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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: JNA, DEPUTY - MA 14 P.

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

Application No.: S-14-1286
Version: 06-09-14

PARCEL NO.: 2827251016

**COOPERATION AGREEMENT FOR NON-DISTRICT USE OF DISTRICT
LANDS AND INTEREST IN LANDS
(SLA)**

17th THIS COOPERATION AGREEMENT ("Agreement") is entered into effective this day of November, 2014, between METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY ("District") and Gene K. Alles, 2328 E. Bear Hills Dr., Draper, Utah 84020 ("Applicant").

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 currently uses what is now District's SLA Corridor pursuant to an Easement Encroachment Agreement Between the United States of America and Roger and Margaret Hancock dated October 10, 1997, Contract No. 7-LM-41-09350. That U.S. contract permits Applicant to utilize the SLA Corridor for landscaping and gardening. Applicant has requested an additional agreement with District for the additional uses 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. Applicable District regulations are available to Applicant for review.

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.

AGREEMENT TERMS AND CONDITIONS

The parties agree as follows:

I. APPLICANT'S USE OF SLA CORRIDOR.

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.

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

Applicant may utilize the SLA Corridor for an existing wildlife barrier (pvc posts and netting) and existing decorative bridges (approximately 2 feet wide by 4 feet long).

An existing bubbling urn water feature will be removed from the SLA Corridor prior to the expiration of the first term of this Agreement.

No new trees may be planted within the SLA Corridor. Existing trees located greater than 20 feet from the aqueduct centerline may remain.

(B) Term:

Five (5) years, renewable in five (5) year increments to a maximum of fifteen (15) years. At or just prior to expiration of the term of this Agreement, the parties will discuss in good faith whether a new, renewed, or amended cooperation 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 and does not 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:

1514+40

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

That portion of SLA Tract 407 shown on Exhibit A. The affected portion of Tract 407 lies within Salt Lake County Parcel ID 2827200002.

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

Lot 11, Cove at Bear Canyon Phase 1; also beginning at the northerly most corner of Lot 10 of the said subdivision thence South 41°01'55" East 158.80 feet to the most easterly corner of said Lot 10; thence South 48°58'05" West 54.411 feet; thence North 41°01'55" West 158.80 feet; thence North 48°58'05" East 54.411 feet to the Point of Beginning. Containing 0.60 acres, more or less.

Also known as Salt Lake County Parcel 2827251016, with a street address of 2328 East Bear Hills Drive, Draper, Utah 84020.

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

Exhibit A – Satellite Image.

II. REIMBURSEMENT OF COSTS.

In the event that Applicant is required to reimburse District for costs pursuant to this agreement, Applicant shall reimburse District for all costs reasonably incurred by District within thirty (30) days of receipt of an itemized invoice from District for such costs.

III. WORK.

(A) Applicant warrants and agrees that no earthwork, 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;

(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 Standard Specifications*, as they may from time to time change. *District Standard Specifications* are available to Applicant for review, and are incorporated herein by reference.

(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 as described in Article II. 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.

IV. 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 including, but not limited to, *District Policies and Procedures* and *District Standard Specifications* as those policies and specifications may change from time to time.

(B) District may from time to time and 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 as described in Article II above.

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 and District Trustees, employees, agents, and permittees to enjoy, manage, supervise, use, operate, occupy, enter, exit, inspect, repair, maintain, replace, improve or modify the SLA Corridor and any District improvements or operations. To the extent Applicant's use of the SLA Corridor increases the cost of District's exercise of its rights, Applicant may be required to reimburse the District as described in Article II above.

(B) 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. Applicant accepts all risks that any or all of Applicant's improvements installed on the SLA Corridor 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) District reserves the right to issue additional licenses or permits for uses of the SLA Corridor. District will not provide a conflicting license without a finding that doing so is necessary for public purpose after reasonable efforts to notify the 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. 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.

(D) 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.

(E) It is acknowledged that the District may support the construction of public, non-motorized trails on the SLA Corridor by public entities other than the District. It is acknowledged that District claims no right to grant permission for the construction or use of a public trail except as to District's interests in the SLA Corridor. For example, where District holds an easement District could not grant permission for public trail uses that would be effective as to the fee title holder. This provision is not intended to provide District with new or additional property rights to authorize trail uses.

(F) 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. 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 hereto and incorporated herein.

(B) Applicant will request that Applicant's insurer issue an endorsement to Applicant's homeowners policy 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) alleging that District knew of, should have known of, or had constructive knowledge of a dangerous condition created by Applicant or any employee, agent or contractor of Applicant; or (iv) alleging District is vicariously liable for acts of Applicant or any employee, agent or contractor of Applicant (under the Peculiar Risk Doctrine or otherwise), or (v) 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 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. 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. TERMINATION.

(A) Applicant's right to use the SLA Corridor under this Agreement 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 their sole option, terminate this Agreement upon ninety (90) days written notice to the other party.

(C) District may, at its sole option, terminate this Agreement and Applicant's right to use the SLA Corridor for nonuse for a period of one (1) year.

(D) 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.

(E) 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;

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

(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.

(F) 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.

IX. REMOVAL OF FACILITIES.

(A) District will reasonably determine what portion of Applicant's improvements, if any, on the SLA Corridor will be removed upon termination of this Agreement and set a deadline and specifications for removal and restoration. 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 as described in Article II above.

X. 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 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.

XI. 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 Corridor. 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.

XII. PRESUMPTION.

As against the Applicant, any calculation, determination or interpretation made by District in good faith with respect to this Agreement shall be *prima facie* correct, subject to rebuttal by a preponderance of the evidence.

XIII. SUCCESSORS, ASSIGNS.

Applicant's rights and obligations under this Agreement shall run with the property described in Article I, Section (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, Section (E) above.

XIV. AUTHORITY.

The person(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, Section (E) above.

XV. 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.

XVI. 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 as described in Article II above.

XVII. 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
Cottonwood Heights, Utah 84093
Phone: (801) 942-1391
Email: rightsofway@mwdsls.org

Gene K. Alles
2328 East Bear Hills Drive
Draper, Utah 84020
Phone: 801-520-3642

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.

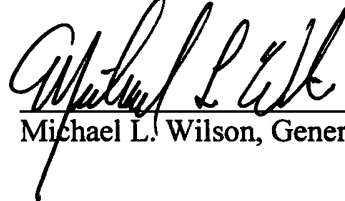
XIX. ENTIRE AGREEMENT.

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.

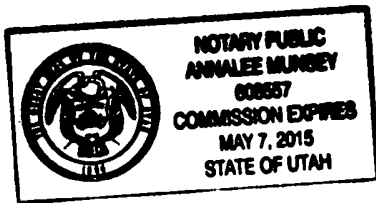
DISTRICT:

METROPOLITAN WATER DISTRICT
OF SALT LAKE & SANDY


Michael L. Wilson, General Manager


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

On the 17 day of November, 2014, 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 Cooperation Agreement for and on behalf of the Metropolitan Water District of Salt Lake & Sandy, and that he executed the above Cooperation Agreement on behalf of the Metropolitan Water District of Salt Lake & Sandy.



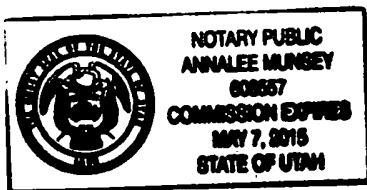

NOTARY PUBLIC

APPLICANT:


Gene K. Alles

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

On the 17 day of November, 2014, personally appeared before me Gene K. Alles, the Applicant in the foregoing Agreement, and having been duly sworn, acknowledges that he executed the same.




NOTARY PUBLIC

EXHIBIT A
Satellite Image



S-14-1286
Gene Alles
2328 E Bear Hills Dr
Draper, UT 84020

EXHIBIT B
INSURANCE/BOND REQUIREMENTS

**INSURANCE AND BOND REQUIREMENTS FOR
PARTIES ENTERING INTO AGREEMENTS WITH METROPOLITAN WATER
DISTRICT OF SALT LAKE & SANDY**

Last Update: September 30, 2013

Applicant's contractors and subcontractors shall maintain, at no cost to the District, the following insurance, and provide evidence of compliance satisfactory to District.

A. MINIMUM LIMITS OF INSURANCE

Except as approved in writing by District in advance Contractor and all of Contractor's subcontractors shall maintain limits no less than:

1. **GENERAL LIABILITY (including claims arising from: premises-operations, independent contractors, products-completed operations, personal and advertising injury, and liability assumed under an insured contract.):**
 - i. Combined Single Limit (Bodily Injury and Property Damage):
 1. \$2,000,000 Per Occurrence
 - ii. Personal Injury (including completed operations and products liability):
 1. \$2,000,000 Each Occurrence
 - iii. General Aggregate:
 1. \$3,000,000
 - iv. Products - Comp/OP Aggregate:
 1. \$3,000,000
 - v. Limits to apply to this project individually.
2. **AUTOMOBILE LIABILITY:**
 - i. \$2,000,000 Per Occurrence
 - ii. "Any Auto" coverage required.
3. **WORKERS' COMPENSATION and EMPLOYERS LIABILITY:**
 - i. Workers' compensation statutory limits.
 - ii. Employers Liability statutory limits.
4. **CONTRACTORS POLLUTION LIABILITY:**
 - i. \$1,000,000 Per Claim
 - ii. \$1,000,000 Aggregate
 - iii. Coverage applies to this project individually.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions (SIRs) 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 SIRs as respects the District, its

trustees, officers, and employees as additional insureds; or the Contractor may be required to procure a bond or other instrument guaranteeing payment of losses and related investigations, claim distribution, and defense expenses of the District, its trustees, officers, and employees as additional insureds.

The District does not ordinarily approve deductibles in an amount exceeding 2.5% of the required minimum limits described above or \$50,000, whichever is less. The District does not ordinarily approve SIRs in an amount exceeding 1.0% of the required minimum limits described above or \$20,000, whichever is less. With respect to any deductible or SIR, the Contractor shall pay for costs related to losses, investigations, claim distribution, and defense expenses of the District, its trustees, officers, and employees as additional insureds that would otherwise be covered by an insurer under the coverages described in this Exhibit if no deductible or SIR existed.

C. OTHER INSURANCE PROVISIONS

The General Liability, Automobile Liability, and Pollution Liability Coverages are to contain, or be endorsed to contain, the following provisions:

1. District, its trustees, officers, and employees are to be covered as additional insureds as respects: claims 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.
2. Additional insured coverage shall be on a primary basis for ongoing and completed work.
3. Waiver of General Liability and Worker's Compensation subrogation.

D. 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. 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.

G. PERFORMANCE AND PAYMENT BONDS

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