

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Willard City
80 W. 50 S
Willard, Utah 84340

SPACE ABOVE THIS LINE FOR RECORDER'S USE

EASEMENT AGREEMENT

THIS EASEMENT 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, depicted on **Exhibit 1** attached hereto and incorporated herein (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, consisting of approximately ±13.04 acres (one parcel, referred to as Lot 1, consisting of approximately ± 2.28 acres and another parcel, referred to as Lot 2, consisting of approximately ± 10.76 acres), designated as portions of Tax Parcel Nos. 02-45-0001 and 02-45-0005, as more particularly described in the PSA (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 culverts and/or canals; (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 to store materials and equipment as further described in that certain License Agreement between Granite and the City. The City is contemplating constructing a tank on a portion of the Property (the "**Tank Parcel**") and a secondary water pond or reservoir on another portion of the Property (the "**Pond Parcel**") at some point in the future.

D. As part of the Transaction and provided that Transaction closes in accordance with the terms and conditions of the PSA, Granite will grant to the City and the City will acquire from Granite a non-exclusive access easement and pipeline utility easement. The Parties desire that said access easement and pipeline utility easement 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 Access and Utility Easement. Provided the Transaction contemplated in the PSA has closed in accordance with the terms and conditions of the PSA, Granite hereby grants to the City the following perpetual, non-exclusive access easement (“**Access Easement**”) and pipeline utility easement (“**Utility Easement**”) (the Access Easement and Utility Easement are collectively referred to herein as the “**Easement**”) in, on, under, across and along that certain portion of the Granite Property more particularly described in and depicted on **Exhibit 1** attached hereto and incorporated herein (the “**Easement Area**”), which Easement shall be for the purposes and subject to the terms and conditions set forth in this Agreement. The Easement and Easement Area indicated in **Exhibit 1** are intended to be general depictions only. Prior to closing the Transaction contemplated in the PSA, the specific boundaries, configurations, size, and locations of the Easement and Easement Area will be mutually agreed upon following and based on the completion of a survey. The location and configuration of the Easement and Easement Area may be adjusted in writing by the mutual agreement of the Parties. Any such adjustment shall be memorialized in a mutually executed amendment to this Agreement. Except as described herein, Granite shall retain the full use and enjoyment of the Easement Area and shall have the right to extend the use of the Easement Area to other properties. For the avoidance of doubt, Granite retains all ownership of and rights, title, and interest in and to the Granite Property and the culvert commonly known as the culvert under the Pine View Canal (which culvert is included in the depiction of the Granite Property set forth in **Exhibit 1**). Any access of and/or use by the City of the Easement Area or such culvert is limited by and subject to the terms and conditions of this Agreement.

2. Use and Purposes.

2.1 The Utility Easement granted herein may be used by the City for the purpose of constructing, installing, using, maintaining, operating, repairing, inspecting, replacing, removing, and accessing that certain twenty-five foot (25') wide pipe system for a utility pipeline (“**Pipeline**”) from and between the Tank Parcel and 750 North (to connect to State Highway 89), in the County of Box Elder, State of Utah, and for lawful purposes ancillary thereto. Notwithstanding the foregoing, in the event of an emergency which poses a threat of imminent bodily harm or property damage, or catastrophic failure of the Pipeline, the City may access the Easement Area to perform emergency repairs and shall provide notice to Granite as soon as possible (but at least within 24 hours of the emergency event

2.1.1 Before commencing any Pipeline construction, installation, or repair work on the Easement Area, the City must first (a) notify Granite in writing of the scope and schedule of work and any potential impacts to the private roads/haul roads, (b) confer, collaborate, and cooperate with Granite so as to minimize any disruptions to, impacts to, or interference with the Granite Property, the private roads/haul roads on the Granite Property, the Granite Leased Property, the use of the Granite Property and/or the Granite Leased Property, and/or the operations on the Granite Property and/or the Granite Leased Property, and (c) obtain Granite’s prior written consent (which consent may be reasonably conditioned, but not unreasonably withheld). During the periods of the City’s construction, installation, and repair of the Pipeline, the City will have a non-exclusive, temporary easement for the construction, installation, and repair work, as mutually agreed upon by the Parties (“**Construction Easement**”). All such City construction, installation, and repair work must be diligently pursued to completion. The Construction Easement shall automatically terminate upon the completion of the subject Pipeline construction, installation, or repair work.

2.1.2 The Utility Easement will be located in or alongside the existing private road / haul road on the Granite Property (as generally described and depicted on **Exhibit 1**) and is not intended to interfere in any way with the Granite Property or the private road(s) / haul road(s), the Granite Leased Property, or the current or future use of the Granite Property, the private road(s) / haul road(s), or

the Granite Leased Property. The City, for itself, for its Successors and Visitors, and for all present and future Occupants of the Property, does hereby acknowledge, confirm and agree, without limitation, that, except for mutually agreed upon minimal, temporary, and reasonable interference necessary to construct, install, and repair the Pipeline during the term of any Construction Easement, it will not make any use of the Utility Easement or Easement Area which will interfere with (a) any use of the Granite Property (including, but not limited to the private road(s) / haul road(s) located thereon) or the Granite Leased Property by Granite, by Granite's Successors or Visitors, or by any Occupants of the Granite Property or the Granite Leased Property, (b) the future lot layout of the Granite Property (or any portion thereof) as generally depicted in the proposed plat of subdivision attached as Attachment 1 to the Water Agreement, or (c) any operations on the Granite Property or the Granite Leased Property. 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.

2.2 The Access Easement granted herein may be used by the City for the purpose of pedestrian and vehicular ingress, egress, and access over the Easement Area to, from, and between the Pond Parcel and the Tank Parcel to 750 North and State Highway 89, in the County of Box Elder, State of Utah. When using such Access Easement, the City shall avoid entering Granite's quarry or other active operations on the Granite Property.

2.2.1 The Access Easement will be located within the existing private road / haul road on the Granite Property (as generally depicted on Exhibit 1) and is not intended to interfere in any way with the Granite Property or any private roads / haul roads, the Granite Leased Property, or the current or future use of the Granite Property, the private roads / haul roads, or the Granite Leased Property. The City, for itself, for its Successors and Visitors, and for all present and future Occupants of the Property, does hereby acknowledge, confirm and agree, without limitation, that it will not make any use of the Access Easement or Easement Area which will interfere with (a) any use of the Granite Property (including, but not limited to the private road(s) / haul road(s) located thereon) or the Granite Leased Property by Granite, by Granite's Successors or Visitors, or by any Occupants of the Granite Property or the Granite Leased Property, (b) the future lot layout of the Granite Property (or any portion thereof) as generally depicted in the proposed plat of subdivision attached as Attachment 1 to the Water Agreement, or (c) any operations on the Granite Property or the Granite Leased Property.

2.3 When using the Easement (including the Utility Easement and Access Easement) and/or accessing the Easement Area, the City must comply with all applicable state, local and federal laws, rules, regulations, and permits and Granite safety protocols, including, without limitation, checking in with Granite's site supervisor prior to any entry, access, or use of the Easement Area that is near, around, or within the boundaries of Granite's quarry or other active operations. Granite shall have the right (but not the obligation) to accompany (or have Granite's designee accompany) the City on any such entry upon the Easement Area.

2.4 Granite, for itself, for its Successors and Visitors, and for all present and future Occupants of the Granite Property, does hereby acknowledge, confirm, and agree, without limitation, that it will not make any use of the Easement Area which will unreasonably interfere with the City's authorized use of such Easement Area.

2.5 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.

2.6 The Easement granted herein is not exclusive to the grantee, and Granite hereby reserves the rights (a) to grant further rights in and to permit other uses of the Easement Area, and (b) for itself and its Successors, Visitors and Occupants to use the Easement Area, in each case so long as said other uses are not inconsistent with and do not unreasonably interfere with the authorized use of the

Easement Area by the City as granted herein, and in each case subject to the provisions and limitations of this Agreement.

3. Maintenance, Repair, Indemnity and Insurance. The City hereby agrees:

3.1 Not to fence the Easement Area or utilities contained within such Easement Area and not to erect any type of building, obstruction, barrier, or other improvement of a permanent nature in or along the private road(s) / haul road(s) on the Granite Property or in any way permanently prevent, hinder or delay use of the private road(s) / haul road(s) by Granite, its Successors or Visitors, or present or future Occupants of the Granite Property with the exception of (a) incidental, temporary encroachments upon the Easement Area which may occur in conjunction with the construction, installation, maintenance, or repair of the Pipeline pursuant to and in compliance with the terms and conditions of this Agreement (including, without limitation, the provisions of Article 2 above), provided such encroachments are mutually agreed upon by the Parties prior to commencement of any such work and the subject work is diligently pursued to completion; (b) reasonable traffic or animal controls approved in advance by Granite as may be necessary to guide and control the orderly flow of traffic and implement the safety and security of either Party's operations, so long as the Easement Area is not unreasonably hindered, closed, or blocked; and/or (c) for temporary blockage of certain areas deemed necessary by the Parties to prevent a public dedication of an easement or access right;

3.2 To keep the Granite Property and Easement Area free and clear of any liens arising out of any work performed, materials furnished, or obligations incurred by the City (or its Successors);

3.3 To maintain the Easement Area in good condition and repair and to repair any damage the City, its contractors, agents and/or employees cause to the Granite Property or Easement Area (including, but not limited to, any damage caused to the private road(s) / haul road(s), whether before, during, or after installation of the Pipeline);

3.4 To comply with all applicable state, local and federal laws, rules, regulations and permits and Granite safety protocols;

3.5 To obtain, at the City's sole cost and expense, all applicable permits and other government authorizations for the construction, use, maintenance, operation, alteration, addition to, repair, replacement, reconstruction, inspection and removal of the Pipeline and/or utilities within the Easement;

3.6 To indemnify, defend and hold harmless Granite (and its Successors, parent company and affiliates, and their respective directors, shareholders, officers, employees, contractors and agents) against any loss, damage, and/or injury caused by any act or omission of the City or of its Successors, agents, contractors and/or employees; and

3.7 To comply with the following insurance requirements: During the term of this Agreement, the City shall, at its sole cost and expense, obtain and keep in full force and effect commercial general liability insurance on an occurrence basis (of no less than \$2 Million limits, including, contractual liability, broad form property damage, pollution liability, products liability, completed operations, contractors liability, and protective liability), automobile liability insurance (of no less than \$2 Million limits, including, without limitation, owned, non-owned and hired automobile liability) and Worker's Compensation in accordance with statutory requirements and employer's liability insurance as will adequately protect Granite. The commercial general liability policy and the automobile liability policy required to be carried by the City pursuant to this Agreement shall: (i) be endorsed to (a) name Granite and its parent company and affiliates, and their respective officers, directors, employees and agents as additional insureds ("**Additional Insureds**") and (b) state that the insurance provided by the City shall apply as primary insurance without the right of contribution from any other insurance coverage of Granite which shall be excess only; and (ii) contain a waiver by the insurer of any right to subrogation against Granite and the other Additional Insureds. Before commencing any work or activities on the Easement Area, the City will provide Granite with a certificate of the insurance, evidencing that the coverage required by this section is in place, and containing the provisions specified herein. The City shall require and verify that all of the City's contractors and agents that use, access, and/or engage in any work or activities on or about the Easement Area maintain insurance meeting all the requirements stated in this sub-section and name Granite and the other Additional Insureds as additional insureds on such insurance. The City releases Granite and the other Additional Insureds from any liability for injury to any person or damage to property that is caused by or results from any risk insured

against under any insurance policy required by this Agreement or any other valid and collectible insurance policy otherwise carried by the City.

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

5. Successors and Assigns. The Easement shall run with the land, may not be assigned or transferred separate or apart from the parcels which they burden or benefit, and shall bind and inure to the benefit of the owners of the Granite Property and the Property and their respective Successors in title and Occupants.

6. General Provisions.

6.1 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

6.2 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.

6.3 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 Granite Property is located. Each

Party hereto irrevocably waives all right to trial by jury in any action, proceeding, or counterclaim arising out of or relating to this Agreement.

6.4 Attorneys' Fees. If any Party hereto institutes an action or proceeding for a declaration of the rights of the Parties under this Agreement, for injunctive relief, for specific performance of the obligations under, for an alleged breach or default of, or any other action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, 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 actual attorneys' and legal fees and to any court or other proceeding costs incurred, in addition to any other damages or relief awarded.

6.5 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.

[Signatures on Following Page]

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

By: _____
Name: _____
Its: _____

"Granite"

GRANITE CONSTRUCTION COMPANY, a
California corporation

By: _____
Name: _____
Its: _____

EXHIBIT 1
DEPICTION / DESCRIPTION OF GRANITE PROPERTY AND EASEMENT AREA

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

On _____, 20____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

On _____, 20____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

ACCEPTANCE OF EASEMENT AGREEMENT BY WILLARD CITY

WILLARD CITY, a body corporate and politic of the State of Utah ("City"), hereby accepts and approves the foregoing Easement Agreement (the "Agreement") and the real property interests and rights conveyed therein.

The City hereby consents to recordation of the Agreement by any of its duly authorized officers.

Dated: _____, 2025

WILLARD CITY

a body corporate and politic of the State of Utah

By: _____

Its: _____