

# GRANGER-HUNTER IMPROVEMENT DISTRICT

## CULINARY WATER AND SANITARY SEWER DEVELOPMENT AND SERVICE AGREEMENT

Subdivision/Phase: \_\_\_\_\_ Phase: \_\_\_\_\_  
Number of lots \_\_\_\_\_

**THIS DEVELOPMENT AND SERVICE AGREEMENT** (“Agreement”), is made and entered into effective this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between GRANGER-HUNTER IMPROVEMENT DISTRICT, a political subdivision of the State of Utah (the “District”), and \_\_\_\_\_, (the “Developer”), in connection with that certain real estate development project being developed by the Developer known as \_\_\_\_\_ (the “Project”), to be developed on that certain real property owned by the Developer being more particularly described in EXHIBIT “A” attached hereto and incorporated by reference herein (the “Project Property”). (The District and the Developer are sometimes referred to herein individually as a “Party” and collectively as the “Parties.”)

### RECITALS

A. Pursuant to U.C.A. Sections 17B-2a-402(1), 17B-1-103(d) and (l), the District is authorized, among other things, to acquire works, facilities and improvements necessary or convenient to the full exercise of the District’s powers, and to operate, control, maintain, and use those works and facilities and improvements, and to enter into contracts that the District’s Board of Trustees considers necessary, convenient, or desirable to carry out the District’s purposes.

B. The Developer is developing the Project within the service area of the District and is desirous of obtaining municipal water and sanitary sewer services from the District for the Project.

C. The District is willing to provide municipal water and sanitary sewer services for the Project in conformance with and subject to the provisions of this Agreement and the rules and regulations of the District.

D. This Agreement contains various general requirements and conditions for the design, construction and installation of the municipal water and sanitary sewer systems to be developed in connection with the Project which supplement the District’s rules and regulations, and sets forth the procedures governing the District’s review, approval, inspection and acceptance of said systems as a condition to the District providing retail municipal water and sanitary sewer services to the Project.

### AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## 1. DEVELOPMENT APPLICATION; CONDITIONAL WILL-SERVE LETTER.

(a) The Developer shall be required to first complete and submit to the District a Development Application in the form attached as EXHIBIT "B" hereto and incorporated by reference herein. The Development Application shall be submitted prior to or in connection with the Preliminary Plan submittal pursuant to Section 4.

(b) Upon receipt of a complete Development Application approved by the District, the District will provide to the Developer a conditional "will-serve" letter, the form of which is attached as EXHIBIT "C" hereto and incorporated by reference herein, stating that the Project is within the service area of the District and that the District is willing to provide culinary water and sanitary sewer services to the Project subject to and in conformance with the rules and regulations of the District and this Agreement.

(c) Compliance with Law. The Developer shall comply with all applicable federal, state and local laws, statutes, ordinances, rules and regulations pertaining to the Developer's activities relating to the design, construction and installation of the Project Systems, and any portion thereof, including, without limitation, all City ordinances and the District's rules and regulations.

(d) Condition to Plat Approval. The execution and delivery of this Agreement by the Developer shall be an express condition precedent to any approval by the District of the Developer's subdivision plat for the Project.

## 2. PROJECT SYSTEMS.

(a) Project Systems Defined. The project systems required to be constructed and installed by the Developer shall include the Culinary Water System and the Sanitary Sewer System (collectively, the "Project Systems"), described as follows:

(i) Culinary Water System. All culinary water transmission lines extending from the prescribed point of connection with the District's existing culinary water system to the Project, all culinary water main lines within the Project, all individual service lines to the water meter of each lot to be served, all water meters and meter boxes, all necessary valves and valve boxes, all required pumps and pump stations, all pressure regulation systems, all culinary water system manholes, and all other fittings, equipment and facilities necessary to enable the District to provide culinary water service to each individual lot to be served within the Project; as to which the District shall take title pursuant to the provisions of Section 9(b) herein.

(ii) Sanitary Sewer System. All sewer transmission lines extending from the prescribed point of connection with the District's existing sanitary sewer system to the Project, all sewer main lines within the Project, all sewer pumps and pump stations, all sewer system manholes, and all other fittings, equipment and facilities necessary to enable the District to provide sanitary sewer collection and treatment services to each individual lot to be served within the Project; as to which the District shall take title pursuant to the provisions of Section 9(b) herein.

(b) Project System Extensions. In order to maintain the contiguity of the District's culinary water and sanitary sewer collection systems as property develops within the District, each of the Project Systems within the Project Property shall be constructed and installed by the Developer: (i) along any frontage road situated within or immediately adjacent to the Project Property, and/or (ii) within dedicated

public utilities easements having a width of not less than thirty feet (30'), in either case so as to extend to the outer boundaries of the Project Property, as directed by the District.

(c) Project Systems Design; Construction at Developer's Expense. The Project Systems shall be designed in strict conformance with the requirements of this Agreement and with the Design Standards and Specifications attached as EXHIBIT "D" hereto and incorporated by reference herein, and the Project Systems shall all be constructed and installed by Developer at its sole cost and expense.

(d) Representation of Ownership of the Project Property; Dedication and Easements. The Developer represents that:

(i) Developer is the owner of the property upon which the Project is being developed and for which services are being requested of the District.

(ii) The Project Systems required for the Project shall be installed in streets dedicated or to be dedicated as public streets or within public easements and rights-of-way which have been granted or shall be granted prior to construction of the Project Systems.

(iii) The Developer, at no cost to the District, shall grant to the District perpetual easements and rights-of-way as shall be necessary for the ownership, management, operation, maintenance, repair and replacement of any portion of the Project Systems which are not located within dedicated public streets or existing utility easements. Such grants of easement shall be in form and substance acceptable to the District, and shall be executed and recorded by the Developer at its sole expense prior to transfer of the Project Systems to the District as provided in Section 9 herein.

3. **WATER RIGHTS.** The District has sufficient water rights and sources of water supply to accommodate the Project, accordingly, the Developer shall be required to pay an impact fee in conformance with the provisions of Section 5 herein, to pay the Developer's appropriate contribution to the cost of existing District water rights, subject to the rules and regulations of the District.

#### 4. PRELIMINARY PLAN.

(a) Concurrently with or immediately after the submittal of the Development Application set forth in Section 1(a) herein, the Developer shall submit to the District, for its review and approval, all construction drawings, plans and profiles for the Project Systems (the "Preliminary Plan"), in conformance with the Submittal Requirements for Preliminary Plan Review, attached as EXHIBIT "E" hereto and incorporated by reference herein. All such drawings, plans, profiles, specifications, and copies thereof, shall be the property of the District and are not to be used on any other work.

(b) The Preliminary Plan shall be reviewed internally by the District and, if necessary, in consultation with its consulting engineer and attorney. The Developer shall cooperate with the District in the review of the Preliminary Plan and in revising and conforming it to satisfy the requirements of the District.

#### 5. FEES.

(a) Review and Inspection Fee. Developer shall pay to the District a Plan Review and Inspection Fee (the “Review and Inspection Fee”), in connection with the Project, in conformance with the following:

(i) The Review and Inspection Fee required to be paid hereunder is to cover the costs incurred by the District in reviewing the Preliminary Plan and to cover the necessary inspections of the Project Systems provided for herein, including, without limitation, District administrative costs, internal personnel review costs, consulting engineering and attorneys’ fees and other costs and expenses incurred and to be incurred by the District with regard to the purposes for which the fee is paid.

(ii) The Developer shall pay a Review and Inspection Fee Deposit in an amount determined by the District (the “Deposit”), at the time of submittal of the Preliminary Plan. In the event the actual costs incurred by the District for plan review and inspections exceed the amount of the Deposit, the District will bill the Developer for the difference, which shall be due and payable within fifteen (15) days from the date of billing.

(b) Impact Fees. All impact fees which are required to be paid by the Developer in conformance with the rules and regulations of the District shall be payable, in full, prior to the submittal of the Final Plan for the Project. A Water Impact Fee Worksheet and a Sewer Impact Fee Worksheet, which set out the District’s impact fee schedule and the procedure for calculating the amount of water and sewer impact fees due and owing by the Developer for the Project, are attached as EXHIBIT “F” hereto and incorporated by reference herein.

(c) Connection Fees. All connection fees which are required to be paid by the Developer in conformance with the Rules and Regulations of the District shall be payable as billed by the District.

## 6. FINAL PLAN.

(a) The Developer shall prepare and submit to the District a final set of construction drawings, plans and profiles (the “Final Plan”), in conformance with the following:

(i) The Final Plan shall comply with the Design and Construction Standards and Specifications and incorporate all changes and requirements mandated by the District pursuant to the Preliminary Plan review and approval process.

(ii) The Final Plan submittal shall be reviewed internally by the District and in consultation with its consulting engineer and attorney. The Developer shall cooperate with the District in revising and conforming the Final Plan to the requirements of the District and its engineer.

(iii) The Final Plan must be approved and executed by the District and designated City officials prior to the commencement of any construction of the Project Systems by the Developer or its contractors.

(b) A copy of the fully executed Final Plan must be filed with the District and the West Valley City Building Department by the Developer within ten (10) days after receiving Final Plan approval from the District.

## 7. CONSTRUCTION OF PROJECT SYSTEMS.

(a) Pre-construction Meeting. After receiving approval by the District of the Final Plan and prior to the commencement of construction of the Project Systems, the Developer and its contractors shall be required to attend a pre-construction meeting, as scheduled by the District, to be attended by the Developer and its contractors, District personnel and its consulting engineers, building officials of the City, and others as determined by the District, for the purpose of reviewing the terms and provisions of this Agreement and the applicable provisions of the District's rules and regulations, coordinating the construction and responding to questions.

(b) Governmental Agency Licenses and Permits. Prior to commencement of construction of the Project Systems, the Developer shall, at its sole cost and expense, secure, or cause to be secured, any and all licenses, permits and permit bonds which may be required by any other governmental agency having jurisdiction over the work.

(c) Insurance. During the period beginning with commencement of any construction work related to the Project Systems and ending on the date that is the end of the warranty period, the Developer shall furnish, or cause to be furnished, to the District satisfactory certificates of insurance from reputable insurance companies evidencing death, bodily injury and property damage insurance policies in the amount of Two Million Dollars (\$2,000,000) single limit, naming the District as an additional insured. Certificates of insurance shall be submitted to the District at the Pre-construction Meeting referenced in Section 7(a). The Developer shall require that all contractors performing work in connection with the Project Systems shall be obligated to maintain adequate workman's compensation insurance and public liability coverage. The Developer shall not commence any work in connection with the construction and installation of the Project Systems until the required certificates of insurance have been submitted to the District.

(d) Notice to Proceed with Construction. At such time as: (i) Developer has paid the Review and Inspection Fee required in Section 5(a) herein, (ii) Developer has paid all required impact fees as required in Section 5(b) herein, (iii) District has approved and executed the Final Plan as required in Section 6(a) herein, (iv) Developer has obtained all required governmental agency permits as required in Section 7(b) herein, (v) Developer has delivered the certificates of insurance as required in Section 7(c) herein, and (vi) Developer has posted the Improvement Assurance required pursuant to Section 10(b) herein, the District shall issue a "Notice to Proceed with Construction," in the form attached as EXHIBIT "G" hereto and incorporated by reference herein.

(e) Construction.

(i) The Developer shall be required to furnish all materials and equipment as shall be necessary for the construction and installation of the Project Systems.

(ii) The Project Systems shall be constructed by the Developer, at Developer's sole cost and expense, in accordance with the District's Design Standards and Specifications and the Final Plan as approved by the District.

(iii) The actual interconnection of the Project Systems with the District's main water and sanitary sewer mainlines shall be done by the Developer under the direct supervision of the District.

(iv) The Developer agrees that all work performed in connection with the construction and installation of the Project Systems shall be of the highest quality and be performed in a safe, workmanlike manner.

(v) District officials and its engineers shall have the reasonable right of access to the Project and any portion thereof during the period of construction and during the Warranty Period addressed in Section 10 herein, to inspect and observe the Project Systems and any work thereon, and for all other purposes necessarily incident to this Agreement.

(vi) District representatives will comply with the Developer's standard safety rules while on the Project site.

(f) Periodic Inspection, Testing and Approvals.

(i) The District and its engineers shall perform periodic inspections and testing of the Project Systems while the same are being installed by the Developer or its contractors.

(ii) No work on Project Systems requiring any excavation shall be covered over unless and until the same has been inspected and approved by the District's representatives or other governmental entities having jurisdiction over the particular Project Systems involved. If any excavation is backfilled prior to inspection, the Developer, upon request from the District, shall be obligated to re-open the trench for inspection and the same shall not be re-covered until the appropriate inspections have been performed and all required approvals have been received.

(iii) The District shall conduct such tests as it shall deem necessary, and all tests specified by the District's engineer to be performed shall be at the Developer's sole cost and expense.

(iv) The Developer shall promptly repair and/or replace any materials found defective or not in conformity with the District's design standards and specifications, as required by the District, at Developer's its sole cost and expense.

(v) The Developer shall promptly correct and/or redo any work that fails to conform to the requirements of the District's construction standards and specifications, and shall remedy any defects due to faulty materials, equipment, or workmanship, as required by the District, at Developer's sole cost and expense.

(g) Maintenance and Up-keep During Construction. During construction of the Project Systems, Developer shall keep, or shall cause its representatives, agents and contractors, to keep the Project and all affected public streets free and clear from any unreasonable accumulation of debris, waste materials, and any nuisances arising from the construction of the Project Systems, and shall contain construction debris and implement reasonable dust control measures so as to minimize scattering via wind and water in conformance with the requirements of the Storm Water Pollution Prevention Plan between the Developer and the City.

## 8. FINAL ACCEPTANCE OF THE PROJECT.

(a) After completion of construction of the Project Systems, or any portion thereof, the District shall perform an inspection (the "Final Completion Inspection"). The Developer shall cooperate with the

District in completing any punch-listed items identified during the Completion Inspection as a condition to the District's approval thereof. All City approvals shall be obtained as a condition precedent to District approval.

(b) At such time as the Developer has fully completed and the District has finally approved the punch-listed items identified in the Final Completion Inspection:

(i) The Developer shall prepare or cause to be prepared a minimum of two (2) sets of final "as-built" drawings for all Project Systems ("As-builts"), in conformance with District specifications therefor. The As-builts shall be reviewed approved by the District prior to their acceptance by the District. The Developer shall responsible for payment of all costs and expenses incurred in the preparation of the As-builts. The Developer shall submit one set of the As-builts to the District, and one set shall be retained by the Developer.

(ii) The Developer shall provide or cause to be provided to the District two (2) televised video tapings of all sanitary sewer transmission lines, main lines and service lines, as constructed, within the Sanitary Sewer System ("Sewer Line Videos"), in conformance with District specifications therefor. The Sewer Line Videos shall be reviewed approved by the District prior to their acceptance by the District. The Developer shall be responsible for payment of all costs and expenses incurred in the preparation of the Sewer Line Videos as required.

(iii) The Developer shall submit and the District shall execute the final mylar plat ("Final Plat"), for the Project prior to the recording thereof by the Developer. The Final Plat shall be reviewed and approved by the District prior to execution by the District. Upon completion and recording of the Final Plat for the Project, the Developer shall deposit two (2) copies of the fully-executed Final Plat with the District.

(c) Upon receipt by the District of the As-builts, the Sewer Line Videos, and the two copies of the fully-executed Final Plat, as required above, and upon verification by the District that all fees and charges due and owing in connection with the Project have been paid in full, the District shall issue its Notice of Final Acceptance of the Project ("Notice of Final Acceptance"), in the form attached as EXHIBIT "H" hereto and incorporated by reference herein.

(d) The Improvement Assurance Warranty Period set forth in Section 10 shall commence to run upon the issuance by the District of the Notice of Final Acceptance.

#### 9. TRANSFER OF TITLE; OPERATION AND MAINTENANCE; SERVICE.

(a) Subsequent to the issuance by the District of the Notice of Final Acceptance, the Developer shall transfer all of its right, title, estate and interest in and to the Project Systems to the District in consideration of the District's assumption of the perpetual obligation of operation, maintenance, repair and replacement of the Project Systems and its obligation to provide municipal water and sanitary sewer services to the Project. Title transfer and the resulting obligations of the District as set forth herein shall be expressly subject to the Developer's Improvement Assurance obligations set forth in Section 10 herein.

(b) Title to the Project Systems shall be transferred by Bill of Sale in form attached as EXHIBIT "I" hereto and incorporated by reference herein. The Bill of Sale shall set forth the construction

cost incurred by the Developer for each of the Project Systems. The Project Systems to be transferred to the District shall be delineated as follows:

(i) Culinary Water System. The District shall take title to and thereafter own, operate, maintain, repair, replace and be responsible for all aspects of the Culinary Water System within the Project up to and including the water meter and meter box on each lot within the Project. The individual lot owners shall own, operate, maintain, repair, replace and be responsible for the water service lateral and all related culinary water facilities and equipment serving their lot beginning at lot owner's point of connection at the water meter.

(ii) Sanitary Sewer System. The District shall take title to and thereafter own, operate, maintain, repair, replace and be responsible for all aspects of the Sanitary Sewer System within the Project up to the point of connection of the service lateral serving each lot with the sanitary sewer main line in the street. The individual lot owners shall own, operate, maintain, repair, replace and be responsible for the connection to the sanitary sewer main line and the connection at the main line, and all related sewer facilities and equipment serving their lot on the lot owner's side of the connection.

(c) Developer shall be required to provide to the District, as a condition to the District's acceptance of the transfer of title to the Project Systems, such perpetual easements and rights of way upon, over, under, across and through the Project Property as shall be required for the purpose of enabling the District to have permanent and unimpeded access to and the use of so much of the Project Property as shall be necessary for the District to own, operate, maintain, repair and replace the Project Systems subsequent to the transfer of title thereto to the District.

(d) Subject to the provisions of Section 10 herein, after transfer of title to the Project Systems, the District shall provide culinary water service and sanitary sewer service to the individual owners of lots within the Project on the same basis as all other similarly situated customers within the service area of the District in accordance with the rules and regulations of the District.

#### 10. WARRANTY OF CONSTRUCTION; IMPROVEMENT ASSURANCE.

(a) Improvement Assurance Warranty; Warranty Period. The Developer shall warrant and guaranty that the Project Systems shall be free of defects in materials or workmanship for a period of one (1) year from the date of commencement of the Improvement Assurance warranty period as provided in Section 8(d) herein (the "Warranty Period").

(i) If at any time during the Warranty Period any materials or workmanship furnished by the Developer shall prove defective or be found in disrepair, Developer shall, upon written notice from the District, promptly repair or replace the defective materials and/or work to the satisfaction of the District.

(ii) During the Warranty Period, the Developer shall be required to keep all manholes, valve and meter boxes, drains and lines in good repair and free from all rock, dirt and other debris in order to assure the District has unobstructed access for periodic inspections during the Warranty Period.

(b) Improvement Assurance. The Developer's Improvement Assurance warranty obligation hereunder shall be secured by: (i) the posting with the District Improvement Assurance in the form of a bond, (ii) letter of credit, (iii) by the establishment of a cash escrow account with a reputable bank or

surety company licensed to do business in the State of Utah, or (iv) other security as shall be approved by the District and its attorney (the "Improvement Assurance"). The Improvement Assurance shall be in such amount as shall be determined by the District's Board of Trustees in consultation with the District's engineer and attorney, subject to the provisions of U.C.A. 17B-1-119 and U.C.A. 10-9a-604.5 which provide that said amount shall not exceed 10% of the lesser of the District engineer's original estimated cost of completion of the Project Systems or the Developer's reasonable proven cost of completion.

(c) Release of Improvement Assurance. The Improvement Assurance shall be released as follows:

(i) Upon issuance of the Notice of Final Acceptance referenced in Section 8(c) herein, 90% of the Improvement Assurance shall be released by the District, or the City after written notice from the District, as the case may be, to the Developer.

(ii) At the end of the Warranty Period, the District shall perform a final inspection of the Project Systems (the "Final Warranty Inspection"). The Final Warranty Inspection shall include, but not be limited to a televised inspection of all sanitary sewer lines within the Project. The Developer shall be required to repair or replace any defective materials and/or work then existing related to the Project Systems to the satisfaction of the District. Upon completion of the Final Warranty Inspection and final approval by the District, the District shall issue a Notice of Termination of Warranty and Release of Improvement Assurance, in the form attached as EXHIBIT "J" hereto and incorporated by reference herein, to the Developer, whereupon the remaining 10% of the Improvement Assurance shall be released by the District, or the City after written notice from the District, as the case may be, to the Developer.

11. INDEMNIFICATION. The Developer hereby agrees to indemnify and hold the District harmless from and against any and all liability, loss, damage, costs, or expenses, including reasonable attorney's fees and court costs, arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person as a result of construction activities by the Developer, its agents, employees or contractors, and any claim by any contractor or other person for any amounts due and owing by the Developer to said contractor or person. The Developer shall not be responsible for, and this indemnity shall not apply to (i) any negligent acts or omissions of the District, or of its agents, employees or contractors, (ii) any liability, loss, damage, costs or expenses, including attorney's fees and court costs, arising in connection with any work performed by third-parties, such as public or private utility companies, that are not under the control of the Developer, or (iii) any criminal action, omission, or misconduct by any agent, employee or contractor of the Developer. At the end of the Warranty Period provided for in Section 10 herein, and the District's final approval and acceptance of the Project Systems, the indemnity obligations of the Developer set forth herein shall cease to apply with respect to any work or activity performed by the Developer, its agents, employees or contractors on or after that date.

12. DEFAULT. In the event Developer fails to perform its obligations hereunder or comply with the terms and provisions hereof, and such failure remains uncured for a period of thirty (30) days (the "Cure Period"), after receiving written notice of default from the District, and provided that (i) such default cannot reasonably be cured within the Cure Period, and (ii) the Developer shall have commenced to cure such default within such Cure Period and thereafter uses reasonable efforts to cure the same, then the Cure Period shall be extended for so long as shall be required for the Developer to exercise reasonable efforts to cure the default. If however, the default remains uncured for a period of one hundred twenty (120) days in the aggregate, then the District may, at its election, pursue all rights and remedies which it

may have at law and in equity, including but not limited to injunctive relief, specific performance and/or damages, and termination of the Agreement.

13. **ASSIGNABILITY.** The Developer may assign its rights and delegate its duties hereunder to a third party purchaser of all or a portion of the Project, subject to the terms and provisions of this Agreement. In the event of an assignment, the assignee shall be jointly and severally liable with the Developer for the performance of each and every obligation of the Developer contained in this Agreement, unless, prior to the assignment, an agreement satisfactory to the District, delineating and allocating between the Developer and the assignee the various rights and obligations of the Developer hereunder has been approved by the District. Prior to any assignment, the Developer shall obtain and deliver to the District a written statement executed by the assignee, duly acknowledged by a notary public, wherein the assignee acknowledges that it has reviewed and is familiar with the terms and provisions of this Agreement, and agrees to be bound hereby.

14. **MISCELLANEOUS PROVISIONS.**

(a) Notice. All notices required or desired to be given hereunder shall be in writing and shall be deemed to have been given on the date of personal service upon the Party for whom intended, or if mailed, by certified mail, return receipt requested, postage prepaid, and addressed to the Parties at the following addresses:

TO THE DISTRICT:

Granger-Hunter Improvement District  
Attn: District Manager  
2888 South 3600 West  
P.O. Box 701110  
West Valley City, UT 84170-1110

TO THE DEVELOPER:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Any Party may change its address for notice hereunder by giving written notice to the other Party in accordance with the provisions of this Section.

(b) Attorney's Fees. The Parties each agree that should they default in any of the covenants or agreements contained herein, the defaulting Party shall pay all costs and expenses, including reasonable attorney's fees and court costs, which may arise or accrue from the enforcement of this Agreement, or in pursuing any remedy provided for hereunder or by the statutes, or other laws of the State of Utah, whether such remedy is pursued by filing suit or otherwise, and whether such costs and expenses are incurred with or without suit or before or after judgment.

(c) Entire Agreement. This Agreement, together with the Exhibits attached hereto, and the documents referenced herein, contain the entire agreement by and between the Parties with respect to the

subject matter hereof, and supersede any prior promises, representations, warranties, inducements or understanding between the Parties which are not contained herein.

(d) Section Headings. The section headings contained in this Agreement are intended for convenience only and are in no way to be used to construe or limit the text herein.

(e) Non-liability of District Officials. No officer, representative, agent or employee of the District shall be personally liable to the Developer or any successor-in-interest or assignee of the Developer, in the event of any default or breach by the District, or for any amount which may become due the Developer, or its successors-in-interest or assignees, or for any obligation arising under the terms of this Agreement.

(f) No Third-party Rights. The obligations of the Developer and the District set forth in this Agreement shall not create any rights in or obligations to any other persons or parties except to the extent otherwise provided herein.

(g) Binding Effect; Covenants Run with the Land. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective officers, agents, employees, representatives, affiliates and assigns (where assignment is permitted), including, without limitation, with respect to the Developer, upon any separate affiliated entity of the Developer which is involved with, assumes or undertakes in any way to fulfill any responsibility or obligation imposed upon the Developer pursuant to this Agreement, and with respect to the District, upon any city or other governmental agency or agencies that assumes jurisdiction over the Project should the District no longer have jurisdiction. The covenants contained herein shall be deemed to run with the property within the Project, and the Parties agree that this Agreement may be recorded by either Party in the office of the Salt Lake County Recorder, State of Utah.

(h) Termination. Both the District and the Developer shall each have the right, but not the obligation, at the sole discretion of the applicable Party, to terminate this Agreement, in whole or in part, in the event (i) the Developer has not commenced construction of the Project Systems within thirty (30) days from the date of this Agreement, (ii) the Project Systems have not been completed within one (1) year from the date of this Agreement, or (iii) the Developer remains in default under the material provisions of this Agreement after expiration of any applicable notice and/or cure period. Any termination of this Agreement pursuant hereto may be effected by giving written notice of intent to terminate to the other Party pursuant to the notice provisions set forth here. Unless terminated pursuant to this Section, or by separate agreement signed by the Parties, this Agreement shall continue in full force and effect on all of the terms hereof until the Developer has received a Notice of Release and Termination of Warranty at the end of the Warranty Period.

(i) Jurisdiction. The Parties hereby agree that any judicial action associated with this Agreement shall be taken in the Third Judicial District Court of Salt Lake County, Utah.

(j) No Waiver. Any Party's failure to enforce any of the provisions of this Agreement shall not constitute a waiver of the right to enforce such provision. The provisions may be waived only in writing by the Party intended to be benefitted by the provision, and a waiver by a Party of a breach hereunder by the other Party shall not be construed as a waiver of any succeeding breach of the same or other provision.

(k) Severability. If any portion of this Agreement is held to be unenforceable, any enforceable portion thereof and the remaining provisions of this Agreement shall continue in full force and effect.

(l) Time of the Essence. Time is expressly made of the essence with respect to the performance of each and every obligation hereunder.

(m) Force Majeure. Any prevention, delay or stoppage of the performance of any obligation under this Agreement which is due to strikes; labor disputes; inability to obtain labor, materials, equipment or reasonable substitutes therefore; adverse market conditions; acts of nature; governmental restrictions, regulations or controls; judicial orders; enemy or hostile government actions; wars; terrorist attacks; civil commotions; fires; or other casualties or other causes beyond the reasonable control of the Party obligated to perform hereunder, shall excuse performance of the obligation by that Party for a period equal to the duration of that prevention, delay or stoppage. Any Party seeking relief under the provisions of this Section shall notify the other Party pursuant to the notice provisions hereof of a force majeure event within ten (10) days following occurrence of the claimed force majeure event.

(n) Knowledge. The Parties have each read this Agreement and have executed it voluntarily after having been apprised of all relevant information and risks and having had the opportunity to obtain legal counsel of their choice.

(o) Supremacy. In the event of any conflict between the terms of this Agreement and those of any other agreement, contract, or document referred to herein, this Agreement shall govern.

(p) No Relationship. Nothing in this Agreement shall be construed to create any partnership, joint venture, or other fiduciary relationship between the Parties.

(q) Amendment. This Agreement may be amended only in writing signed by the District and the Developer.

(r) Warranty of Authority. The individuals executing this Agreement on behalf of the Parties hereby warrant that they have the requisite authority to execute this Agreement on behalf of the respective Parties and that the respective Parties have agreed to be and are bound hereby.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement by and through their respective, duly authorized representatives as of the day and year first above written.

**“DISTRICT”**

**GRANGER-HUNTER IMPROVEMENT DISTRICT**

By: \_\_\_\_\_  
Its: District Manager

**“DEVELOPER”**

\_\_\_\_\_

By: \_\_\_\_\_

Its:

**ACKNOWLEDGMENTS**

STATE OF UTAH    )  
                                  : ss.  
County of \_\_\_\_\_)

On the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, appeared before me \_\_\_\_\_, personally known to me, or proved to me on the basis of satisfactory evidence, to be Manager of the Granger-Hunter Improvement District, who duly acknowledged that the within and foregoing instrument was signed on behalf of said District by authority of its Board of Trustees, and that said District executed the same.

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF UTAH    )  
                                  : ss.  
County of \_\_\_\_\_)

On the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, personally appeared before me \_\_\_\_\_, known to me, or proved to me on the basis of satisfactory evidence, to be the person who executed the within instrument on behalf of the \_\_\_\_\_ therein named, who duly acknowledged to me that the \_\_\_\_\_ executed the same.

\_\_\_\_\_  
NOTARY PUBLIC

**EXHIBIT “A”  
(to Development Agreement)**

**Legal Description of Project Property to be Developed**

**EXHIBIT “B”  
(to Development Agreement)**

**Development Application**

**GRANGER-HUNTER IMPROVEMENT DISTRICT  
2888 SOUTH 3600 WEST, WEST VALLEY, UTAH 84119  
801-968-3551**

**Development Application**

Parcel Id. No. \_\_\_\_\_ Property Acreage: \_\_\_\_\_

Name of Project: \_\_\_\_\_

Address: \_\_\_\_\_

Property Owner(s): \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_

State: \_\_\_\_\_ Zip: \_\_\_\_\_ Telephone: \_\_\_\_\_

Applicant: (All correspondence will be sent to this address)

Company: \_\_\_\_\_

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_

State: \_\_\_\_\_ Zip: \_\_\_\_\_ E-mail: \_\_\_\_\_

Telephone: (Office) \_\_\_\_\_ (Cell) \_\_\_\_\_

(Home) \_\_\_\_\_ (Fax) \_\_\_\_\_

Engineer: Company: \_\_\_\_\_

Contact Name: \_\_\_\_\_ E-mail \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Architect: Company: \_\_\_\_\_

Contact Name: \_\_\_\_\_ E-mail: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

- Check if Paid Commercial Development: \$ \_\_\_\_\_ Deposit per Building  
 Check if Paid Residential Development: \$ \_\_\_\_\_ per Lot or Individual Dwelling

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**EXHIBIT “C”  
(to Development Agreement)**

[DATE]

Salt Lake County Health Department  
2001 South State Street, S2500  
Salt Lake City, Utah 84190-2150

Re: [PROJECT]

**CONDITIONAL WILL-SERVE LETTER**

This Conditional Will-serve Letter is issued by the Granger-Hunter Improvement District (the “District”), in connection with a certain real estate project which is proposed to be developed by \_\_\_\_\_ (the “Developer”), known as \_\_\_\_\_ (the “Project”).

The Developer has submitted a formal Development Application in conformance with the requirements of the District and pursuant thereto has requested a letter from the District indicating that the District shall provide culinary water and sanitary sewer services for the Project. In conformance with the Developer’s request, the District hereby confirms that the Project is within the service area of the District and that the District is willing to provide culinary water and sanitary sewer services to the Project, subject to and in strict conformance with the terms and provisions of a Culinary Water and Sanitary Sewer Development and Service Agreement that must first be executed by and between the District and the Developer, and further subject to compliance with all other applicable rules and regulations of the District.

The District’s commitment as set forth herein shall be in force and effect for a period of one year from the date hereof, unless extended in writing by the District.

**GRANGER-HUNTER IMPROVEMENT DISTRICT**

By: \_\_\_\_\_  
Engineering Department

cc: [Developer]

**EXHIBIT “D”  
(to Development Agreement)**

**Design Standards and Specifications**

**EXHIBIT “E”  
(to Development Agreement)**

**Submittal Requirements for Preliminary Plan Review**

**EXHIBIT “F”  
(to Development Agreement)**

**Water and Sewer Impact Fee Worksheets**

**EXHIBIT “G”  
(to Development Agreement)**

[DATE]

[NAME/ADDRESS OF DEVELOPER]

Re: [NAME OF PROJECT]

**NOTICE TO PROCEED WITH CONSTRUCTION**

This Notice to Proceed with Construction is given by Granger-Hunter Improvement District (the “District”), pursuant to the provisions of Section 7(d) of that certain Development Agreement entered into by and between the District and \_\_\_\_\_ (the “Developer”), dated \_\_\_\_\_ (the “Development Agreement”), in connection with the development of the culinary water and sanitary sewer systems (“Project Systems”), for the real estate project of the Developer known as \_\_\_\_\_.

The Developer, having complied with the requirements of Section 7(d) of the Development Agreement, notice is hereby given that the Developer may proceed with construction of the Project Systems.

**GRANGER-HUNTER IMPROVEMENT DISTRICT**

By: \_\_\_\_\_  
Engineering Department

**EXHIBIT "H"**  
**(to Development Agreement)**

[DATE]

[NAME/ADDRESS OF DEVELOPER]

Re: [NAME OF PROJECT]

**NOTICE OF FINAL ACCEPTANCE**

This Notice of Final Construction Approval is given by Granger-Hunter Improvement District (the "District"), pursuant to the provisions of Paragraph 8(c) of that certain Development Agreement entered into by and between the District and \_\_\_\_\_ (the "Developer"), dated \_\_\_\_\_ (the "Development Agreement"), in connection with the development of the culinary water and sanitary sewer systems ("Project Systems"), for the real estate project of the Developer known as \_\_\_\_\_ (the "Project").

The District hereby finds that construction of the Project Systems have been completed by the Developer, that the final completion inspection of the Project Systems required in Paragraph 8(a) of the Development Agreement has been performed by the District and all punch-listed items identified in said inspection have been completed and approved by the District, that the Project Systems have been interconnected with the District's main water and sanitary sewer mainlines and outfall lines under supervision of the District, that the construction of the Project Systems has been completed in conformance with the design and construction standards and specifications of the District and all other applicable requirements of the Development Agreement as set forth in Section 8 thereof have been satisfied.

Based upon the foregoing, this Notice of Final Acceptance is hereby issued and the one (1) year Warranty Period set forth in Paragraph 10 of the Development Agreement shall commence to run as of the date hereof. Title to the Project Systems shall hereupon be transferred to the District as provided in Paragraph 9 of the Development Agreement as a condition to the District providing water and sanitary sewer service to the Project.

**GRANGER-HUNGER IMPROVEMENT DISTRICT**

By: \_\_\_\_\_  
Engineering Department

**EXHIBIT "I"**  
**(to Development Agreement)**

**BILL OF SALE**

**KNOW ALL MEN BY THESE PRESENTS THAT:**

\_\_\_\_\_, a \_\_\_\_\_ ("Seller"), for the consideration set forth in Paragraph 11(b) of that certain Development Agreement executed by and between the Granger-Hunter Improvement District (the "District"), and Seller, dated \_\_\_\_\_ (the "Development Agreement"), the receipt and sufficiency of which is hereby acknowledged, has bargained, sold, assigned and transferred, and by these presents does hereby bargain, sell, assign and transfer to the District that certain personal property (the "Property") constructed and installed in connection with the development of that certain real estate development project of the Seller known as \_\_\_\_\_ (the "Project"), said Property being more particularly described as follows:

(1) Culinary Water System. All culinary water transmission lines extending from the prescribed point of connection with the District's existing culinary water system to the Project, all culinary water main lines within the Project, all individual service lines up to the water meter of each lot to be served, all water meters and meter boxes, all necessary valves and valve boxes, all required pumps and pump stations, all pressure regulation systems, all culinary water system manholes, and all other fittings, equipment and facilities necessary to enable the District to provide culinary water service to each individual lot to be served within the Project. Construction Cost \$\_\_\_\_\_.

(2) Sanitary Sewer System. All sewer transmission lines extending from the prescribed point of connection with the District's existing sanitary sewer system to the Project, all sewer main lines within the Project, all individual service lines to the property line of each lot to be served, all sewer pumps and pump stations, all lift stations, all sewer system manholes, and all other fittings, equipment and facilities necessary to enable the District to provide sanitary sewer collection and treatment services to each individual lot to be served within the Project. Construction Cost \$\_\_\_\_\_.

Seller hereby represents that: (i) Seller holds good and marketable title to the Property, subject to no liens, encumbrances, restrictions or easements of any kind whatsoever; (ii) Seller is the owner of the Property and has the full right, power and authority to make the conveyance which is the subject hereof; (iii) Seller has not heretofore conveyed or assigned to any person or entity, other than to the District, any title or interest in or right to use the Property to be conveyed to the District hereunder; and (iv) Seller has neither received any notice of nor is Seller otherwise aware of any claims, actions, suits or other proceedings, whether pending, threatened or to the best of Seller's knowledge contemplated by any governmental department or agency, or any corporation, entity or person whatsoever, or to the best of Seller's knowledge, after due inquiry, of any facts which could constitute the basis for any claim or litigation which, if adversely determined, might affect the right, title and interest to be acquired by the District in and to the Property or the condition or value thereof.



**EXHIBIT “J”  
(to Development Agreement)**

[DATE]

[NAME/ADDRESS OF DEVELOPER]

Re: [NAME OF PROJECT]

**NOTICE OF TERMINATION OF WARRANTY  
AND RELEASE OF IMPROVEMENT ASSURANCE**

This Notice of Termination of Warranty and Release of Improvement Assurance is given by Granger-Hunter Improvement District (the “District”), pursuant to the provisions of Paragraph 10(c)(ii) of that certain Development Agreement entered into by and between the District and \_\_\_\_\_ (the “Developer”), dated \_\_\_\_\_ (the “Development Agreement”), in connection with the development of the culinary water, sanitary sewer and storm drainage collection systems (“Project Systems”), for the real estate project of the Developer known as \_\_\_\_\_.

The District hereby finds that the final warranty inspection of the Project Systems required in Paragraph 10(c)(ii) of the Development Agreement has been performed by the District and that all defective materials and/or work on the Project Systems have been repaired or replaced, as the case may be, all to the satisfaction of the District.

Based upon the foregoing, this Notice of Termination of Warranty and Release of Improvement Assurance is hereby issued and the security posted with the District in conformance with the provisions of Paragraph 10(b) shall be released as provided in Paragraph 10(c) of the Development Agreement.

**GRANGER-HUNTER IMPROVEMENT DISTRICT**

By: \_\_\_\_\_  
Engineering Department