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83-5313

AMENDMENT TO AGREEMENT

This Amendment to Agreement entered into this 10th day of FEBRUARY, 1986, by and between the State of Utah, acting through the BOARD OF WATER RESOURCES, First Party, sometimes referred to herein as the STATE, and the LAKE CREEK IRRIGATION COMPANY, a corporation, organized under the Laws of the State of Utah, Second Party, sometimes referred to herein as the WATER COMPANY:

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W I T N E S S E T H

WASATCH CO RECORDER-ELIZABETH M. PARCELL
1996 MAY 16 12:01 PM FEE \$1.00 BY MWG
REQUEST: UTAH DIVISION OF WATER RESOURCE

WHEREAS, the Parties hereto have on September 21, 1957, June 24, 1966, December 29, 1967, September 13, 1972, October 15, 1980, April 26, 1983, and August 25, 1985 entered into contracts for construction of various water conservation projects, and pursuant to said contracts certain water rights, easements, and rights-of-way were transferred to the STATE; and

WHEREAS, the contract of April 26, 1983, funded from the Conservation and Development Fund, was for construction of a gravity sprinkle irrigation system to serve approximately 1200 acres of land located in Sections 1, 2, 3, 4, 5, 9, 10, and 11, 14S, R5E, and Section 34, T3S, R5E, S1B&M, Wasatch County, Utah; and

WHEREAS, because of the desire of several stockholders of the WATER COMPANY to be included in the project after execution of the original contract of April 26, 1983, the scope and size of the project were increased and the STATE desires to provide an additional \$90,000.00 for the expanded project; and

WHEREAS, it is the desire of the WATER COMPANY to amend the previous contract with the STATE, for a consideration to be hereinafter provided, for the purpose of obtaining the additional funds, and as the Parties are ready willing and able to enter into a contract for such purpose,

NOW THEREFORE, by mutual consent of the Parties, the contract dated April 26, 1983 is hereby amended as follows:

1. Paragraphs 5, 9, and 10 of the contract dated April 26, 1983 are hereby deleted and the following paragraphs 5, 9, and 10 substituted.

"5. The STATE agrees to pay to the WATER COMPANY Eighty Percent (80%) of the total cost of constructing the project, but in no event shall the amount paid by the STATE exceed Four Hundred Ninety Thousand Dollars (\$490,000.00) which includes the additional Ninety Thousand Dollars (\$90,000.00) provided hereunder, and the WATER COMPANY agrees to pay all costs in excess of the amount paid by the STATE."

"9. The STATE agrees to sell, and the WATER COMPANY agrees to purchase, the land, easements, rights-of-way, water rights, the constructed works, and all appurtenant facilities acquired by the STATE in this agreement and Assignments at a total purchase price defined to be the combined total of all funds paid by the STATE for the design and the construction of the PROJECT, but not to exceed Four Hundred Ninety Thousand Dollars (\$490,000.00), plus all expense incurred by the STATE for the investigation, engineering, and inspection of the PROJECT, plus interest on this total amount at the rate of Three Percent (3.00%). Interest shall accrue on the outstanding balance from the date of the first progress payment by the STATE. The actual cost of investigation, engineering, and inspection shall be determined by the STATE upon completion of the PROJECT.

During the purchase period, the WATER COMPANY may not change the use of any PROJECT water or facilities from irrigation to industrial, municipal, or hydroelectric power generation without the written consent of the Board of Water Resources. The WATER COMPANY agrees that such consent may be conditional upon an amendment to this agreement to reflect a higher interest rate and/or a shorter repayment period for the outstanding balance due the STATE under this agreement. The terms of the amendment shall be negotiable between the Parties hereto."

"10. The purchase price as defined above shall be payable over a period of time not to exceed Twenty-One (21) years, in annual installments as follows:

An annual installment in the amount of Twenty-Seven Thousand Dollars (\$27,000.00) was paid by the WATER COMPANY in 1985. Another annual installment of Twenty-Seven Thousand Dollars (\$27,000.00), or more, shall be due and payable on the First Day of March 1986. Any interest, penalties, or principal not covered by said payment will be carried over and added to the unpaid balance. The balance of the purchase price shall then be amortized over the remaining Nineteen (19) years of the purchase period with payments being due and payable on March 1, 1987 and on the same day of each year thereafter until fully paid. Said sums shall be payable at the office of the DIVISION OF WATER RESOURCES, and shall be applied first against the indebtedness incurred by the STATE for investigation, engineering, and inspection until fully paid, and then to interest and penalties and principal. Delinquent payments shall bear interest at a rate of Eighteen Percent (18%) per annum."

2. It is mutually agreed that, except as herein provided, the contract dated April 26, 1983 shall remain in full force and effect.

* * * * *

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IN WITNESS WHEREOF, the State of Utah, acting through the BOARD OF WATER RESOURCES, Party of the First Part, has caused these presents to be signed by the Chairman and Director of the said BOARD OF WATER RESOURCES by authority of a resolution of said Board; and the LAKE CREEK IRRIGATION COMPANY Party of the Second Part, has caused these presents to be signed and executed on its behalf by Scott Mahoney, its President, and Jeffrey M. Bradshaw, its Secretary, by authority of a resolution of its Stockholders at a meeting held _____, 19__.

LAKE CREEK IRRIGATION COMPANY

Scott Mahoney
President
Jeffrey M. Bradshaw
Secretary

87-0422672
Employer Identification No.

BOARD OF WATER RESOURCES

Roy P. Urie
Chairman
D. Larry Anderson
Director

AVAILABILITY OF FUNDS:

[Signature]
Division Budget/Accounting

APPROVED AS TO FORM:

[Signature]
Assistant Attorney General

APPROVED: DEPARTMENT OF FINANCE

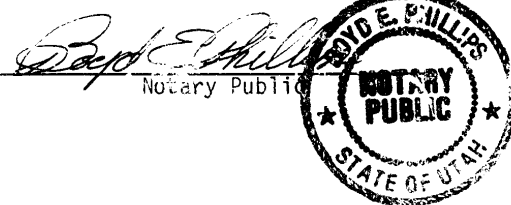
[Signature] 12 Feb 86
for Director of Finance

STATE OF UTAH
County of Salt Lake } ss

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On the 17th day of January, 1986, personally appeared before me Roy P. Urie and D. Larry Anderson, who being duly sworn did say that they are respectively the Chairman and Director of the BOARD OF WATER RESOURCES, and that they signed the foregoing instrument in behalf of the said BOARD by authority of a resolution of said BOARD, and they also acknowledged to me that the said BOARD executed the same.

My Commission Expires: May 19, 1988



STATE OF UTAH
County of Wasatch } ss

On the 31st day of January, 1986, personally appeared before me Scott Mahoney and Jeffrey M. Bradshaw, who being duly sworn did say that they are respectively the President and Secretary of the LAKE CREEK IRRIGATION COMPANY, and that they signed the foregoing instrument in behalf of said Corporation by authority of a resolution of its Stockholders, and they also acknowledged to me that said Corporation executed the same.

GORDON MENDENHALL
My Commission Expires: 3-1-86

[Signature]
Notary Public

