

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (“**Agreement**”) is made by and between WILLARD CITY, a body corporate and politic of the State of Utah (“**City**”), and GRANITE CONSTRUCTION COMPANY, a California corporation (“**Granite**”), to be effective on the Close of Escrow under the PSA defined below (“**Effective Date**”), with reference to the following facts. City and Granite are hereinafter referred to collectively as the “**Parties**” and individually as a “**Party**.”

RECITALS

A. Granite owns certain real property located in the City of Willard, County of Box Elder, State of Utah, designated as portions of Tax Parcel Nos. 02-45-0001 and 02-45-0005 (the “**Granite Property**”).

B. Granite also leases certain real property located in the City of Willard, County of Box Elder, State of Utah that is adjacent to the Granite Property (“**Granite Leased Property**”).

C. On or about [REDACTED], 202[REDACTED], Granite (as Seller) and the City (as Buyer) entered into that certain Purchase and Sale Agreement (“**PSA**”) pursuant to which Granite (as Seller) is selling and transferring to the City (as Buyer) certain Property (as further described and defined in the PSA) and access easement and pipeline utility easement in exchange for that certain Water Agreement (“**Water Agreement**”) (collectively the “**Transaction**”). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the PSA and Water Agreement, respectively.

D. Through the close of the Transaction, the City will acquire from Granite and own certain real property located in the City of Willard, County of Box Elder, State of Utah, a portion of which consists of approximately ±10.76 acres, designated as a portion of Tax Parcel No. 02-045-0005, as more particularly depicted in **Exhibit 1** attached hereto and incorporated herein by reference (the “**Property**”), and excluding (1) any and all water rights and/or water shares; (2) any and all rights, title, entitlements, and/or interest in any culverts (culverts (including, but not limited to, the culvert under the Pine View canal) and/or canals (including, but not limited to, the canal area, commonly referred to as Pine View canal, adjacent to the Real Property and attached or benefitting Seller’s nearby property, and all rights relating thereto); (3) any and all rights, title, entitlements, and/or interest in the private road(s) / haul road(s) on the Granite Property; and (4) a temporary, non-exclusive license and right-of-way over, across, under and upon the Property for the purposes described below, including to store materials and equipment. The Parties hereby agree that an express condition of any transfer of the Property from Granite to the City is Granite’s reservation unto itself (and its heirs, grantees, successors and assigns) of said license and rights.

E. The City is contemplating constructing a secondary water pond or reservoir (or other lawful development activity or project that is compatible and not in conflict with operations, activities, development, and uses on the Granite Property or the Granite Leased Property) on the Property at some point in the future.

E. The City is willing to grant to Granite a license to use the Property for the purposes described below and the Parties desire that said license be on the terms, covenants, and conditions set forth herein.

AGREEMENT

NOW THEREFORE, incorporating the foregoing recitals and in consideration of the mutual agreements and covenants contained herein and for other value consideration, the receipt of which is hereby acknowledged, the Parties hereby agree as follows:

1. Grant of License. City hereby grants to Granite a non-exclusive license (the “**License**”) on, over, under, upon, and across that certain portion of the Property more particularly described in **Exhibit**

1 attached hereto and incorporated herein (the “**License Area**”), which License shall be for the purposes and subject to the terms and conditions set forth herein.

2. Term. The term of this License shall commence on [DATE OF START OF TERM], 202___ (“**Commencement Date**”), and shall terminate four (4) years from the Commencement Date, unless extended or earlier terminated in accordance with the provisions of this Agreement (“**Initial Term**”).

2.1 The City grants to Granite an option (to be exercised in Granite’s sole and absolute discretion) to extend the Initial Term for additional periods of one (1) year each (the “**Extended Term**”), with each Extended Term to run immediately following expiration of the then expiring Initial Term or Extended Term. The Initial Term and Extended Terms are collectively referred to herein as the “**Term**.” All terms, covenants, and conditions of this Agreement shall remain unmodified and in full force and effect during the Extended Term. The License shall automatically renew each Extended Term without notice from either Party, unless Granite provides written notice to the City of its intent not to exercise an Extended Term prior to the expiration of the Initial Term or Extended Term.

2.2 If, during the Extended Term, the City has received the necessary funding and developed the design to construct the proposed secondary water pond or reservoir (or to engage in another lawful development activity or project that is compatible and not in conflict with the operations, activities, development, and uses on the Granite Property and/or the Granite Leased Property, as reasonably determined by Granite, hereinafter a “Compatible Project”) on the Property and is prepared and intends to construct such pond or reservoir for secondary water (or such other Compatible Project), the City may terminate this License by providing Granite with no less than twelve (12) months prior written notice, on the condition that (a) the City requires the License Area to perform on-site development and construction of the proposed secondary water pond or reservoir (or other Compatible Project) on the Property and (b) Granite’s use of the License Area is completely incompatible with such onsite lawful development activities or project (“**City’s Termination Notice**”). The City’s Termination Notice must include the estimated construction schedule for the secondary water pond or reservoir (or other Compatible Project) on the Property and the reasons why Granite’s use of the License Area is incompatible with the City’s onsite pond or reservoir development (or other Compatible Project) and construction activities.

2.3 This Agreement may also be terminated upon the mutual written consent of both Parties.

2.4 Upon the expiration or termination of the License, Granite shall have a period of no less than the first to occur of (a) twelve (12) months after expiration or termination of this License, within which to remove its materials and equipment and surrender the License Area, or (b) twelve (12) months after Granite’s receipt of the City’s Termination Notice provided in accordance with and subject to the conditions set forth in Section 2.2 above.

3. Use and Purposes.

3.1 The License granted herein may be used by Granite and its Successors and Visitors and the Occupants of the Granite Property for the purpose of storing materials (including, without limitation, sand, fines, dirt, gravel, concrete, and aggregate) and materials and/or construction related equipment, and associated pedestrian and vehicular ingress, egress, and access over the License Area to, from, and between the License Area and the nearby Granite Property and/or the Granite Leased Property, and for other lawful activities which are directly related and reasonably necessary to the aforementioned activities permitted herein. In the event Granite desires to use the Licensed Area for any other purpose it shall be required to obtain the City’s written consent (which consent shall not be unreasonably withheld). For purposes hereof, “**Successors**” of a party shall mean the heirs, grantees, assignees and successors in title to the subject Party’s property; and “**Visitors**” shall mean the employees, customers, agents, visitors and other licensees and invitees of the subject Party; and “**Occupants**” shall mean the owners, tenants, subtenants, occupants and all other parties in possession of the subject Party’s property.

3.2 Throughout the Term, Granite will have access to the License Area and its own equipment and materials 24 hours per day, 7 days per week. Granite will have the ability to enter, turn around and exit freely with large heavy equipment and haul trucks.

3.3 Granite shall use commercially reasonable efforts to maintain the License Area in as good condition and repair as it was in as of the Effective Date, subject to the terms and condition of this Agreement, and reasonable wear and tear, damage from fire and other casualty for which insurance is normally procured and the City's repair and maintenance obligations excepted.

3.4 Granite shall comply with all applicable state, local and federal laws, rules, and regulations.

3.5 The provisions of this Agreement shall not be deemed to constitute a dedication for public use or to create any rights in the general public.

3.6 The License granted herein is not exclusive to the grantee, and the City hereby reserves the rights (a) to grant further rights in and to permit other uses of the License Area, and (b) for itself and its Successors, Visitors and Occupants to use the License Area, in each case so long as said other uses are not inconsistent with and do not interfere with the use of the License Area by Granite and its Successors, Visitors and Occupants as granted herein, and in each case subject to the provisions and limitations of this Agreement.

4. Maintenance. If and to the extent that maintenance and/or repairs to the License Area are necessitated, caused, or incurred due to the overuse, misuse, or other unusual use of such area by any Party hereto or its Successors or Visitors or the Occupants of said Party's property, then the applicable costs of maintenance and repair shall be borne entirely by the overusing, misusing or otherwise responsible Party. Other than the maintenance and repair obligations expressly set forth herein, nothing in this Agreement shall obligate any Party hereto to construct or install any sidewalks, paving, or any other improvements on the License Area.

5. Recognition of Title. The License granted herein is subject to all valid and existing licenses, easements, reservations, conditions and matters of public record affecting the Property as of the date this Agreement is recorded in the Official Records of Box Elder County and not otherwise subordinated hereto.

6. Liability Insurance. During the entire term of this License, Granite shall, at Granite's sole cost and expense, maintain general and automobile liability and worker's compensation insurance against claims for personal injury, death or property arising in any manner from Granite's operations on and use of the License Area. All such insurance shall be obtained immediately upon the execution of this Agreement. Upon the City's request, Granite shall deliver to the City a certificate of insurance. The general and automobile liability insurance shall not be less than \$1,000,000.00 combined single limit for bodily injury and property damage.

7. Indemnity. Each of the Parties hereto (as the "**indemnitor**") shall indemnify, defend and hold harmless the other Party (as the "**indemnitee**") from any and all claims, demands, liabilities, causes of action, judgments, awards, losses, penalties, fines, assessments, impositions, damages, liens, costs and expenses (including, without limitation, reasonable attorneys' fees, costs of expert witnesses, court costs, and other expenses of litigation, and costs of environmental testing and remediation) that may be suffered or incurred by the indemnitee arising solely from or based on (a) the indemnitor's exercise of its rights under this Agreement; and/or (b) the breach by the indemnitor of the indemnitor's obligations under this Agreement.

8. Assignment of License. Granite shall not have the right to transfer, assign, or convey the License to any third party (except for an affiliate or subsidiary of Granite) without the prior written consent of the City (which consent shall not be unreasonably withheld).

8. General Provisions.

8.1 Notices. Any notice or other communication pursuant to this Agreement shall be given in writing by (a) personal delivery, or (b) reputable overnight delivery service with proof of delivery, sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith. Any notice so given shall be deemed to have been given upon actual receipt or refusal to accept delivery. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

To Granite: Granite Construction Company
1000 N Warm Springs Rd.,
Salt Lake City, UT 84116
Attn: Brad Sweet, Resource Development Manager
Telephone: 801-526-6000

with a mandatory copy to:

Granite Construction Incorporated
585 West Beach Street
Watsonville, California 95076
Attention: Heather Lenhardt, Associate General Counsel

To City: Willard City
80 W 50 S
P.O. Box 593
Willard, Utah 84340
Attn: City Manager
Telephone: 435-734-9881

8.2 Merger/Entire Agreement. All Attachments and Exhibits to which reference is made in this Agreement are deemed incorporated into the Agreement whether or not actually attached. This Agreement (including the Attachments, Exhibits and Recitals) is intended to be the entire agreement of the Parties with respect to the subject matter hereof. Except as noted in this paragraph, all prior negotiations and written and contemporary oral agreements between the Parties and their agents with respect to the express subject matter of this Agreement are merged in this Agreement together with its exhibits. This Agreement may be modified only by a writing signed by both Parties.

8.3 Governing Law. This Agreement is to be governed by, and construed in accordance with, the internal laws of the State of Utah, without giving effect to any choice or conflict of law provisions or rule which would cause the application of the laws of any jurisdictions other than the State of Utah. Venue for any legal proceeding shall be in the County in which the Property is located.

8.4 Attorneys' Fees. If any Party hereto institutes an action or proceeding for a declaration of the rights of the Parties under this Agreement, for an alleged breach or default of, or any other action or proceeding arising out of or relating to this Agreement, whether or not suit is filed or prosecuted to final judgment, the Party determined by the court or referee to be the non-defaulting or prevailing Party shall be entitled to its reasonable attorneys' and costs incurred, in addition to any other damages or relief awarded.

8.5 Waiver of Consequential Damages. Neither Party will be liable to the other for consequential damages. For purposes of this Agreement, the term "consequential damages" shall be deemed to include, without limitation, loss of profits, loss of use of property, capital, interest or other financing costs, loss of business opportunity, contractual liability to a third party, punitive or exemplary damages, whether or not foreseeable, or any other form of indirect or consequential damage, whether or not foreseeable, unless such liability has been expressly assumed hereunder by express provision therefore.

8.6 Miscellaneous. Time shall be of the essence as to all dates and times of performance. Any obligation that falls due or specified time period which ends on a Saturday, Sunday or legal holiday shall be deemed to fall due or end on the next business day. If any term, covenant, condition or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction or rendered by the adoption of a statute by the State of Utah or the United States invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this Agreement, or the application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. The waiver by one Party of the performance of any covenant, condition or promise, or of the time for performing any act under this Agreement, shall not invalidate this Agreement nor shall it be considered a waiver by such Party of any other covenant, condition or promise, or of the time for performing any other act required, under this Agreement. The exercise of any remedy provided in this Agreement shall not be a waiver of any other remedy provided by law, and the provisions of this Agreement for any remedy shall not exclude any other remedies unless they are expressly excluded. Each Party has received independent legal advice from its attorney(s) with respect to this Agreement and the transaction which is the subject of this Agreement. The provisions of this Agreement shall be construed as to the fair meaning and not for or against any Party based upon any attribution to such Party as the sole source of the language in question. The Parties agree that nothing contained herein shall constitute either Party the agent or legal representative of the other for any purpose whatsoever, nor shall this Agreement be deemed to create or constitute any partnership, agency, joint venture, or form of business organization between the Parties hereto, nor is either Party granted the right or authority to assume or create any obligation or responsibility on behalf of the other Party. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the Parties hereto, to any person or entity other than the Parties hereto. This Agreement may be executed in one or more counterparts, electronic or otherwise, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed using DocuSign ®, which shall be deemed to have the same legal effect as an original, wet signature. A photocopy, electronic (including, but not limited to, via DocuSign), or facsimile transmission of the Agreement, including signatures, shall be deemed to constitute evidence of the Agreement having been executed and shall be deemed as legally binding as the original signatures.

IN WITNESS WHEREOF, Granite and City have executed this Agreement as of the date first hereinabove written.

"City"
WILLARD CITY, a body corporate
and politic of the State of Utah

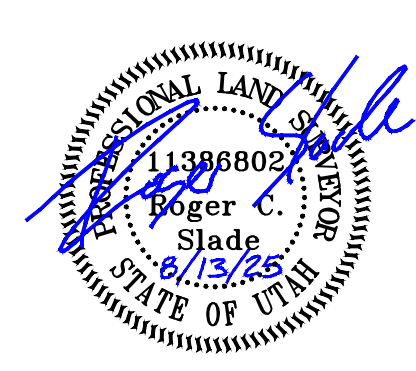
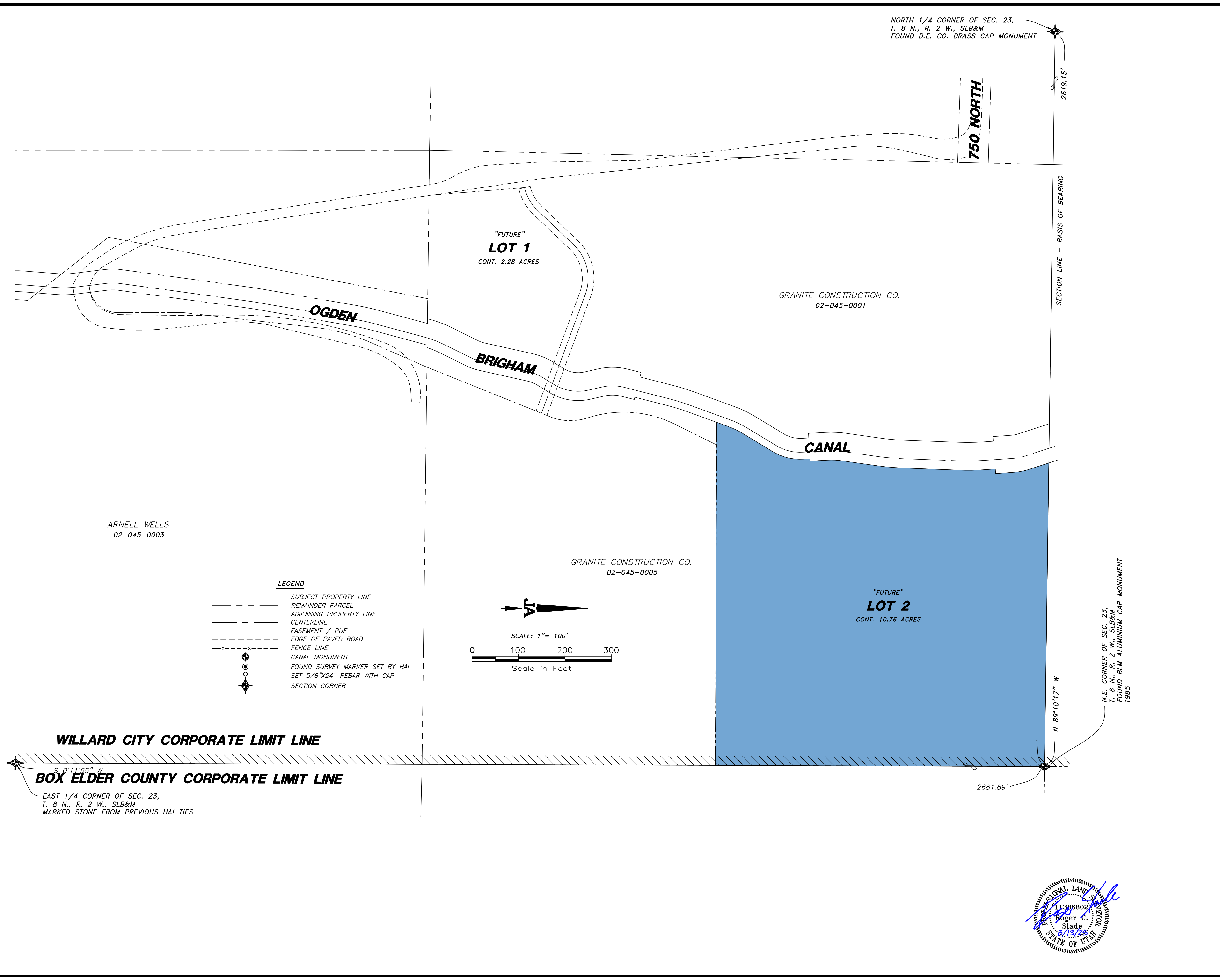
"Granite"
GRANITE CONSTRUCTION COMPANY, a
California corporation

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

EXHIBIT 1
DEPICTION/ DESCRIPTION OF PROPERTY AND LICENSE AREA

G:\Clients\Willard City\Projects\750 North Culinary Water Tank\2-Drawings\1-Survey\750 N Water Easements.dwg, 8/13/2025 7:26:23 AM



JJA CONSULTING ENGINEERS ASSOCIATES
6080 Fashion Point Drive
South Ogden, Utah 84403
(801) 476-9767 www.jjamescivil.com

WILLARD
750 NORTH CULINARY WATER TANK
GRANITE LICENSE AGREEMENT - EXHIBIT 1
NE 1/4 SECTION 23, T8N, R2W, SLB&M

REV.	DATE	APPR.

SCALE: 22"x34" H:1"=100'
1.1"x17" H:1"=200'

DESIGNED: RS
DRAWN: RS
CHECKED: #####

SHEET: **1**
OF 1 SHEETS