

Recorded at the Request of,
and when Recorded Return to:
Springville City
110 South Main Street
Springville City, UT 84663



ENT 78467:2010 PG 1 of 13
RODNEY D. CAMPBELL
UTAH COUNTY RECORDER
2010 Sep 16 11:12 am FEE 0.00 BY CS
RECORDED FOR SPRINGVILLE CITY CORPORATIO

With a Copy to:
Property Reserve, Inc.
Attn: Jeffrey A. Vanek
5 Triad Center, Suite 650
Salt Lake City, Utah 84101

Project No.: 02-06-116
Parcel No.: 26:041:0037
Parcel No.: 23:031:0051

(space above for recorder's use)

PERMANENT POWER LINE AND
TEMPORARY CONSTRUCTION EASEMENT AGREEMENT

[Springville, UT.]

THIS PERMANENT POWER LINE AND TEMPORARY CONSTRUCTION EASEMENT AGREEMENT (this "**Agreement**") is entered into this 3rd day of August, 2010, by and between PROPERTY RESERVE, INC., a Utah non-profit corporation ("**Grantor**"), and SPRINGVILLE CITY CORPORATION, a municipal corporation of the State of Utah ("**Grantee**").

RECITALS

A. Grantor owns certain real property ("**Grantor's Property**") located in the County of Utah, State of Utah.

B. Grantee desires to obtain, for the benefit of Grantee, and for the purposes more specifically described herein, (i) a perpetual, non-exclusive power line easement; and (ii) a temporary, non-exclusive twenty (20) foot wide easement, both on, over, and across portions of the Grantor's Property.

C. Grantor is willing to convey the easements to Grantee, subject to the terms and conditions set forth herein.

TERMS AND CONDITIONS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and based upon the mutual promises and subject to the conditions set forth below, the parties agree as follows:

1. Grant of Easements; Payment.

1.1. Grant of Permanent Easement. In consideration of the covenants and agreements hereinafter set forth, Grantor hereby conveys to Grantee, without warranty, a perpetual, non-exclusive easement on, over and across a portion of Grantor's Property (the

“**Easement Area**”), more particularly described on Exhibit A, and depicted on Exhibit B, both attached hereto and incorporated herein by this reference, for the sole purposes of installing, maintaining, repairing, and replacing above ground power lines, located at a minimum height of twenty five (25) feet above the surface of Grantor’s Property, and associated poles, guys, and wires in the Easement Area (collectively, the “**Improvements**”).

1.2. Grant of Temporary Construction Easement. In consideration of the covenants and agreements hereinafter set forth, Grantor hereby conveys to Grantee a twenty (20) foot wide temporary construction easement on, over, across, and through that portion of the Grantor’s Property more specifically described on Exhibit C, and depicted on Exhibit B, both attached hereto and incorporated herein (the “**Temporary Construction Easement**”). The Temporary Construction Easement is to accommodate vehicular and pedestrian ingress and egress to and from the Easement Area as well as to allow Grantee to survey, construct and move materials, objects, equipment, and a working force during the construction of the Improvements. All of the terms and provisions of this Agreement shall apply to Grantee’s activities conducted pursuant to the Temporary Construction Easement, and the references to Easement Area in the following provisions shall also apply to Grantee’s use of the Temporary Construction Easement. The Temporary Construction Easement will automatically terminate on the earlier to occur of: (i) six (6) months from the date of this Agreement, or (ii) completion of the Improvements.

1.3 Payment. Grantee has agreed to pay Grantor certain amounts for the easements. The amount of the payment for the easements is set forth in a separate written agreement between Grantor and Grantee of even date herewith, entitled “Easement Payment Agreement” (the “**Payment Agreement**”). The Grantee’s obligations under the Payment Agreement are express conditions precedent to the granting and effectiveness of the easements.

2. Access. Grantee and its agents, servants, employees, consultants, contractors and subcontractors (collectively, “**Grantee’s Agents**”) shall have the right to enter upon the Easement Area for the limited purposes permitted by this Agreement. Grantee shall enter upon the Easement Area at its sole risk and hazard, and Grantee and its successors and assigns, hereby release Grantor from any claims relating to the condition of the Easement Area and entry upon the Easement Area by Grantee and Grantee’s Agents.

3. Reservation by Grantor. Grantor hereby reserves the right to use the Easement Area for any use not inconsistent with Grantee’s permitted use of the Easement Area. Without limiting the above, Grantor reserves the right to: (i) to use the Easement Area for pedestrian walkways and vehicle roadways or streets; (ii) to use the Easement Area for the construction, placement, and maintenance of, and the placement and maintenance of crops, landscaping, signs, light standards, ditches, irrigation pipes and related appurtenances, fences, utilities of any type or nature, asphalt and parking lot improvements, and other similar improvements; (iii) to grant other non-exclusive easements, licenses and rights to third parties; (iv) to convey or transfer any or all of its interests in Grantor’s Property or the Easement Area to any party at any time; and (v) to require the relocation of the Improvements and the easements at any time at Grantor’s cost and expense, provided however, Grantee is given sufficient notice of Grantor’s intent of relocation. Notwithstanding the above, Grantee shall have the right, privilege, and authority to cut, remove and trim trees, brush, shrubbery and other obstructions to the extent deemed necessary by Grantee to maintain the safe, reliable operation of the Improvements.

4. **Condition of the Easement Area.** Except as otherwise set forth in this Agreement, Grantee accepts the Easement Area and all aspects thereof in "AS IS," "WHERE IS" condition, without warranties, either express or implied, "with all faults," including but not limited to both latent and patent defects, and the existence of hazardous materials, if any. Grantee hereby waives all warranties, express or implied, regarding the title, condition and use of the Easement Area, including, but not limited to any warranty of merchantability or fitness for a particular purpose. Grantee shall obtain any and all consents, approvals, permissions, and agreements to cross, encumber or encroach upon any other easements or rights of others not affiliated with Grantor located within the Easement Area or related to use and improvement of the Easement Area by Grantee.

5. **Construction of the Improvements.** Grantee will conduct all construction activities in a good and workmanlike manner in compliance with all applicable laws, rules, and ordinances.

6. **Maintenance, Restoration, and Crop Damage.**

6.1 **General Maintenance and Restoration.** Grantee, at its sole cost and expense, shall maintain and repair the Improvements and any and all related improvements installed by Grantee, in good order and condition. Grantee shall promptly repair any damage to Grantor's Property and Grantor's improvements located thereon (including, without limitation, any and all fences, water and/or irrigation pipes, lines and ditches, curbs, gutters, asphalt surfaces, fences, signs, lighting, buildings, etc.) caused by Grantee and/or Grantee's Agents, and shall restore Grantor's Property and the improvements thereon to substantially the same or better condition as they existed prior to any entry onto or work performed on Grantor's Property by Grantee and Grantee's Agents.

6.2 **Damages.** Grantee agrees to repair or reasonably compensate Grantor for damage to agricultural crops (excluding orchards), fences, irrigation systems, drainage systems or other improvements within the transmission line right-of-way that occurs as a result of the exercise of the rights granted herein. Grantee shall coordinate all activities in the Easement Area with Grantor's tenant farmer to insure Grantee's activities do not interfere with the farming operations on Grantor's Property.

7. **Compliance with Laws.** Grantee will comply with all present or future laws, statutes, codes, acts, ordinances, rules, regulations, orders, judgments, decrees, injunctions, permits, licenses, authorizations, directions and requirements of and agreements with all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen or unforeseen, ordinary or extraordinary, including, without limitation, any building, zoning and land use laws.

8. **Liens.** Grantee will keep Grantor's Property free from any liens arising out of any work performed, materials furnished, or obligations incurred by, through, for or under Grantee, and Grantee will indemnify, hold harmless and agree to defend Grantor from any liens that may be placed on Grantor's Property and/or the property pertaining to any work performed, materials furnished or obligations incurred by, through, for, or under Grantee or any of Grantee's Agents. Any such liens must be released of record within thirty (30) days of Grantee's actual knowledge of the recording of such lien.

9. **Insurance.** At all times during the term of this Agreement Grantee will maintain in force the insurance policies and coverages set forth below. Additionally, Grantee will ensure that prior to entering onto Grantor's Property all of Grantee's Agents and other such parties who assist with the construction, maintenance or use of Grantor's Property are either covered under the terms of Grantee's insurance policies, or that each obtain similar policies and which, at a minimum, provide Grantor the same protections. Grantor must be endorsed as an additional insured on such policy on ISO Form CG 20 10 (10/93) or its equivalent on such policies. Grantee will obtain and maintain the following insurance coverages and policies:

9.1. **Liability Insurance Coverage and Limits** A commercial general liability insurance policy insuring Grantee's interests against claims for personal injury, bodily injury, death, property damage occurring on, in or about Grantor's Property, with a "Combined Single Limit" covering personal injury liability, bodily injury liability and property damage liability) of not less than Two Million Dollars (\$2,000,000.00). The coverage set forth above shall be primary coverage and shall apply specifically to Grantor's Property.

9.2. **Workers' Compensation Insurance.** All Workers' Compensation and Employers' Liability Insurance required under applicable Workers' Compensation Acts and/or applicable law.

9.3. **Automobile Insurance.** Automobile Liability Insurance with a minimum limit of not less than One Million Dollars (\$1,000,000.00) Combined Single Limit per accident, and coverage applying to "Any Auto."

9.4. **Self Insurance.** Grantee shall have the right to satisfy its insurance obligations hereunder by means of a self-insurance to the extent of all or part of the required insurance, but only so long as Grantee maintains actuarially sound reserves.

10. **Indemnification.** Grantee shall indemnify, defend with counsel of Grantor's choice, and hold Grantor and its employees, officers, divisions, subsidiaries, partners, members and affiliated companies and its and their employees, officers, members, directors, agents, representatives, and professional consultants and its and their respective successors and assigns (collectively, the "**Indemnitees**") harmless from and against any loss, damage, injury, accident, fire or other casualty, liability, claim, cost or expense (including, but not limited to, reasonable attorneys' fees) of any kind or character to any person or property, including the property of the Indemnitees, (collectively, the "**Claims**") arising from or relating to (a) any use of the Easement Area, Grantor's Property, and/or adjacent areas by Grantee or Grantee's Agents, (b) any act or omission of Grantee or any of Grantee's Agents, (c) any bodily injury, property damage, accident, fire or other casualty to or involving Grantee or Grantee's Agents and its or their property on the Easement Area, Grantor's Property and/or adjacent areas, (d) any violation or alleged violation by Grantee or Grantee's Agents of any law or regulation now or hereafter enacted, (e) the failure of Grantee to maintain the Easement Area in a safe condition, (f) any loss or theft whatsoever of any property or anything placed or stored by Grantee or Grantee's Agents on or about the Easement Area, Grantor's Property, and/or adjacent areas, (g) any breach by Grantee of its obligations under this Agreement, and (h) any enforcement of Grantor of any provision of this Agreement and any cost of removing Grantee from the Easement Area or restoring the same as provided herein; provided, however, that the foregoing indemnity shall not

apply to the extent any such Claim is ultimately established by a court of competent jurisdiction to have been caused solely by the grossly negligent or willful misconduct of the Indemnitees. Grantee, as a material part of the consideration of this Agreement, waives all claims or demands against Grantor and the other Indemnitees for any such loss, damage or injury of Grantee or Grantee's property. The indemnity provided by Grantee in favor of the Indemnitees in this Agreement shall not require payment as a condition precedent. The terms and conditions of this provision shall remain effective, notwithstanding the expiration or termination of this Agreement.

11. Notices. Any notice required or desired to be given under this Agreement will be considered given: (i) when delivered in person to the recipient named below, (ii) when delivered by a reputable overnight delivery service, or (iii) three (3) days after deposit in the United States mail in a sealed envelope or container, either registered or certified mail, return receipt requested, postage prepaid, addressed by name to the person and party intended. All notices shall be given at the following addresses:

If to Grantor: Property Reserve, Inc.
Attn: Jeffrey A. Vanek
5 Triad Center, Suite 650
Salt Lake City, Utah 84101

If to Grantee: Springville City
Attn: Leon Fredrickson
City Hall
110 South Main Street
Springville, Utah 84663

Either party may designate a different individual or address for notices, by giving written notice thereof in the manner described above.

12. Miscellaneous.

12.1 Interpretation. Section titles and captions to this Agreement are for convenience only and shall not be deemed part of this Agreement and in no way define, limit, augment, extend, or describe the scope, content, or intent of any part of this Agreement. This Agreement has been arrived at through negotiation between Grantor and Grantee. As a result, the normal rule of contract construction that any ambiguities are to be resolved against the drafting party shall not apply in the construction or interpretation of this Agreement.

12.2 Assignment/Run with the Land/Successors. Subject to the terms and conditions of this Agreement, the provisions of this Agreement shall be considered a covenant that runs with the land herein described and as such the terms, conditions, and provisions hereof shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of Grantor and Grantee.

12.3 Authorization. The individuals signing for the respective entities make the following representations: (i) he/she has read this Agreement, (ii) he/she has authority to act for the entity designated below, and (iii) he/she shall execute this Agreement acting in said capacity.

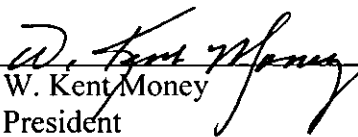
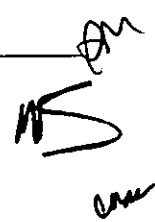
12.4 Enforceability and Litigation Expenses. If any action, suit, or proceeding is brought by a party hereto with respect to a matter or matters covered by this Agreement or if a party finds it necessary to retain an attorney to enforce its rights under this Agreement, all costs and expenses of the prevailing party incident to such proceeding or retention, including reasonable attorneys' fees, will be paid by the non-prevailing party.

12.5 Termination. This Agreement and all easement rights set forth herein will terminate once Grantee does not use the Improvements for a period of twelve (12) consecutive months. Prior to termination, Grantor shall provide written notice to Grantee with a reasonable opportunity to contest the same. Upon the occurrence of an event set forth in the first sentence of this Section 12.5 and the termination is not contested, Grantor may record an instrument terminating this Agreement, as well as any and all other easements, rights-of-way or licenses Grantee may have (or may claim to have) to use Grantor's Property.

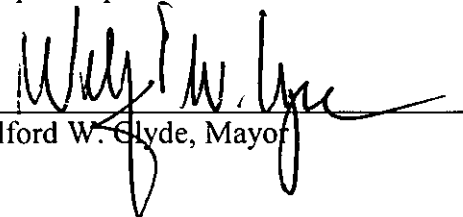
[Signatures are on the following page]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

Grantor: PROPERTY RESERVE, INC.,
a Utah non-profit corporation

By:  
Name: W. Kent Money
Title: President

Grantee: SPRINGVILLE CITY CORPORATION,
a Municipal corporation of the State of Utah

By: 
Wilford W. Clyde, Mayor

ATTEST:


Venla Gubler, City Recorder

[Acknowledgements are on the following page]

STATE OF UTAH)
 :SS
COUNTY OF SALT LAKE)

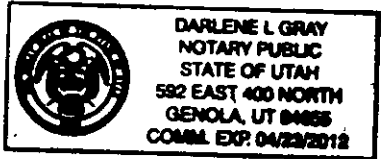
On this 31st day of August, 2010, personally appeared before me W. Kent Money, known or satisfactorily proved to me to be the President of Property Reserve, Inc., a Utah non-profit corporation, who acknowledged to me that he signed the foregoing instrument as President for said corporation.



Janet P. Christensen
Notary Public for Utah

STATE OF UTAH)
 :SS
COUNTY OF UTAH)

On this 31st day of August, 2010, personally appeared before me Wilford W. Clyde and Venla Gubler, known or satisfactorily proved to me to be the Mayor and City Recorder of Springville City Corporation, a municipal corporation of the State of Utah, who acknowledged to me that they signed the foregoing instrument as Mayor and City Recorder, respectively, for said municipal corporation.



Darlene L. Gray
Notary Public for Utah

Exhibit A

(Legal Description of the Easement Area)

A TRACT OF LAND 10.00 FEET IN WIDTH, SITUATED IN THE NORTHEAST QUARTER OF SECTION 6, TOWNSHIP 8 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, UTAH COUNTY, UTAH; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A 10 FOOT WIDE PUBLIC UTILITY EASEMENT BEGINNING AT A POINT WHICH LIES SOUTH 00°35'28" EAST 572.06 FEET ALONG SECTION LINE AND WEST 324.90 FEET FROM THE NORTHEAST CORNER OF SECTION 6, TOWNSHIP 8 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN; THENCE SOUTH 00°12'49" EAST 1444.15 FEET; THENCE SOUTH 89°00'40" WEST 10.00 FEET TO A POINT WHICH LIES ON THE EASTERLY RIGHT-OF-WAY LINE OF THE RAILROAD; THENCE NORTH 00°12'49" WEST 1444.25 FEET ALONG SAID RIGHT-OF-WAY; THENCE NORTH 89°37'31" EAST 10.00 FEET TO THE POINT OF BEGINNING.

THE TOTAL AREA OF THE PUBLIC UTILITY EASEMENT ACROSS THE CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS LAND, AS DESCRIBED ABOVE IS 14,441 SQUARE FEET OR 0.33 ACRES MORE OR LESS.

JEB 14 DEC 09

ck by JLB 2 March 10



[Legal description continues on following page]

A TRACT OF LAND 10.00 FEET IN WIDTH, SITUATED IN THE SOUTHEAST QUARTER OF SECTION 31, TOWNSHIP 7 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN, UTAH COUNTY, UTAH; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A 10 FOOT WIDE PUBLIC UTILITY EASEMENT BEGINNING AT A POINT WHICH LIES NORTH 00°13'36" WEST 116.06 FEET ALONG SECTION LINE AND WEST 321.09 FEET FROM THE SOUTHEAST CORNER OF SECTION 31, TOWNSHIP 7 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN; THENCE NORTH 89°56'44" WEST 10.00 FEET TO A POINT WHICH LIES ON THE EASTERLY RIGHT-OF-WAY LINE OF THE RAILROAD; THENCE NORTH 00°12'21" WEST 636.55 FEET ALONG SAID RIGHT-OF-WAY TO THE SOUTH RIGHT-OF-WAY OF 400 SOUTH STREET; THENCE SOUTH 89°37'27" EAST 10.00 FEET ALONG SAID RIGHT-OF-WAY LINE; THENCE SOUTH 00°12'21" EAST 636.49 FEET TO THE POINT OF BEGINNING.

THE TOTAL AREA OF THE PUBLIC UTILITY EASEMENT ACROSS THE CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS LAND, AS DESCRIBED ABOVE IS 6,365 SQUARE FEET OR 0.15 ACRES MORE OR LESS.

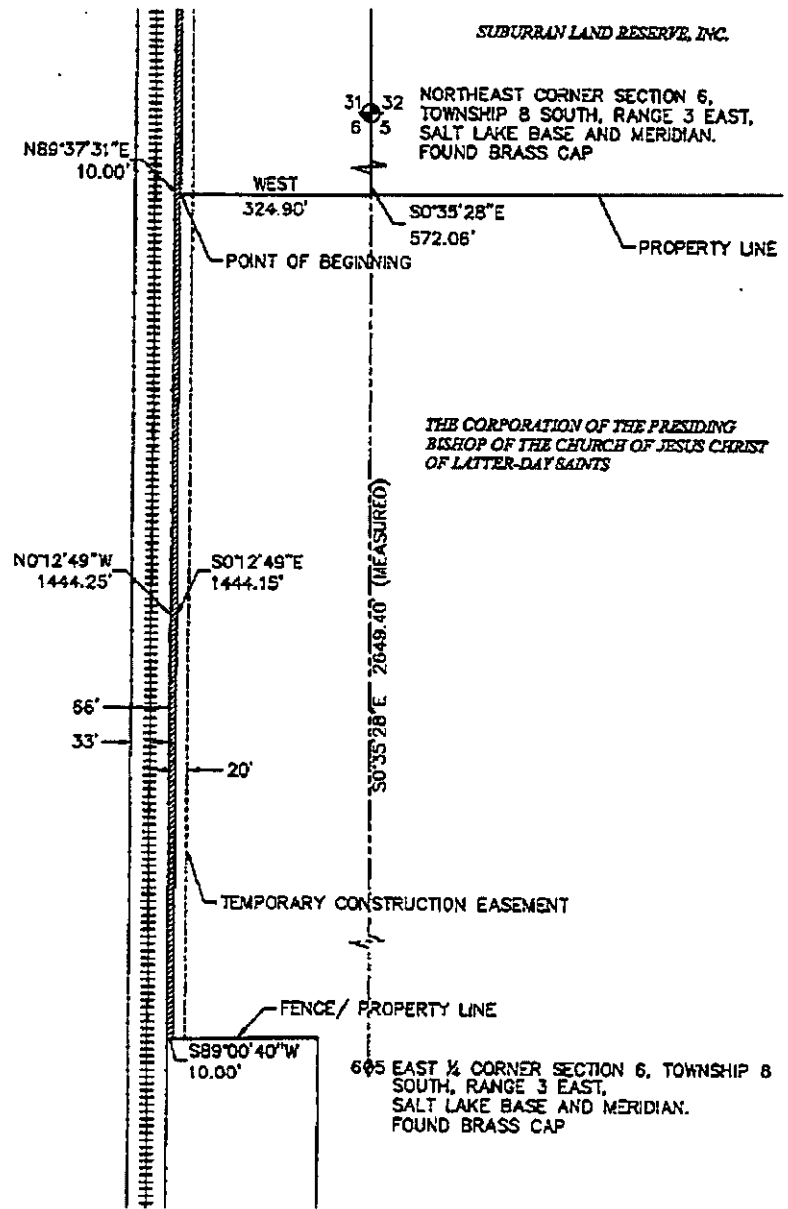
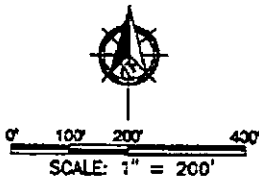
JES 14-DEC-09

ck by JLS 2/14/10



Exhibit B

(Depiction of the Easement Area and Temporary Construction Easement)



- LEGEND**
- ▣ SECTION CORNER (TYP.)
 - ⊕ QUARTER CORNER (TYP.)
 - PROPERTY LINE
 - ▨ EASEMENT AREA

[Depiction continues on the following page]

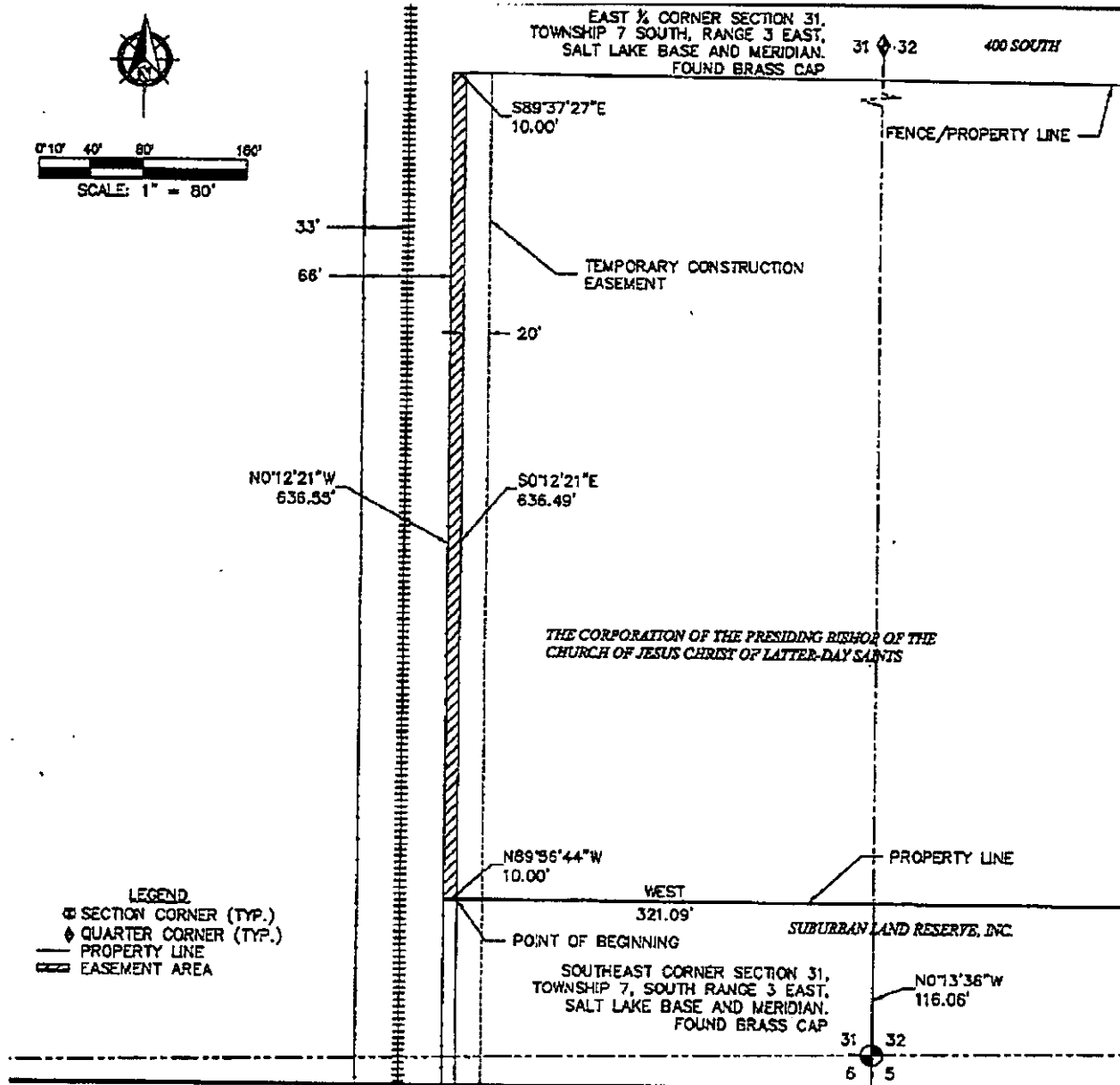
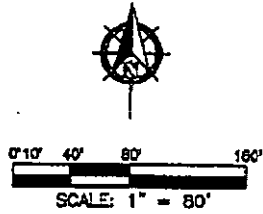


Exhibit C

(Legal Description of the Temporary Construction Easement)

A TRACT OF LAND 20.00 FEET IN WIDTH, SITUATED IN THE NORTHEAST QUARTER OF SECTION 6, TOWNSHIP 8 SOUTH, RANGE 3 EAST, SALT LAKE BASE MERIDIAN, UTAH COUNTY, UTAH; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A 20 FOOT WIDE TEMPORARY CONSTRUCTION EASEMENT BEGINNING AT A POINT WHICH LIES SOUTH 00°35'28" EAST 571.93 FEET ALONG SECTION LINE AND WEST 304.89 FEET FROM THE NORTHEAST CORNER OF SECTION 6, TOWNSHIP 8 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN; THENCE SOUTH 00°12'49" EAST 1443.93 FEET; THENCE SOUTH 89°00'40" WEST 20.00 FEET; THENCE NORTH 00°12'49" WEST 1444.15 FEET; THENCE NORTH 89°37'31" EAST 20.00 FEET TO THE POINT OF BEGINNING.

THE TOTAL AREA OF THE TEMPORARY CONSTRUCTION EASEMENT ACROSS THE CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS LAND, AS DESCRIBED ABOVE IS 28,879 SQUARE FEET OR 0.66 ACRES MORE OR LESS.

JEB 14 DEC 09

ck by JLB 2/11/10



A TRACT OF LAND 20.00 FEET IN WIDTH, SITUATED IN THE SOUTHEAST QUARTER OF SECTION 31, TOWNSHIP 7 SOUTH, RANGE 3 EAST, SALT LAKE BASE MERIDIAN, UTAH COUNTY, UTAH; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A 20 FOOT WIDE TEMPORARY CONSTRUCTION EASEMENT BEGINNING AT A POINT WHICH LIES NORTH 00°13'36" WEST 116.04 FEET ALONG SECTION LINE AND WEST 301.09 FEET FROM THE SOUTHEAST CORNER OF SECTION 31, TOWNSHIP 7 SOUTH, RANGE 3 EAST, SALT LAKE BASE AND MERIDIAN; THENCE NORTH 89°56'44" WEST 20.00 FEET; THENCE NORTH 00°12'21" WEST 636.49 FEET TO THE SOUTH RIGHT-OF-WAY OF 400 SOUTH STREET; THENCE SOUTH 89°37'27" EAST 20.00 FEET ALONG SAID RIGHT-OF-WAY LINE; THENCE SOUTH 00°12'21" EAST 636.38 FEET TO THE POINT OF BEGINNING.

THE TOTAL AREA OF THE TEMPORARY CONSTRUCTION EASEMENT ACROSS THE CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS LAND, AS DESCRIBED ABOVE IS 12,729 SQUARE FEET OR 0.29 ACRES MORE OR LESS.

JEB 14 DEC 09

ck by JLB 2/11/10

