

**HOOPER WATER IMPROVEMENT DISTRICT
DEVELOPMENT AGREEMENT**

The undersigned Applicant hereby applies to the Hooper Water Improvement District (hereinafter the “District”) for water service for a subdivision or development (hereinafter “Development”) known as: _____ consisting of _____ lots or _____ which is located at the following address: _____ . The Development may be identified and described more particularly on the plat or legal description marked Exhibit “A” attached hereto and, if so attached, made a part hereof. For the consideration recited herein, the parties agree as follows:

1. This is a formal application for culinary water service to be provided to the Development by the District. Applicant understands, acknowledges and agrees that water lines and/or appurtenant facilities necessary or desirable to serve the Development that will not also serve other areas (the “Project Improvements”) must be installed at Applicant’s sole cost and expense as provided herein before the District will provide culinary water service to the Development. The Project Improvements that will be conveyed to the District as provided in paragraph 3 do not include laterals or service lines that connect structures to the District’s main water lines. The Project Improvements shall include improvements within the Development such as the installation of water lines in the street (and service lines to the meter boxes) as well as improvements located outside the Development that are necessary to extend service to the Development. The Project Improvements shall be constructed to the property line of the property to be served. Notwithstanding anything herein or elsewhere to the contrary, Applicant, the developer, the property owner, or the builder, but not the District, shall install water service lines from the property line to the house or other structure to be served in accordance with the specifications, rules and regulations and other requirements of the District in effect from time-to-time. Such service lines shall be owned, maintained, repaired and replaced by the property owner at the property owner’s sole cost and risk. Applicant will be responsible for all direct and indirect costs and expenses associated with the installation of the Project Improvements. The cost of any payment or performance or other bond required of a contractor shall be considered to be part of the cost of the Project Improvements. Applicant agrees to plan, design and construct the Project Improvements as follows:

a. Applicant shall deliver to the District a digital copy of the plans for the Project Improvements, including the location and size of all water lines, appurtenances and related facilities, in sufficient detail to permit the District Engineer to review and approve the same and a plat of the Development depicting the individual single-family lots, and other individual parcels that are intended for multi-family, commercial, industrial or any other non-single family residential use, including particulars respecting the intended use sufficient to enable the District’s Engineer to confirm that the Project Improvements will be sufficient to serve the intended density of the Development and to determine the number of ERUs (see subparagraph 9(a) below). The Project Improvements shall be sized to meet the maximum

requirements of the Development as determined by the District Engineer in conformance with standards established by the District. Appropriately modified construction drawings for final approval must be submitted, to the District office no later than 4:30 p.m. on the day that is three (3) weeks prior to the scheduled Board meeting in order to be included on the agenda for that month's meeting of the Board of Trustees. Applicant shall deliver a "plan review fee" to cover the cost of this review to the District at the time of application, for a development consisting solely of single family houses, or within five (5) business days after receipt of an invoice from the District, for any other type of development. If the Development consists entirely of single-family houses, the plan review fee will be calculated as follows: for 1-10 lots: \$200/application + \$50/per lot, for 11+ lots: \$450/application + \$25 per lot. For any other type of development, the plan review fee shall be the amount determined by the District Engineer to cover the District's actual cost of the review. Should the District Engineer not approve the plans and specifications submitted by Applicant, the District Engineer will inform Applicant of the perceived deficiencies, after which Applicant shall have the plans and specifications revised in accordance with the District Engineer's request. The revised plans and specifications shall be resubmitted to the District Engineer for review and approval. If the District Engineer again rejects the plans and specifications, they shall once again be revised by the Applicant and resubmitted to the District Engineer, along with a new plan review fee. Work on the Project Improvements may not commence until the District Engineer has approved the plans and specifications, the Development has been presented to and approved by the District Board of Trustees, and all impact fees associated with the development have been paid. The information to be provided to the District by Applicant shall include the following: a Development Plat fully approved by a municipality within which the Development is located, Weber County, Davis County, and/or any other applicable governmental entity having jurisdiction; Fire Marshall review and approval; a secondary water plan; approved street, curb, gutter, and sidewalk profiles (where applicable); such master plan data as may be pertinent; and any other documents and information requested by the District Engineer. The District may document staff hours (at hourly rates as approved periodically by the District Manager), engineering and engineering support hours (at rates as assessed periodically by the engineering firm that acts as the District Engineer), and costs incurred in those activities and bill Applicant for administrative and other costs that are not covered by the plan review fee. The plans and specifications for the installation of the Project Improvements shall include the District's standard requirements including, but not limited to, warranties regarding workmanship and other matters relative to the Project Improvements to run in favor of the District, payment and performance bonds to be provided by Applicant, and other standard matters required by the District and any other requirements reasonably deemed necessary or appropriate by the District Engineer, which shall not be subject to approval by Applicant. Applicant

shall be responsible for the survey to mark the location of water lines and shall cause all other survey work to be completed so the work can proceed. Unless allowed to self-perform the work as provided in this Agreement, Applicant shall select and contract with a qualified, licensed contractor that is reasonably acceptable to the District to install the Project Improvements. Applicant shall notify the District at least ten (10) days prior to the commencement of construction that the contractor is ready for a pre-construction conference with the District, which shall be held before construction commences. The District shall be entitled to send representatives to the work site at any time and inspect the work as it progresses. If the installation of the Project Improvements satisfies the requirements of the plans and specifications and is otherwise reasonably acceptable to the District, the District shall give Applicant notice of such acceptance following completion of the installation and the final inspection by the District.

b. The length of water lines that are included in the Project Improvements is defined as the total length of all water mains (both domestic and secondary) required to serve the Development, including the connections to existing water lines. With the exception of cul-de-sacs approved by the District Engineer, and temporary installations, which shall be subject to such requirements as may be imposed by the District, whenever possible, the Development shall not contain any dead end water lines. In those situations where dead end lines are approved, Applicant may be required to install a blow off valve with a protective box for access as specified by the District Engineer. Applicant shall be responsible for the cost of all required bacteria and other line testing, decontamination and/or flushing as directed by the District Engineer. Charges for inspections, repeat review of plans, and work by the District Engineer or otherwise imposed upon the District and caused by changes in Development plans shall be paid by Applicant at the rates established from time to time by the engineering firm that acts as the District Engineer and approved by the District Manager, plus the cost of materials and other costs incurred by the District. When passing engineering and other costs on to Applicant, the District may add up to fifteen percent (15%) to cover the District's administrative costs as provided in subparagraph g below.

c. The activities to be performed by the District Engineer hereunder for the plan review fee do not include any construction or installation activities. In no event shall survey construction cut sheets be delivered to the contractor or any other person performing some or all of the work on a Project Improvement until the District Engineer or the Engineer's authorized representative shall have approved the construction cut sheets.

d. Applicant shall install, as provided herein, at Applicant's sole expense, water mains and lines, both domestic and secondary (secondary

water lines to be owned and operated by a third party aren't Project Improvements), and other Project Improvements sized to meet the maximum requirements of the Development as established by the District Engineer provided, however, that no water main shall be smaller than 8 inches in diameter. Notwithstanding the foregoing if, in the judgment of the District Engineer, water mains and lines and other Project Improvements larger than those required to meet the maximum requirements of the Development are needed to meet the future needs of the growth and expansion of the District, the improvements shall, upon request of the District, be installed by Applicant in accordance with the policy regarding facility oversizing set forth in the District's Oversized Lines Rules and Regulations, with the District to participate in the cost of pipe and appurtenances as a consequence of oversizing as specified in the Oversized Lines Policy, as it may be amended and as it may exist from time to time, but with Applicant to be responsible for the remainder of the cost.

e. To conserve culinary water, the District prefers that all new developments be served by secondary water systems so that water delivered through the District's culinary system may primarily be applied to indoor uses. Nevertheless, the parties recognize that certain areas within the District may not be served by a secondary water system and that the District Engineer, in consultation with the District Manager, shall determine the necessity and feasibility of installing a secondary water system on a development-by-development basis. Should the District Engineer determine that the installation of a secondary water system in the Development is feasible and desirable, Applicant shall be responsible for the installation of the same, along with the installation of all required domestic water improvements, at Applicant's sole cost and expense and in accordance with the requirements of this Agreement. Notwithstanding the foregoing or anything elsewhere in this Agreement to the contrary, should a municipality or a county (for an unincorporated area) require the Development to be served by a secondary water system as part of the municipality's or the county's development approval, the municipality's or the county's secondary water requirements applicable to the Development shall control. Applicant agrees that flood irrigation shall not be allowed if the Development contains more than four lots. Applicant further agrees that any plan for pressurized secondary water to be delivered to the Development must be reviewed and approved by the county engineer, if the Development is located in an unincorporated area, or the municipal engineer, if the Development is located in a municipality, and must also meet all requirements of the water company or other entity that will supply secondary water to the Development as reflected in a writing issued by the said water company or other entity, that is acceptable to the District, before the District will have any obligation to deliver culinary water to the Development. If a secondary water system is to be installed as provided in this subparagraph, Applicant agrees to satisfy, at Applicant's sole expense,

all applicable health requirements including, but not limited to, any requirement that pressurized irrigation, rather than flood irrigation, be utilized within a certain distance, such as 100 feet, of a septic drain field system. The District may, but shall not be required to, authorize temporary culinary water use for irrigation within the Development subject to such restrictions and requirements as may be imposed by the District. As part of the Development approval process, Applicant shall inform the District, in such detail as may be required by the District Engineer, of all water rights that were attached to the land when acquired by Applicant, or subsequently. Applicant may be required to supplement those water rights to provide sufficient secondary water for the Development, or otherwise demonstrate that sufficient secondary water will be available for use within the Development. The District may require Applicant to execute and deliver, in recordable form, a covenant running with the land which will require any appurtenant water rights to remain within the Development to satisfy irrigation requirements, which covenants shall be in form and substance satisfactory to the District and may be recorded by the District in the office of the Weber County Recorder and/or the Davis County Recorder, as appropriate.

f. Applicant agrees to comply with all standards, procedures and requirements of the District for the construction of water lines, appurtenances and facilities as required under the terms of this Agreement.

g. Should the District or the District Engineer provide any service or assistance to Applicant which goes beyond review and approval of the plans and specifications by the District Engineer as provided in subparagraph a. above, Applicant shall reimburse the District for the District's actual costs for such service, or assistance plus 15% to cover the District's administrative and overhead expenses relative to the service or assistance. Prior to billing applicant for such contracted services (not including services of the District Engineer that are covered by the plan review fee deposited with the District as provided in subparagraph a. above), however, the District will notify Applicant both of the required service or assistance and of the estimated cost. Applicant may, with the District's concurrence, arrange and pay for the service or assistance to be provided by competent persons. Otherwise, the District will perform or arrange for the service or assistance and Applicant will pay for the same as outlined above.

h. Applicant shall provide, for the District Engineer's review and approval, approximate elevations for setting manholes, meters, fire hydrants and other improvements. Applicant agrees that the final setting of manholes, meters, fire hydrants and other improvements as approved by the District Engineer shall be completed by or at the expense of Applicant after surface improvements are complete and that these costs are in addition to

other costs and expenses for which Applicant is responsible as set forth elsewhere in this Agreement.

i. The District discourages “satellite developments”, which are those developments that are not immediately contiguous to or within 500 feet of a main water distribution line which is available to provide service to the development. If the Development is a satellite development, as a pre-condition of the District’s obligation to provide culinary water service as provided in this Agreement, the District may require the Applicant to install and/or pay for “system improvements”, as that term is defined in the District’s Impact Fee Rules and Regulations, that are required to serve the Development. Applicant will receive a credit against impact fees that would otherwise be assessed for the Development in an amount equal to the actual or reasonable cost of the system improvements installed at Applicant’s expense, whichever is less, and may receive a cost reimbursement from the District upon such terms and in accordance with the requirements of a separate written agreement between Applicant and the District. Absent a separate reimbursement agreement, however, Applicant shall not be entitled to any cost reimbursement for system improvements, but will only be entitled to a credit against impact fees as set forth above. In the alternative, if the Development is a satellite development, at the District’s sole discretion, Applicant may be required to pre-pay applicable impact fees to the District within ten (10) days after the District demands payment of the same, in which event the required system improvements will be installed by the District after Applicant pre-pays the required impact fees.

j. Whenever Applicant performs work required by this Agreement, or hires a contractor to perform the work, Applicant shall be responsible for the safety of all work sites (“Applicant’s work sites”) and shall see to it that all applicable OSHA requirements (state and federal) are satisfied in connection with the work. Neither the District nor the District Engineer or any other District official or employee shall have any responsibility for monitoring or enforcing OSHA or other safety compliance at Applicant’s work sites. However, should the District, the District Inspector or the District Engineer become aware of an apparently unsafe condition, practice or procedure at any of Applicant’s work sites, the District Manager, District Inspector, or District Engineer may so inform Applicant and Applicant shall shut down the work until the safety concern identified by the District Manager, District Inspector, or District Engineer has been resolved. Applicant shall defend (with legal counsel reasonably acceptable to the District), indemnify and hold the District and its Board Members, employees, agents and engineers (including consulting engineers) free and harmless from and against any injury to person or property which results, directly or indirectly, from the performance of the work in installing and constructing any of the Project Improvements.

k. The Hooper Irrigation Company, Wilson Irrigation Company, Davis-Weber Canals Company, and Weber Basin Water Conservancy District operate canals within the boundaries of the District. In the event that any water line being installed by or for Applicant as provided in this Agreement will cross any canal, Applicant shall so inform the owner of the same, shall not proceed with the crossing until the approval of the owner has been obtained, shall submit plans and specifications for the crossing to the owner's engineer for review and approval, and shall pay to the owner any inspection or other fee imposed by the owner in connection with the canal crossing. The District Engineer may refuse to approve the plans and specifications, as provided in subparagraph a. above, until the requirements of this subparagraph have been satisfied.

2. Applicant shall cause the Project Improvements to be installed strictly in accordance with plans and specifications approved by the District Engineer. A red line drawing and GPS locations showing all meter boxes, fire hydrants, valves bends, fittings, taps and any other items required by the District shall be kept by the contractor and delivered to the District before final inspection by the District Inspector. No installation is to be backfilled until it has been fully inspected and backfilling has been authorized by the District Inspector. Applicant shall pay the cost of all inspections by the District Inspector. If any water line and/or related facility is backfilled without District authorization, Applicant shall reopen the line for District inspection solely at Applicant's expense. All backfilling shall be done in strict conformance with State and local laws, ordinances, and other requirements enforced in the area where the construction is taking place or the District's construction specifications (whichever is more strict). . The actual interconnection of the Development water system installed by Applicant with the District's water mains shall be completed by the contractor for Applicant under the supervision of the District, and no structures are to be connected to the Development water system and no water distribution services will be provided by the District to the Development until after Applicant has satisfied the District that all bills for labor and materials and all other costs of installing the Project Improvements have been paid, all appropriate and required testing has been successfully completed, and the work has been approved and accepted by the District. All necessary and appropriate precautions shall be taken to ensure that no cross-connections occur as the Development system is interconnected with the District's domestic water lines and/or to secondary water lines, or otherwise.

3. Upon completion of the Project Improvements, and before the Project Improvements are interconnected with the District's lines, Applicant shall assign and convey to the District all of Applicant's right, title, estate and interest in the Project Improvements, including easements and, where appropriate, title to the land where the Project Improvements are located, and the District shall thereafter be the owner thereof and shall operate and maintain the same. All documents of conveyance shall be in form and content acceptable to the District in the District's sole discretion. All Project Improvements are to be constructed in land in which the District either holds fee title or an appropriate easement or in a publicly dedicated street or road with properly

documented approval from the governmental authority having jurisdiction over the street or road. The District may require the issuance of one or more title insurance policies insuring the District's marketable fee simple ownership and/or the District's rights as grantee under easements, with only such exceptions and exclusions from coverage as may be acceptable to the District, as a condition or precondition to accepting any or all of the Project Improvements, with the premium cost of such insurance and any related costs to be paid by Developer. In the event additional documents are not executed to effect that transfer, by executing and delivering this Agreement Applicant grants, warrants, assigns, and conveys to the District marketable fee simple title to all of the Project Improvements including easements and, where appropriate, title to the land where the Project Improvements are located, free and clear from any claim, lien or encumbrance, effective upon acceptance of the Project Improvements by the District, and the District shall thereafter be the owner thereof and shall operate and maintain the same, subject to Developer's warranty obligations as provided in paragraph 18 below. To the maximum extent allowed by law, Applicant hereby grants to the District a power of attorney coupled with an interest and authorizes the District to record with the appropriate County Recorder a document, signed solely by the District, to place the conveyance which is the subject of the immediately preceding sentence of record. Notwithstanding the foregoing, or any other provision of this Agreement, Applicant shall have a continuing obligation to deliver acceptable documents of conveyance as demanded by the District.

4. Applicant shall retain ownership of all Project Improvements constructed under the terms of this Agreement and shall remain solely responsible for all necessary maintenance, repairs and replacements prior to final approval and acceptance of the work by the District. After the main lines have been constructed in dedicated streets, in land in which the District holds fee title, or in acceptable easements running in favor of the District, service lines have been constructed from the main lines in the street or easement to the property lines, the District has received all sums then due and owing from the Developer, the main lines and service lines have District final acceptance and are in compliance with the District's Rules and Regulations, Applicant has satisfied all of Applicant's obligations under this Agreement, and applicable hookup fees and impact fees have been paid, homes and other structures on each lot within the Development may be connected thereto., Notwithstanding the foregoing or anything to the contrary in this Agreement or elsewhere, the property owner shall be responsible for service lines running from a property owner's home or other structure to the water meter. Applicant understands and agrees that no house or other structure will be connected to a water line, nor shall any structure connection facilities be covered up, until the said lines and facilities have been inspected and accepted by the District. The owner of any structure to be connected to the District's lines shall be required to pay the District's established inspection fee and other applicable fees and charges existing at the time the connection is made including, if not previously paid, applicable hookup fees and impact fees.

5. As each structure is connected to any District service line, the owner thereof shall, in addition to paying applicable impact, hookup and other fees existing at the time the connection is made that have not already been paid, be required to sign and deliver the District's standard application for service form, as it may exist from time to time, agree

to abide by the District's Rules and Regulations, as modified and amended over time, and to pay the monthly water service charges and any other charge lawfully assessed by the District as conditions precedent to the District's obligation to provide service. The application for service shall not be binding upon the District until the District has accepted and executed the same.

6. Applicant shall at all times abide by the established rules and regulations of the District, including subsequent additions, amendments, and replacements thereto, which Rules and Regulations are incorporated herein by this reference, in addition to all applicable local, state and federal laws, rules and regulations.

7. Applicant represents and warrants that Applicant is the owner of the Development for which service is hereby applied; that the land into which the Project Improvements will be installed either has been or will be dedicated as public streets or acceptable easements, as defined by the District, either have been or will be obtained covering that land naming the District as Grantee, or marketable fee simple title to the said land will be conveyed to the District, all of which shall be free of encumbrances other than those specifically approved by the District in writing; and that the District either has been or hereby is granted the full right to enter upon property within the Development to repair, inspect, maintain, replace and/or remove the Project Improvements at the District's election. Applicant further represents and warrants that Applicant has obtained permission to enter upon the property of third parties as necessary or desirable to design, construct, inspect, or otherwise insure access to the Project Improvements and grants permission to the District and its agents to enter upon all such land. To the extent Project Improvements are to be installed in land not belonging to Applicant, Applicant shall, in good faith, negotiate with the landowners to obtain either title or acceptable easements running in favor of the District. The District may choose, in its sole discretion, to initiate condemnation proceedings to obtain required easements only after Applicant has made an unsuccessful good faith effort to acquire the same on behalf of the District. Applicant shall be solely responsible for all costs, expenses and liabilities of acquiring necessary easements and/or title to property, including reimbursing the District for engineering and legal costs associated therewith, including but not limited to the cost of condemnation proceedings and, at the District's sole election, the cost of title insurance covering the District's title to any property or easement received or to be received by the District, all as determined by the District. The District shall not be obligated to accept any real property title interest, including any easement or right-of-way, that is not acceptable to the District and for which title insurance, which in all respects is satisfactory to the District, will not be issued. To the extent that the District incurs costs and expenses in connection with obtaining necessary easements and/or title to property for the installation of Project Improvements, including but not limited to attorney fees and costs, Applicant shall reimburse the District for the same on a cost plus fifteen percent (15%) basis. The District makes no warranty or assurance, express or implied, to Applicant that the District can or will obtain necessary easements and/or land titles through condemnation or otherwise and, insofar as property belonging to third parties is concerned, Applicant shall proceed at Applicant's sole risk and the District shall

have no obligation to perform as provided in this Agreement until the necessary easements and/or land titles have been obtained.

8. If lots and/or structures within the Development face upon an existing public street where District owned water facilities, which were not installed pursuant to this Agreement, are located and if said homes or structures abutting said street are to be connected directly to such lines, said lots, houses and structures shall not be subject to this Agreement, but each such house or other structure may be connected to a District line located within said street only by making individual application therefore to the District, paying the full impact fee, hookup fee and other fees and assessments applicable thereto, and abiding by the District's Rules and Regulations for the making of individual connections. Either Applicant or the owner or builder of any house or other structure, as appropriate, within the Development shall be required to pay in full all impact fees, hookup fees, and other fees and charges assessed by the District applicable thereto and to install all water service lines that are to be connected to the District's water distribution system.

9. Impact fees required to be paid to the District for the Development as a whole shall be determined as follows:

a. The density of the Development shall be determined by the District's Engineer based upon the number of equivalent residential units ("ERUs"), with the culinary water needs of a typical single-family residence (as determined by the District Engineer) constituting an ERU, within the Development. If the Development consists entirely of single-family lots, the number of single family lots shall constitute the number of ERUs. The number of ERUs in any portion of the Development that will be developed as multifamily housing, or commercial, industrial, governmental or any other nonresidential use, shall be determined by the District's Engineer based upon the Engineer's sound judgment.

b. The per ERU impact fee may change over time in conformance with the Impact Fees Act found in Title 11 Chapter 36a of the Utah Code. The impact fee to be paid at any particular point in time shall be the then applicable impact fee. However, should any impact fee be paid in advance, the prepaid impact fee shall not change as a result of any such future change in the District's impact fees.

c. Notwithstanding anything in this Agreement to the contrary, should more ERUs be developed in the Development than the ERU number determined by the District Engineer because the density of the Development increases or due to any other cause, such additional ERUs, and any connection for which an impact fee prepayment has not been made, shall be subject to payment of the District's full water impact fee in effect at the time of connection to the District's water system or

immediately after the increased density is detected or determined by the District, as appropriate.

d. Since the District's ability to determine the number of ERUs in the Development will depend upon Developer having completed and provided plans and plats and other documentation from which the District Engineer can calculate the number of ERUs to be served, Developer covenants and agrees to provide all such information as requested and/or required by the District within three months after the effective date of this Agreement. The density of the Development may not be determined, and impact fees may not be paid to the District, until the proposed Development has been submitted to the District, favorably reviewed by the District Engineer, and approved by the District Board of Trustees.

e. The District's Impact Fees Facilities Plan and its Impact Fee Analysis may be modified, and the District Board of Trustees may, in conformity with requirements of the Impact Fees Act, adopt amended or modified impact fees for the District at any time as deemed prudent or appropriate by the District Board of Trustees.

10. All costs to install the Project Improvements shall be borne by Applicant, except as otherwise specifically provided in the District's Oversized Lines Policy in the event the District elects to participate in the cost of facility oversizing. All work to be performed hereunder shall be to the reasonable satisfaction of the District and shall be at least equal to the requirements of the plans and specifications and the customary and normal standards and norms for such work in Weber County and Davis County, Utah and/or the District's standards then in effect, whichever is more stringent.

11. Applicant agrees to pay any amount that becomes due and payable to the District from Applicant under the terms of this Agreement within fifteen (15) days following the first billing of such amount. In the event Applicant fails to pay any amount owed to the District under this Agreement as it becomes due, the District shall be relieved of any further obligations under this Agreement and interest shall be assessed against such amounts at the rate of eighteen percent (18%) per annum from the due date until paid in full, both before and after judgment. To the fullest extent allowed by law, the District reserves the right to certify delinquent amounts owed to the District to the Weber County Treasurer, the Davis County Treasurer and/or any other appropriate official, thereby creating a lien on the real property that received the service, which lien shall have the same priority as a property tax lien, and/or to utilize such other available collection method or methods as selected by the District.

12. Applicant represents and warrants that no mechanic's or materialmen liens will attach to the Project Improvements or any easements or title to the land in which the Project Improvements are or will be installed as the result of any of the work to be performed hereunder by or at the cost of Applicant. Applicant agrees to defend, indemnify and hold the District free and harmless from and against any and all claims,

damages, demands or liability whatsoever resulting from the construction of any water improvement which is part of the work to be performed by Applicant under this Agreement including, but not limited to, all water transmission lines and facilities wherever located.

13. Applicant agrees, promptly upon request, to turn over to the District Applicant's records and documents relevant to the installation of the Project Improvements and redline drawings and GPS records, including any changes to the original plans.

14. The obligation of the District to provide culinary water to the Development is strictly limited to available water supplies and water distribution system capacity. If construction of the Project Improvements does not commence within one (1) year after the execution of this Agreement and/or is not diligently completed within a reasonable period of time thereafter (which shall not exceed twenty-four (24) months), this Agreement shall automatically terminate, subject to Applicant's continuing obligations to make any payments then due hereunder to the District and to defend, indemnify and hold harmless the District and associated persons as provided in this Agreement, which obligations shall survive such termination, and Applicant shall be required to reapply to the District. Notwithstanding the foregoing, Developer may request an extension of time to commence and complete construction of the Project Improvements, which shall be granted or rejected in the District's sole discretion. If a time extension is granted, the extension shall not be effective unless it is in writing signed by both parties, which writing shall constitute an amendment to this Agreement.

15. If multi-family residential, commercial and/or industrial development is contemplated within the Development, Applicant shall complete and deliver to the District within such time as designated by the District Engineer, which shall not be less than thirty (30) days after the execution of this Agreement, an individual summary regarding the intended development and its water needs in such detail as requested by the District Engineer, including backflow prevention plans and fire line plans.

16. Should the District determine, upon review of the capacity requirements of the District's current customers, together with the requirements of other developments to which the District has already obligated itself, and the anticipated impact of the water service requirements of the Development (particularly with respect to industrial or commercial developments and other developments where the anticipated needs are not fully known at the execution of this Agreement), that the District's water distribution system, or available water supplies, are not sufficient for the District to serve the Development, the District may either (a) terminate this Agreement without any liability to Applicant other than to restore and return any sums paid by Applicant hereunder not required by the District to cover its actual out of pocket expenses incurred to the date of termination, or (b) offer to Applicant the option of including any additional water improvements (new or upgraded) and/or water rights and/or water supplies necessary to allow service to Applicant's Development as part of Applicant's work governed by this Agreement. If option (b) is offered to Applicant, and Applicant accepts the same, the

scope of work to be performed or otherwise paid for by Applicant hereunder shall be enlarged accordingly. Applicant's financial and other responsibilities pursuant to this provision shall be determined by the District Board of Trustees in its sole discretion. Any modified water distribution system determined to be Applicant's responsibility by the Board of Trustees shall be designed consistent with the District's standards then in effect, inspected and approved by the District Engineer and an additional fee shall be charged for those services at the rate established by the District Engineer and approved by the District Manager from time to time as specified elsewhere in this Agreement to recover all of the District's costs including, but not limited to, in-house costs and consultant fees and charges. Applicant agrees to pay the District for authorized services performed by the District's attorney and/or for engineering work associated with the Development.

17. Applicant and/or Applicant's contractor shall obtain and maintain in full force and effect general public liability and property damage insurance from an insurance company authorized to issue insurance in the state of Utah that is acceptable to the District, sufficient to indemnify the District as required by this paragraph. Said insurance shall be established with the District listed as an additional named insured. Applicant shall have on file with the District insurance established at the minimum rate of \$3,000,000.00 for each occurrence and \$5,000,000.00 aggregate throughout the period starting with the execution of this Agreement throughout the final acceptance by the District of the last work to be performed hereunder by or for Applicant and the expiration of any warranty period applicable to such work. Insurance coverage provided by Applicant as required by this Agreement shall be primary and shall include a waiver of subrogation respecting any other insurance carried by the District. A certificate from Applicant's insurance carrier evidencing that Applicant has complied with the insurance requirements stated herein shall be delivered to the District as a condition to the District's obligations and responsibilities under this Agreement. Applicant and its contractor shall also be responsible for full compliance with applicable Federal and State of Utah Occupational Safety and Health Administration Regulations (29 C.F.R. 1926.652 or elsewhere) relating to trenching operations and the American National Standards Institute's safety requirements for working in confined spaces and all other applicable health and safety requirements.

18. If Applicant possesses the required qualifications, Applicant may act as its own contractor in installing the Project Improvements. The District shall have no obligation to accept the work to be performed by or at the expense of Applicant hereunder if the work does not meet the District's standards and other applicable requirements. Applicant agrees that, upon final acceptance of the Project Improvements by the District, as evidenced by a duly approved motion of the Board of Trustees. Applicant shall fully warrant, maintain required bonds, and remain responsible for both materials and workmanship for a period of twelve (12) months after final inspection and approval of the work by the District (the "warranty period"), and shall correct all problems due to defects in material and/or workmanship including, but not limited to, leaks, the elimination of cross-connections and/or any potential for backflow in the water distribution system that are detected during the warranty period. All repairs to the facilities undertaken by Applicant shall be accomplished in accordance with this

Agreement. Upon expiration of the 12 month warranty period, or 12 months from the correction of said items, the District shall accept full responsibility for the Project Improvements (not including service pipes or laterals) constructed by or for Applicant under the terms of this Agreement (and for any System Improvements constructed and/or paid for by Applicant as provided elsewhere in this Agreement) and issue a final bond release to Applicant and the issuer of the bond. As the work progresses to the District's satisfaction, and upon final acceptance of the work, the District Board of Trustees may approve partial bond releases in the sole discretion of the Board. Applicant shall defend (with counsel acceptable to the District), indemnify and hold the District free and harmless from and against any violation by Applicant of this provision. Applicant shall not settle any lawsuit which falls under any defense and/or indemnification provision in this Agreement without the consent of the District, which consent shall not be unreasonably withheld, provided that the District is adequately protected. Specifically, Applicant agrees to defend, indemnify and hold the District, its employees, officers, Trustees, agents and independent contractors free and harmless from and against any and all claims resulting from the execution of this Agreement and/or the construction and/or operation of the Project Improvements (and any System Improvements installed by and/or at the cost of Applicant) that arise prior to the end of the 124 month warranty period. Notwithstanding anything to the contrary contained herein, or elsewhere, Applicant's responsibilities shall not terminate on the expiration of the said 12 month period with respect to any defects or problems covered by Applicant's warranty and discovered by the District within said 12 month period. Subject to the foregoing, upon final approval of the work, the District shall accept the dedication of and responsibility for the maintenance of the Project Improvements (and System Improvements, if applicable) constructed under the terms of this Agreement.

19. This Agreement shall, by reference, be made part of the construction plans and specifications for the Project Improvements and for System Improvements installed by or for Developer, if any.

20. In the event either party files an action to interpret, enforce and/or prevent the breach of this Agreement, the party prevailing in such action shall be entitled to an award of attorney and paralegal fees and costs in addition to any other available relief.

21. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine or neuter forms and the singular form of nouns, pronouns and verbs shall include the plural, and vice versa. Each of the foregoing genders and plurals is understood to refer to a corporation, partnership or other legal entity when the context so requires. In interpreting and enforcing this Agreement, any rule of construction that would disfavor the party that prepared the Agreement shall not apply, since both parties either have or have had the opportunity to have the Agreement reviewed by an attorney.

22. As applicable, this Agreement shall be binding upon and enforceable by the heirs, executors, administrators, successors and assigns of the respective parties. Each and every purchaser, assignee, or transferee of an interest in the Development or

any portion thereof shall be obligated and bound by the terms and conditions of this Agreement, but only with respect to the Development or such portion thereof sold, assigned, and/or transferred to such purchaser, assignee or transferee.

23. This Agreement shall survive approval by the District of the work performed by Applicant and any contractor hired by Applicant and the execution and delivery of any easement, deed or other document of conveyance and shall remain binding upon and enforceable against the parties until fully performed. All obligations assumed by Applicant under this Agreement shall be binding on Applicant personally. The failure of a party to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such party to exercise at some future date said right or any other right it may have hereunder. Unless this Agreement is amended or revised by the parties in writing, no officer, official or agent of the District has the power to amend, modify or alter this Agreement or waive any of its conditions so as to bind the District by making any promise or representation not contained herein.

24. Any notice which must or may be given hereunder by either party to the other shall be in writing and may be effected by personal delivery, by confirmed telefax to the telephone numbers listed below, by email to the e-mail addresses listed below, or through the United States Postal Service, postage prepaid, in which event the notice shall be deemed communicated as of the end of the third day after the date of deposit of the same into the United States mail. Notices shall be addressed and sent or delivered as set forth below, but each party may change its postal or e-mail address or telefax number by written notice in accordance with this paragraph.

To the District:

Hooper Water Improvement District
PO Box 217
Hooper, Utah 84315
Attn: Manager
Telefax: (801) 985-2095
E-mail: scottc@hooperwater.net

With a copy to:

Mark H. Anderson, Esq.
FABIAN VANCOTT
215 South State Street, Suite 1200
Salt Lake City, Utah 84111-2323
Phone: 801-531-8900
Email: mhanderson@fabianvancott.com

To Applicant:

Telefax: () _____

25. It is agreed by the parties that the Development is a private development and that the District does not have any interest therein except as authorized in the exercise of its governmental functions. The parties to this Agreement each warrant that they have all of the necessary authority to execute and enter into this Agreement, and each individual executing this Agreement in a representative capacity represents and warrants to the other party that such individual has the requisite power and authority to bind the party for which such individual is executing this Agreement.

26. The parties agree, intend and understand that the obligations imposed by this Agreement are intended to be consistent with applicable state and federal law. Should any provision of this Agreement become, in its performance, inconsistent with applicable state or federal law, or is declared to be invalid under applicable state or federal law, this Agreement shall be deemed amended to the extent necessary to make it consistent with the state or federal law, as the case may be, and the balance of this Agreement shall remain in full force and effect. Otherwise, this Agreement is severable. Should any portion or paragraph of this Agreement be determined to be invalid or unenforceable, except as otherwise provided above in this paragraph, such determination shall have no effect upon the remaining portions or paragraphs, which shall remain valid and enforceable, unless to enforce the remaining portions or paragraphs would defeat or materially frustrate the intent of the parties as set forth in this Agreement.

27. This Agreement constitutes the entire Agreement between the parties with respect to the issues addressed herein and supersedes and replaces all prior Agreements, whether oral or written, covering the same subject matter. This Agreement may not be modified or amended except in a writing mutually agreed to and accepted by the parties.

28. The signatures to this Agreement may but, unless otherwise requested by the District, need not be notarized, and the failure of any signature to be notarized shall not affect the legality or enforceability of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement in Weber County, Utah, as of the ____ day of _____, 20__.

APPLICANT:

By: _____
Its: _____

STATE OF UTAH)
 : ss.
COUNTY OF _____)

On this _____ day of _____, _____, _____ personally appeared before me _____, who being by me duly sworn, did say that he/she is the signer of the within instrument and that the within and foregoing Hooper Water Improvement District Development Agreement was signed on behalf of _____ by actual authority, and said _____ acknowledged to me that he/she has fully reviewed and executed the same.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

HOOPER WATER IMPROVEMENT DISTRICT

By: _____
Its: _____

STATE OF UTAH)
 :ss.
COUNTY OF WEBER)

On this _____ day of _____, _____, personally appeared before me _____ the signer of the above instrument, who duly acknowledged to me that he/she is the _____ of the Hooper Water Improvement District and that he/she executed the above instrument on behalf of the District by actual authority.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

EXHIBIT "A"

DEVELOPMENT PLAT AND/OR DESCRIPTION

4831-1724-9827, v. 6