement:

Exhibit A.

II. WORK.

(A) Applicant warrants and agrees that no earthwork (except for gardening, landscape maintenance and sprinkler system repair and maintenance), construction work or other work performed by or for Applicant on the SLA corridor or close enough to the SLA corridor to present risk to District improvements or operations will take place except as expressly described in plans and specifications approved in writing by District. Any modifications to such plans and specifications must be approved in writing by District.

(B) Applicant warrants that all earthwork, construction work and other work will:

- (i) strictly comply with plans and specifications approved in writing by District;
- (ii) meet or exceed all applicable codes, ordinances, other legal requirements, and all applicable generally recognized written trade and industry standards and recommendations;
- (iii) be performed by skilled, experienced, competent and properly licensed contractors and workers, with the sole exception of minor landscaping work performed by Applicant;
- (iv) be conducted in a timely, careful, safe, workmanlike and professional manner;
- (v) be conducted so as not to damage District improvements;
- (vi) be consistent with District's Construction Standards, copies of which have been made available to Applicant, and which terms are incorporated into this Agreement as if restated here.

(C) District shall have the right, but no obligation, to inspect the progress of the work or to inspect materials at all times. District may also reasonably require inspection or testing by others of any work or materials. District shall have the right to stop work and require correction of any work, or replacement of any materials, which in its reasonable judgment does not comply with any term or condition of this Agreement. If, after notice from District which is reasonable under the circumstances, Applicant fails to remove or correct unacceptable work or materials, correction or removal of unacceptable work or materials may be accomplished by District, or its contractor, and Applicant shall reimburse District for all costs reasonably incurred by District in removing or correcting unacceptable work or materials within 90 days of receipt of an itemized invoice from District for such costs. (If this Agreement authorizes Applicant improvements which provide a public utility service, or similar public service, and except in times of emergency, removal or correction work will be accomplished by District with an appropriately skilled and licensed contractor, and reasonable steps will be taken to minimize disruption of public service.) District shall have no obligation whatsoever to review or supervise the method or manner in which the work is accomplished. District shall have no obligation whatsoever for the safety of workers or others on or adjacent to the job site. No approval, observation, inspection or review undertaken by District is intended to be for the benefit of Applicant, its contractors, suppliers, subcontractors, or their respective employees. Unless expressly stated in writing, any approval, observation, inspection or review by District shall not constitute an acceptance of work or materials that do not comply with the approved plans or specifications or this Agreement.

III. MAINTENANCE OF APPLICANT'S IMPROVEMENTS.

(A) All of Applicant's improvements on the SLA corridor, or close enough to the SLA corridor to present risk to District improvements or operations, shall be maintained in a condition which:

- (i) is reasonably satisfactory to District;
- (ii) does not interfere with the ability of District to use, operate, repair, reconstruct, maintain, improve or modify the SLA, SLA corridor or any District improvements for District's purposes, as those purposes may from time to time change;
- (iii) is reasonably safe and attractive;
- (iv) complies with all applicable codes, ordinances, other legal requirements, as well as generally recognized written trade and industry standards and recommendations; and
- (v) complies with all applicable written regulations and policies of District as those policies may change from time to time.

(B) District may from time to time as is reasonable have any or all of Applicant's improvements which are on the SLA corridor inspected by qualified professionals.

(C) If after notice from District that is reasonable under the circumstances, Applicant fails to correct any unacceptable condition of any of Applicant's improvements on the SLA corridor, or close enough to the SLA corridor to present risk to District improvements or operations, correction may be accomplished by District, and Applicant shall reimburse District for costs reasonably incurred in correcting such unacceptable condition within 30 days of receipt of an itemized invoice for such costs. (If this Agreement authorizes Applicant improvements which provide a public utility service, or similar public service, and except in times of emergency, District's correction work will be performed by an appropriately skilled and licensed contractor, and reasonable steps will be taken to minimize disruption of public service.)

IV. COSTS ADVANCED.

In lieu of land-use fees, Applicant agrees to maintain District's land and Applicant's improvements on District land in accordance with local codes and ordinances. Applicant further agrees to reimburse District as described in Article II above for any additional costs which District reasonably incurs as a result of Applicant's use of the SLA corridor or enforcement of this Agreement.

V. RIGHTS RESERVED.

(A) Any and all rights of Applicant under the terms of this Agreement shall be limited by, subject to, and subordinate to, any and all rights of District to enjoy, use, operate, repair, maintain, replace, improve or modify the SLA corridor and any District improvements or operations.

(B) Applicant understands and acknowledges that District's plans for maintenance, repair, replacement and improvement of the SLA corridor and any District improvements or operations will change from time to time. District will make reasonable efforts to provide reasonable advance notice to Applicant of any work District reasonably recognizes as materially adverse to Applicant's authorized use of the SLA corridor. District may implement electronic notice procedures. Applicant will be responsible to timely provide District with current contact information. Such plans may involve removal or alteration of, or interference with, Applicant's use of the SLA corridor. Applicant understands and accepts all risks for any or all of Applicant's improvements installed on the SLA corridor that may be modified, destroyed or reconstructed at Applicant's sole cost and expense to accommodate District's exercise of District rights to use the SLA corridor. This provision is not intended to provide District with new or additional property rights to use the SLA corridor.

(C) Jurisdiction and supervision of the SLA or District improvements are not surrendered or subordinated in any manner by this Agreement.

(D) District reserves the right to issue additional licenses or permits for uses of the SLA corridor. District will not provide a conflicting license for the same use in the same location without a finding that doing so is necessary for public purpose after consultation with Applicant. District will make reasonable efforts to provide advance notice that is reasonable

under the circumstances to Applicant of additional licenses that District reasonably recognizes may be temporarily or permanently disruptive to Applicant's authorized use of the SLA corridor. District may implement electronic notice procedures as additional means and ways of notification but not as the only way of notification. It is acknowledged that District claims no right to grant permission for uses of the SLA corridor except as to District's interests in the SLA corridor. For example, where District holds only an easement for the SLA, District could not grant permission for uses by others that would be effective as to the fee title holder. This provision is not intended to provide District with new or additional property rights for licensing third party uses of the SLA corridor.

(E) District reserves all rights that are or may become reasonable and necessary for District to comply with applicable federal, state and local law and/or their respective contractual obligations as the same may from time to time arise or change.

(F) District reserves the right to have its officers, Trustees, employees, contractors, and permittees enter into or on the SLA corridor, including any of Applicant's improvements, as reasonable or necessary for purposes of inspection of the SLA corridor and District improvements, and otherwise exercising, enforcing, and protecting the rights of District.

(G) District and its officers, Trustees, employees and contractors shall have no liability for any damage to, or interference with Applicant's works or improvements as a result of the exercise by District of any of its rights, except for willful misconduct or gross negligence.

(H) District has a policy of supporting the construction of public, non-motorized trails on the SLA corridor by other public entities.

(I) All reservations of rights by District under this Agreement are in addition to any and all other rights which District may have by operation of law or otherwise.

VI. CONTRACTORS, INSURANCE, BONDS.

(A) Applicant shall be jointly and severally liable for any act, fault, error, omission or non-compliance with this Agreement by Applicant or any of Applicant's contractors, employees or subcontractors. With the sole exception of minor landscaping work performed by Applicant, Applicant warrants that all persons or entities performing earthwork or construction work on the SLA corridor on behalf of Applicant will provide insurance and bonds in strict compliance with Exhibit B attached.

(B) Applicant will, without incurring additional premium greater than \$100 annually, request that Applicant's insurer issue an endorsement listing District, its Trustees, officers, and employees as additional insureds for liability coverage for claims arising out of Applicant's use of the SLA corridor. Such coverage for District and its Trustees, officers and employees is intended to be primary to any other coverage for District. Applicant shall make reasonable and diligent effort to provide an insurance certificate evidencing compliance with this provision at

least annually. Applicant shall reasonably cooperate with District's efforts to obtain compliance from Applicant's insurance broker and insurer.

VII. DEFENSE, INDEMNITY.

Applicant shall defend, indemnify and hold District and its officers, trustees and employees harmless, including costs and attorneys' fees, from any claim, demand, action or cause of action: (i) alleging that District was at fault in allowing Applicant's use of the SLA corridor; or (ii) alleging that District was at fault in failing to supervise, inspect, direct, instruct, warn or otherwise manage or control Applicant's use of the SLA corridor, or (iii) challenging in any manner Applicant's use of the SLA corridor. This defense and indemnity obligation is not intended to hold District or its officers, trustees, or employees harmless from any claim that solely concerns District acts and is not derivative of Applicant's use of the SLA corridor. In no event shall any fault of Applicant or Applicant's employees or contractors be reapportioned to District, its officers, trustees or employees, except for willful misconduct or gross negligence. Applicant shall indemnify and hold District and its officers, trustees and employees harmless from any such reapportionment of fault. The described duty to defend and indemnify is not intended to run to the benefit of any District liability insurer to the extent such insurer would be responsible for defense costs or indemnity beyond District's deductible or self insured retention.

VIII. INCREASED COSTS.

To the extent that District reasonably incurs costs of maintaining, repairing, operating, reconstructing, modifying or improving the SLA corridor or any District improvement, including any compliance with applicable federal, state or local statute, rule, regulation, code or ordinance, or other law, as a result of Applicant's use of the SLA corridor, Applicant shall reimburse such costs within ninety (90) days of receipt of an itemized invoice.

IX. NON-INTERFERENCE WARRANTY.

Applicant warrants and agrees that under no circumstances shall Applicant's use of the SLA corridor interfere with, interrupt, or delay the use, operation, maintenance, repair, replacement, reconstruction, modification or improvement of the SLA corridor or any District improvement or operation. If District reasonably incurs damages or costs because of interference, interruption or delay, Applicant shall fully reimburse District for all such damages or costs within ninety (90) days of receipt of an itemized invoice for the same. If after reasonable notice from District, Applicant fails to correct any interference, interruption or delay, correction may be accomplished by District, or its contractor, and Applicant shall reimburse District fully for all costs reasonably incurred in correcting such interference, interruption or delay within ninety (90) days of receipt of an itemized invoice. (If this Agreement authorizes Applicant improvements which provide a public utility service, or similar public service, and except in times of emergency, removal or correction work will be accomplished by District with an appropriately skilled and licensed contractor, and reasonable steps will be taken to minimize disruption of public service.)

X. TERMINATION

(A) Applicant's right to use the SLA corridor shall expire completely upon the expiration of the term described in Article I above, absent a new agreement or written extension signed by both parties.

(B) Either party may, at its sole option, terminate this Agreement upon ninety (90) days written notice to the other party.

(C) Should District reasonably determine Applicant is in breach of any of the terms and conditions of this Agreement, and if Applicant has not made diligent progress toward correcting that breach within a time set by District and reasonable under the circumstances, after Applicant receives written notice describing the breach and time for correction, then this Agreement may be terminated by District.

(D) The following, as described in this Agreement, shall survive any termination of this Agreement:

(i) All of Applicant's obligations to reimburse any costs incurred by the District; and

(ii) All of Applicant's obligations to remove Applicant's improvements and make restoration; and

(iii) All of Applicant's obligations to defend and indemnify District and its officer, trustees and employees, as described in this Agreement; and

(iv) All provisions regarding remedies, and limitations of warranties or representations.

(E) Notwithstanding termination, Applicant's use of the SLA corridor following termination shall not be considered adverse and shall not cause any adverse possessory right or prescriptive right of Applicant to begin to accrue.

XI. REMOVAL OF FACILITIES.

(A) District will reasonably determine what portion of Applicant's improvements on the SLA corridor will be removed upon termination of this Agreement and set a deadline and specifications for removal and restoration, which deadline shall be not less than ninety (90) days after District's written notice to Applicant. Such removal and restoration will be at the sole expense of the Applicant.

(B) If, after reasonable notice from District, Applicant fails to remove improvements or restore lands as directed by District, removal may be accomplished by District or its contractor, and Applicant shall reimburse District fully for all of its costs reasonably

incurred for such removal within ninety [90] days of Applicant's receipt of an itemized invoice. (If this Agreement authorizes Applicant improvements which provide a public utility service, or similar public service, and except in times of emergency, work of District will be performed by an appropriately skilled and licensed contractor, and reasonable steps will be taken to minimize disruption of public service.)

XII. REMEDIES.

Applicant will first submit any claim or dispute to the authorized District representative. If the matter is not resolved satisfactorily, Applicant may submit the dispute or claim in concise written form with any supporting documentation to District's Board of Trustees, or committee assigned by the Board to hear the matter. If the matter is not resolved satisfactorily the dispute or claim will be submitted to non-binding mediation, with a qualified mediator selected by the parties, with each party sharing equally the cost of that non-binding mediation. After and only if these processes are first followed and Applicant's dispute or claim remains unresolved, an action may be brought in the Third Judicial District Court of the State of Utah In and For Salt Lake County. The prevailing party shall be awarded reasonable costs, including engineering, witness and attorneys' costs and fees. Under no circumstances shall District or its officers, trustees or employees be liable for any consequential damages resulting from interruption of Applicant's use of the SLA corridor.

XIII. INTERPRETATION.

Because the SLA is critical public infrastructure, any ambiguity in this Agreement shall be interpreted in favor of District's full use and enjoyment of the SLA and SLA corridor, with a minimum of delay, restriction or expense resulting from Applicant's use of the SLA. In the event of conflict between this Agreement and District written rules, regulations or policies, as the same may change from time to time, such District rules, regulations and policies shall control.

XIV. PRESUMPTION.

As against the Applicant, any calculation, determination or interpretation made by District in good faith with respect to this Agreement is presumed correct, subject to presentation of evidence to the contrary.

XV. SUCCESSORS, ASSIGNS.

Applicant's rights and obligations under this Agreement shall run with the property described in Article I(E) above. Applicant's rights and obligation may not otherwise be assigned or transferred by Applicant without the prior written consent of District, which District is under no obligation to give. Any such attempt to assign without the prior written consent of District shall be considered null and void and shall be grounds for termination of this Agreement. Applicant agrees to execute and deliver to District any additional documents requested by the District to assure that Applicant's rights and obligations under this Agreement run with the property described in Article I(E) above.

XVI. AUTHORITY.

The persons(s) signing this instrument represents and warrants that they have been duly authorized to execute this Agreement on behalf of the Applicant. Those signing as or on behalf of the Applicant represent and warrant that they are duly authorized to sign on behalf of all those persons claiming an interest in the property described in Article I(E) above.

XVII. NO WARRANTY.

(A) District makes no warranty or representation, either express or implied, as to the extent or validity of any grant or license contained in this Agreement.

(B) District makes no warranty or representation as to the condition of the SLA corridor or any District improvements, or the fitness or compatibility of any of the same for use as described by Applicant.

XVIII. COMPLIANCE WITH APPLICABLE LAWS.

(A) Applicant shall strictly comply with all applicable Federal, State, and local statutes, rules, regulations, codes, ordinances and other laws.

(B) Applicant shall strictly comply with all of District's Regulations for Non-District Use of Salt Lake Aqueduct and Point of the Mountain Aqueduct Rights of Way, as those regulations may change from time to time. Copies of those regulations have been made available to Applicant, which terms are incorporated into this Agreement as if restated here.

(C) If after reasonable notice from District, Applicant fails to bring Applicant's use of the SLA corridor into compliance with this Agreement and any applicable Federal, State, and local statutes, rules, regulations, codes, ordinances and other laws, including, but not limited to, District's Regulations for Non-District Use of Salt Lake Aqueduct and Point of the Mountain Aqueduct Rights of Way, District may, at its sole option, effect such compliance and Applicant shall reimburse District fully for all costs reasonably incurred by District for bringing Applicant's use of the SLA corridor into compliance within ninety (90) days of receipt of an itemized invoice. (If this Agreement authorizes Applicant improvements which provide a public utility service, or similar public service, and except in times of emergency, District's corrective work will be performed by an appropriately skilled and licensed contractor, and reasonable steps will be taken to minimize disruption of public service.)

XIX. NOTICES.

Any notice required by this Agreement shall be deemed given when mailed or delivered to:

Metropolitan Water District of Salt Lake & Sandy
Attn: General Manager
3430 East Danish Road
Sandy, Utah 84093
Phone: 801-942-1391
Email: rightsofway@mwdsls.org

Mr. and Mrs. Dan C. Simons, Jr. *or current occupant*
2522 Granite Crest Circle
Sandy, Utah 84092
Phone: 801-943-8283
Email: stampin-debra@comcast.net, d-simons@comcast.net

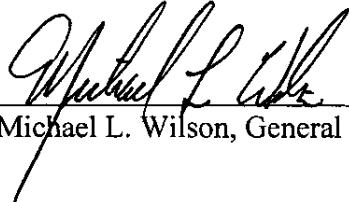
Each party may change the designation of the addressee or the address for that party to receive notice by sending written notice of the change to the other party.

XX. ENTIRE AGREEMENT.

This Agreement constitutes the entire agreement between the parties and supersedes any prior negotiations or discussion regarding Applicant's described use of the SLA corridor, and cannot be altered except through a written instrument signed by all parties.

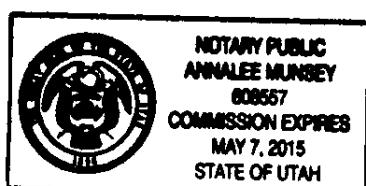
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

DISTRICT:
METROPOLITAN WATER DISTRICT
OF SALT LAKE & SANDY


Michael L. Wilson, General Manager

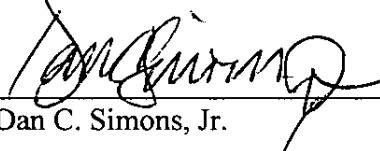
STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On the 24 day of January, 2012, personally appeared before me Michael L. Wilson, and having been first duly sworn by me acknowledged that he is the General Manager of the Metropolitan Water District of Salt Lake & Sandy, that he was duly authorized by the Board of Trustees of the Metropolitan Water District of Salt Lake & Sandy to execute the above Encroachment Agreement for and on behalf of the Metropolitan Water District of Salt Lake & Sandy, and that he executed the above Encroachment Agreement on behalf of the Metropolitan Water District of Salt Lake & Sandy.




NOTARY PUBLIC

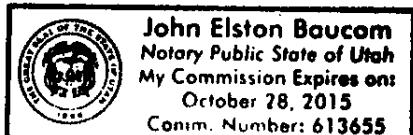
APPLICANT:


Dan C. Simons, Jr.


Debra R. Simons

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

On the 23 day of April, 2012, personally appeared before me Dan C. Simons, Jr. and Debra R. Simons, the Applicant in the foregoing Agreement, and having been duly sworn, acknowledges that they executed the same for the purposes stated therein.



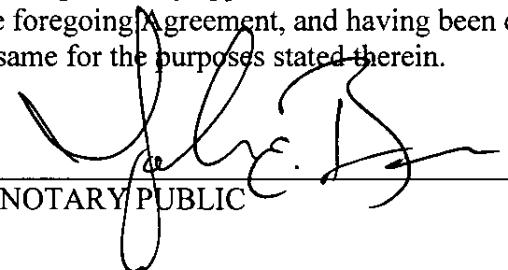

NOTARY PUBLIC

EXHIBIT A
PLANS

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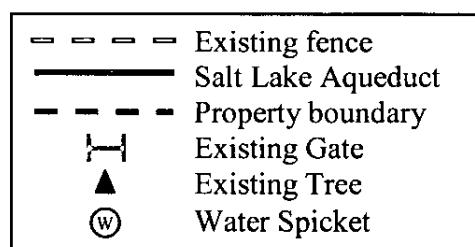


EXHIBIT A
August 5, 2010
2522 Granite Crest Circle
Sandy, UT 84092
Page 1 of 1

EXHIBIT B
INSURANCE REQUIREMENTS

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"EXHIBIT B"

INSURANCE AND BOND REQUIREMENTS FOR PARTIES ENTERING INTO ENCROACHMENT AGREEMENTS WITH METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY (Homeowner landscaping)

A. MINIMUM LIMITS OF INSURANCE

Except as approved in writing by District in advance of the work to be performed, all of Applicant's contractors, and all subcontractors of Applicant's contractors, shall maintain limits no less than:

1. **GENERAL LIABILITY:** \$1,000,000 combined single limit per occurrence, personal injury and property damage, \$2,000,000.0 Aggregate, Broad Form Commercial General Liability, (ISO 1993 or better), to include Products - Comp/OP, aggregate of 2,000,000, limits to apply to this project individually.
2. **PROFESSIONAL LIABILITY:** \$1,000,000 per occurrence, \$2,000,000 aggregate.
3. **AUTOMOBILE LIABILITY:** \$1,000,000 per occurrence, "Any Auto" coverage required.
4. **WORKERS' COMPENSATION and EMPLOYERS LIABILITY:** Workers' compensation statutory limits as required by the Workers Compensation Act of the State of Utah. Employers Liability limits of \$1,000,000 per occurrence.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retention must be declared to and approved by the District in writing. At the option of the District, either; the insurer may be required to reduce or eliminate such deductibles or self-insured retention as respects the District, its trustees, officers, and employees; or the Applicant may be required to procure a bond guaranteeing payment of losses and related investigations, claim distribution and defense expenses

C. PERFORMANCE AND PAYMENT BONDS

All persons and entities performing any work on District lands or rights of way will provide performance and payment bonds for the full sum of their contracts, naming the District as co-obligee.

D. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

- I. General Liability and Automobile Liability Coverages
 - A. District, its trustees, officers, and employees are to be covered as additional insureds as respects: liability arising out of any activities conducted on District lands or interests in lands. The coverage shall contain no special limitations on the scope of protection afforded to District, its trustees, officers, and employees.
 - B. The insurance coverage of Applicant's contractors and subcontractors, shall be a primary insurance as respects to District, its trustees, officers, and employees. Any insurance or self-insurance maintained by District, its trustees, officers, and employees shall be in excess of the insurance described here, and shall not contribute with it.
 - C. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to District, its trustees, officers, and employees.

II. All Coverages

Each insurance policy required here shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the District.

E. **ACCEPTABILITY OF INSURERS**

Insurance and bonds are to be placed with insurers admitted in the State of Utah with a Bests' rating of no less than A-, IX, and in the limits as listed in this document, unless approved in writing by the authorized representative of the District.

F. **VERIFICATION OF COVERAGE**

Applicant and all of Applicant's contractors and all subcontractors of Applicant's contractors shall furnish District with certificates of insurance and with original endorsements effecting coverage required by this clause. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms provided by District before work commences. District reserves the right to require complete, certified copies of all required insurance policies, with all endorsements, at any time.

G. **APPLICANT STRICTLY LIABLE FOR COMPLIANCE OF CONTRACTORS**

Applicant shall see that each of Applicant's contractors, and each of their subcontractors, complies with these insurance requirements, and Applicant shall be strictly liable for any failure of such contractors and subcontractors to meet these requirements.

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