

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “**Agreement**”) is effective as of the Effective Date, by and between Granite Construction Company, a California corporation (“**Seller**”), and WILLARD CITY, a body corporate and politic of the State of Utah (“**Buyer**”) (collectively referred to herein as “**Parties**” and individually as “**Party**”).

RECITALS

- A. Seller is the owner of certain unimproved real property 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), located in Willard City, Box Elder County, State of Utah, designated as portions of Tax Parcel Nos. 02-45-0001 and 02-45-0005, as more fully depicted and described on Exhibit A attached hereto (the “**Real Property**”), together with those items included in the definition of “**Property**” below. Seller is also the owner of additional property which it desires to develop in the future and for which Buyer will provide culinary water in the event of development, subject to the terms and conditions of the Water Agreement attached as Exhibit C (“**Water Agreement**”).
- B. The acreage indicated in Recital A above for the Real Property is a general estimate and Exhibit A is intended to be a general depiction only. The Real Property is not currently a legal/transferrable parcel(s); as a contingency to Closing (defined below), the specific boundaries and acreage of the Property will be mutually agreed upon during Escrow upon the completion of a survey, and as a further contingency, the appropriate subdivision map, or lot line adjustment(s) and/or other approvals, will need to be issued in order to create legally transferable parcels (which will be Buyer’s responsibility with reasonable cooperation from Seller).
- C. Buyer desires to acquire from Seller, and Seller is willing to transfer to Buyer, the Property and easement in exchange for the Water Agreement (attached as Exhibit C and incorporated herein), License Agreement (attached as Exhibit D and incorporated herein), and Granite Easement defined below, and upon the covenants, terms, conditions, and provisions set forth in this Agreement.
- D. Seller desires to develop property owned by Seller within Willard City and needs to have culinary water for that development and Buyer is willing to make such water available to Seller in the event of development upon the terms and conditions of this Agreement and the Water Agreement attached as Exhibit C and incorporated herein.

AGREEMENT

NOW, THEREFORE, incorporating the above recitals and in consideration of the promises, covenants, representations, and warranties hereinafter set forth, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. **DEFINITIONS.** The following terms shall have the following meanings when used in this Agreement:
- 1.1. **Agreement** – This Purchase and Sale Agreement, including all exhibits and schedules attached hereto.
 - 1.2. **Business Day** – A day other than a Saturday, Sunday, or day on which banking institutions in Utah are authorized or required by law or executive order to be closed.
 - 1.3. **Buyer’s Consultants** – The attorneys, lenders, and consultants of Buyer that are specifically working with Buyer on the Purchase and Sale Transaction.
 - 1.4. **Closing or Close of Escrow** – The closing and consummation of the Purchase and Sale Transaction, as evidenced by the delivery of all required funds and other deliverables to Seller and the recording of the Deed, Easement Agreement, Easement Agreement (Access), and Water Agreement.
 - 1.5. **Closing Date** – On or before the date which is Fifteen (15) calendar days after the expiration of the Feasibility Review Period.
 - 1.6. **Current Knowledge** – With respect to Seller shall mean the current, actual knowledge of Seller’s representatives Brad Sweet and Jason Klaumann (“**Seller’s Representatives**”), and with respect to Buyer shall mean the current, actual knowledge of Buyer and Buyer’s representatives.
 - 1.7. **Effective Date** – The later of the date that Buyer or Seller acknowledges receipt of a fully executed Agreement, as evidenced by Buyer’s or Seller’s signatures and the date inserted following their signatures on the signature page herein.
 - 1.8. **Escrow Holder and Title Company** – Old Republic National Title Insurance Company – Commercial, 299 S. Main Street, Ste 120, Salt Lake City, UT 84111, attn: [insert], Telephone No.: (801) [insert], Facsimile No.: (801) [insert], Email: [insert].
 - 1.9. **Feasibility Review Period** – The period beginning on the Effective Date of this Agreement and ending on the earlier to occur of (a) the satisfaction (or waiver) of Seller’s and Buyer’s respective conditions to Closing or (b) thirty (30) calendar days from the Effective Date. If Buyer determines that the Property is not suitable for Buyer’s intended use or purpose, or is not in satisfactory condition, then Buyer may terminate this Agreement by written notice to Seller and Escrow Holder prior to 5:00 p.m. MST on the last day of the Feasibility Period (the “Feasibility Termination Notice”). If prior to the expiration of the Feasibility Period, Buyer delivers the Feasibility Termination Notice to Seller and Escrow Holder, this Agreement shall terminate, and neither Buyer nor Seller shall have any further rights or obligations hereunder, except as otherwise expressly provided herein. If Buyer does not deliver the Feasibility Termination Notice prior to 5:00 p.m. MST on the last day of the Feasibility Period, then Buyer’s due diligence, investigation, and inspection of the Property shall be deemed approved.
 - 1.10. **Hazardous Materials** – Any (i) hazardous, harmful, dangerous, or toxic waste, item, substance, material, or product (including, without limitation, any and all asbestos or petroleum-based products) as presently defined by any federal, state, or local environmental and/or health law, act, edict, directive, decree, rule, statute, ordinance, or regulation, including without limitation, (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.A. Section 9601, et. seq., (b) the Hazardous Materials Transportation Act, 49 U.S.C.A. Section 5101, et. seq., (c) the Resource Conservation and Recovery Act, 42 U.S.C.A. Section 6901, et. seq., (d) the Toxic Substances Control Act, 15 U.S.C.A. Section 2601, et. seq., (e) the Federal Water Pollution Control Act, 33 U.S.C.A. Section 1251, et. seq., (f) all state or local environmental laws, and (g)

any and all regulations related to any of the foregoing; or (ii) other item, substance, material, or product prohibited, limited, or regulated by or under any of the laws, acts, edicts, directives, decrees, rules, statutes, ordinances, or regulations described above.

- 1.11. **Permitted Exceptions** – All taxes and assessments against the Property which are not yet due and payable as of the Closing Date, all then-current zoning laws and restrictions relating to the Property, any patent claims and/or reservations, and all other matters affecting title to the Property contained in the Title Report or shown on the Survey as are accepted by Buyer pursuant to the provisions of Article 3 (Survey and Title Review) of this Agreement.
- 1.12. **Property** – The Real Property, together with all easements, rights of way, and appurtenances running with or pertaining thereto, including without limitation any rights to use adjacent streets or alleyways, but expressly excluding the Excluded Property.
- 1.13. **Excluded Property** – Notwithstanding anything to the contrary contained in this Agreement, the following are not part of and are excluded from the purchase and sale contemplated hereunder, are expressly reserved and retained by Seller, and shall remain the property of Seller after the Closing: (A) any and all water rights and/or water shares relating to or associated with the Property, (B) any and all rights, title, entitlements, and interest in any 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), (C) any and all rights, title, entitlements, and interest in the private road(s) / haul road(s) on Seller’s property, and (D) the Granite License Area.
- 1.14. **Granite License Area** – That certain portion of the Real Property, on, over, under, upon and across which the Seller reserves a temporary, non-exclusive license to store materials and equipment, as more particularly described in and subject to the terms and conditions of the License Agreement attached as Exhibit D and incorporated herein (“**License Agreement**”).
- 1.15. **City Easement** – That certain access easement and pipeline utility easement being granted by Seller to Buyer as part of this Acquisition Transaction, as more particularly described in and subject to the terms and conditions of the Easement Agreement attached as Exhibit E and incorporated herein (“**Easement Agreement**”).
- 1.16. **Granite Easement** - That certain easement being granted by Buyer to Seller as part of this Acquisition Transaction, as more particularly described in and subject to the terms and conditions of the Easement Agreement (Access) attached as Exhibit F and incorporated herein (“**Easement Agreement (Access)**”).
- 1.17. **Acquisition Transaction** – The acquisition of the Property described on Exhibit A by Buyer, the agreement for the provision of culinary water to the nearby property owned by Seller (as depicted on the proposed plat of subdivision attached as Attachment 1 to the Water Agreement, which agreement is attached hereto as Exhibit C), the license of the Granite License Area to Seller, the grant of the Granite Easement by Buyer to Seller, and the grant of the City Easement by Seller to Buyer. The Real Property described in Exhibit A is not currently a legal parcel. As a condition to both Parties’ respective obligations to close Escrow, the Real Property must constitute legally established and recordable lot(s). In connection with this Agreement, Seller and Buyer will cooperate with each other in completing the appropriate mechanisms and approvals to effectuate the creation of legal parcel(s) for the Real Property. Buyer will be responsible for creating the legal parcel(s) and paying for any related costs and expenses Buyer incurs, such as surveys, engineering fees, legal fees, document preparation, recording fees, title company fees, if any, and agency fees. The boundaries and configurations of the Property will be based on the Final Survey

described in Section 3.2 below. Buyer and Seller shall reasonably cooperate to obtain any exemptions under applicable law needed (if any) to allow the recordation of a metes-and-bounds legal description for the Property without the requirement of a plat.

1.18. **Opening Escrow; Escrow Instructions** - For purposes of this Agreement, the Escrow shall be deemed opened on the date Escrow Holder shall have received an executed Agreement signed by both Parties or counterparts of this Agreement from both Buyer and Seller (the "Opening of Escrow"). Escrow Holder shall notify Buyer and Seller, in writing, of the date Escrow is opened. This Agreement constitutes escrow instructions to Escrow Holder. Seller and Buyer shall also jointly execute such reasonable and customary supplemental escrow instructions as are required by Escrow Holder to comply with the terms of this Agreement, provided such supplemental escrow instructions are not in conflict with this Agreement. Any supplemental escrow instructions provided by Escrow Holder for the Parties' acceptance and signature shall be consistent with the terms of this Agreement and shall provide that, as between the Parties, the terms of this Agreement shall prevail if there is any conflict or inconsistency.

2. **Acquisition Agreement**. Seller hereby agrees to convey and transfer to Buyer, and Buyer hereby agrees to acquire from Seller, the Property described in Exhibit A and the access easement and pipe utility easement described in the Easement Agreement, attached here as Exhibit E; and Buyer hereby agrees to convey and transfer to Seller, and Seller hereby agrees to acquire from Buyer, the Granite Easement described in the Easement Agreement (Access), attached hereto as Exhibit F. The Property shall be acquired in accordance with, and subject to, the terms, conditions, and provisions fully set forth below and in the attached Exhibits.

3. **Survey and Title Review**.

3.1. **Title Report; Title Policy**. As soon as reasonably practicable after the Effective Date of this Agreement, Seller shall cooperate with Buyer to cause Title Company to deliver to Buyer a title commitment with respect to the Real Property issued by the Title Company (the "Title Report"). Buyer shall have ten (10) business days after the later of (a) Buyer's receipt of the Title Report, or (b) Buyer's receipt of any supplement, amendment, addendum, or other update to the Title Report (but only with regard to newly disclosed encumbrances set forth therein), to give Seller written notice of any matters disclosed on the Title Report to which Buyer objects (it shall be unnecessary to object to any monetary liens or encumbrances as Seller shall remove these exceptions at Closing, except to the extent such monetary liens or encumbrances were created by or on behalf of Buyer). In the event Buyer gives Seller notice of one or more objections to the Property's condition of title, Seller will have five (5) business days to give written notice to Buyer of Seller's agreement to resolve the title objection to Buyer's satisfaction or refuse to do so ("Seller's Title Notice"). The failure of Seller to give Seller's Title Notice to Buyer within the specified time period shall be deemed Seller's refusal or inability to eliminate any of the disapproved title matters. In the event Seller does not agree to resolve a title objection to Buyer's satisfaction within said five (5) day period, Buyer may thereafter elect to either accept the Property's condition of title and proceed to Closing or terminate this Agreement. Any matters to which Buyer fails to so timely object shall become additional Permitted Exceptions. Except as expressly provided in this Agreement, all mortgages/deeds of trust, mechanics and other similar monetary liens against the Property (if any)

resulting from the voluntary acts or omissions of Seller will be discharged by Seller at Closing. At the Closing, Escrow Agent shall be committed to issue to Buyer, at Seller's expense, a standard owner's policy of title insurance ("Title Policy") in the amount of the Purchase Price insuring Buyer as the fee owner of the Real Property, subject to all Permitted Exceptions and standard exceptions relating to a standard owner's policy of title insurance. Buyer may, at its expense, obtain extended coverage and/or such endorsements for the Property as Buyer may reasonably request or require. Obtaining extended coverage and/or any endorsements shall not be a condition or contingency of the Closing.

- 3.2. **Final Survey.** Prior to or promptly after the Opening of Escrow, Seller and Buyer will confer, and attempt to mutually agree upon, the general size, configuration and boundaries of the Property, the City Easement, and the Granite Easement. Upon reaching such agreement, Buyer, at Buyer's cost, will cause the Property to be surveyed ("Preliminary Survey"). Upon receipt of the Preliminary Survey, Seller and Buyer will then attempt to reach consensus as to the exact size, configuration, and boundaries of the Property, City Easement, and Granite Easement, using the Preliminary Survey as a guideline. The Preliminary Survey, if and when accepted by the Parties in writing (or, if and when updated at the Parties' direction), shall be referred to as the "Final Survey," which shall, in turn, be used for preparing the legal description of the Property, the City Easement, and the Granite Easement, as well as, if applicable, any mapping, lot line adjustment(s), or other procedures required to create legal lot(s) for the Property. In the event the Parties cannot reach a written agreement regarding the size, configuration, and boundaries of the Property, City Easement and Granite Easement, and the Acquisition Transaction contemplated by this Agreement does not close, this Agreement, and all other agreements previously executed and deposited into Escrow pursuant to Section 4.2 (Seller's Closing Deliveries) and Section 4.3 (Buyer's Closing Deliveries) shall terminate and be deemed null and void. The Parties understand and acknowledge that the Water Agreement (attached hereto as Exhibit C), the License Agreement (attached hereto as Exhibit D), the Easement Agreement (attached hereto as Exhibit E), and the Easement Agreement (Access) (attached hereto as Exhibit F) referenced herein are contingent upon the consummation and close of the Acquisition Transaction and, by their terms, will not become effective until and unless Close of Escrow occurs.
- 3.3. **Right of Entry.** From the Opening of Escrow until the expiration of the Feasibility Period or earlier termination of this Agreement, Buyer shall be granted a temporary right of entry on the Property to perform such non-destructive tests and other physical inspections as Buyer shall deem appropriate for any purpose related to Buyer's proposed use of the Property. Buyer's right of entry upon the Property shall be subject to, and Buyer agrees to perform, each of the following conditions:
- 3.3.1. Buyer shall pay all costs, expenses, liabilities, and charges incurred by Buyer and related to said inspection and/or entry.
 - 3.3.2. Buyer shall not damage or alter the Property as a result of such entry, inspection, or investigation, and shall otherwise conduct the same so as not to unreasonably interfere with present operations, if any, on the Property. Buyer, at Buyer's sole cost and expense, shall repair all damage and/or injury caused by Buyer (or its employees or agents) in connection with any such inspection and/or entry and shall return the Property to the condition existing prior to such inspection and/or entry.
 - 3.3.3. Any entry upon the Property shall be upon a minimum of forty-eight (48) hours prior written notice to Seller, and Seller shall have the right (but not the obligation) to

accompany (or have Seller's designee accompany) Buyer on any such entry upon the Property. Any entry upon the Property shall occur only during normal business hours, Monday through Friday, from 7:30 a.m. to 4:30 p.m. Utah time (excluding holidays).

- 3.3.4. Buyer hereby assumes all risks of, and releases Seller from, all personal injury, property damage, death, and other damages which may be incurred by Buyer (or its employees or agents) in connection with Buyer's access to and/or inspections of or entry on the Property. Buyer shall indemnify, defend, and hold Seller and the Property free and harmless of and from all costs, expenses, damages, injuries, claims, liabilities, penalties, liens, obligations, encumbrances, losses, attorneys' fees and costs, and/or charges arising out of, related to (either directly or indirectly), or in any way connected with, the acts or omissions of Buyer (or its employees or agents), and/or the inspection of and/or entry upon the Property by Buyer (or its employees or agents) pursuant to this Agreement. Notwithstanding the foregoing, however, Buyer shall not be obligated to defend or indemnify Seller, nor to repair any damage to the extent attributable to any one or more of the following: (i) the mere discovery of an adverse condition or Hazardous Materials (as defined above) on the Property; (ii) a pre-existing latent defect in the Property; or (iii) the misconduct or gross negligence of Seller or its agents. Buyer's obligations under this sub-paragraph 3.3.4 shall survive the termination of this Agreement.
- 3.3.5. Buyer shall provide to Seller a certificate of liability insurance, with a combined single limit of liability of not less than Two Million Dollars (\$2,000,000), covering any and all parties entering the Property in connection with Buyer's Feasibility Period, with an endorsement attached to such certificate reasonably acceptable to Seller. Seller (and Seller's parent company and their respective directors, officers, employees and agents) ("Additional Insureds") shall be named as an additional insured upon such insurance, which insurance shall be primary and noncontributing with any insurance carried by Seller and issued on an occurrence basis. Buyer shall provide the certificate of such insurance with the attached endorsement prior to, and as a condition of, any such entry. Buyer shall require and verify that all of its agents that use, access, and/or engage in any work or activities on or about the Property maintain insurance meeting all the requirements stated in this sub-section and name Seller and the other Additional Insureds as additional insureds on such insurance. Buyer releases Seller 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 Buyer.
- 3.3.6. Buyer shall keep the Property free and clear of all claims or liens arising out of Buyer's activities conducted upon the Property. In the event a claim or lien is recorded with respect to any such work on the Property, then Buyer, within five (5) calendar days after Buyer's receipt of notice of such recordation, at Buyer's option, shall either: (a) pay such claim or lien in full, or (b) record or deliver to Seller a surety bond sufficient to release such claim or lien in accordance with applicable law. Prior to the Closing Date, Seller may elect to record and post notices of non-responsibility from time to time on and about the Property relating to Buyer's activities. Buyer's

obligations under this sub-paragraph shall survive any termination of this Agreement or the Close of Escrow, as applicable.

- 3.3.7. Prior to performing any environmental tests or studies on the Property beyond the scope of work generally performed in a Phase I study, Buyer shall notify Seller in writing of the scope of work intended to be performed and shall provide Seller an opportunity to confer, either directly or through Seller's consultants, with Buyer's environmental consultants in order to determine whether to permit any sampling or testing of surface or subsurface soils, surface water, or ground water (and with respect thereto Seller shall have the sole discretion to grant or withhold its consent) or to refine the scope of the work to be performed. The results of and any documents or materials related to any and all inspections and/or investigations are confidential information of Seller, and shall, to the extent permissible under existing law, remain confidential and not be disclosed by Buyer to any party other than as is necessary in connection with the consummation of the transactions contemplated hereby or as is necessary to comply with any obligations Buyer may have under applicable law, or as is necessary to enforce the rights Buyer may have against Seller hereunder. Buyer must provide Seller copies of all reports, tests and test results.

4. **Closing.**

- 4.1. **Time and Place.** The Closing for the Purchase and Sale Transaction shall take place in a location mutually agreed upon by the Parties on the Closing Date.
- 4.2. **Seller's Closing Deliveries.** At the Closing, Seller shall deliver, or cause to be delivered, to Buyer, as applicable:
 - 4.2.1. A Special Warranty Deed (the "Deed") on Seller's approved form in substantially the same form as attached hereto as Exhibit B, fully executed and properly acknowledged by Seller.
 - 4.2.2. One (1) counterpart of the Water Agreement between Seller and Buyer, fully executed and properly acknowledged by Seller in the form attached hereto as Exhibit C.
 - 4.2.3. One (1) counterpart of the executed License Agreement between Seller and Buyer, fully executed and acknowledged by Seller, in the form attached hereto as Exhibit D.
 - 4.2.4. One (1) counterpart of the executed Easement Agreement between Seller and Buyer, fully executed and acknowledged by Seller, in the form attached hereto as Exhibit E.
 - 4.2.5. One (1) counterpart of the executed Easement Agreement (Access) between Seller and Buyer, fully executed and acknowledged by Seller, in the form attached hereto as Exhibit F.
 - 4.2.6. An affidavit on Seller's approved form, fully executed and properly acknowledged by Seller, as required by Internal Revenue Code Section 1445(b)(2);
 - 4.2.7. A settlement statement signed by Seller, which is reasonably acceptable to Seller and accurately reflects the payments, credits and prorations required herein; and

4.2.8. Such other funds, instruments and documents as may be reasonably requested by Buyer or Escrow Agent or reasonably necessary to effect or carry out the purposes of this Agreement; provided, however, that such funds, instruments and documents shall be subject to Seller's prior approval thereof, which approval shall not be unreasonably withheld.

4.3. **Buyer's Closing Deliveries.** At the Closing, Buyer shall deliver to Escrow Agent:

- 4.3.1. A settlement statement signed by Buyer, which is reasonably acceptable to Buyer and accurately reflects the payments, credits and prorations required herein;
- 4.3.2. Any funds required under this Agreement for closing costs, prorations, title policies, and/or other fees and expenses related to the Closing;
- 4.3.3. One (1) counterpart of the executed License Agreement between Seller and Buyer, fully executed and acknowledged by Buyer, in the form attached hereto as Exhibit D.
- 4.3.4. One (1) counterpart of the executed Easement Agreement between Seller and Buyer, fully executed and acknowledged by Buyer, in the form attached hereto as Exhibit E;
- 4.3.5. One (1) counterpart of the executed Easement Agreement (Access) between Seller and Buyer, fully executed and acknowledged by Seller, in the form attached hereto as Exhibit F;
- 4.3.6. Such other funds, instruments and documents as may be reasonably requested by Seller or Escrow Agent, or reasonably necessary to effect or carry out the purposes of this Agreement (which funds, instruments and documents shall be subject to Buyer's prior approval thereof, which approval shall not be unreasonably withheld); and
- 4.3.7. One (1) counterpart of the Water Agreement between Seller and Buyer, fully executed and properly acknowledged by Buyer in the form attached hereto as Exhibit C, guaranteeing that Buyer will allow Seller (or its successors or assigns) to purchase culinary water from the Buyer at the rate charged to other municipal residential customers from time to time, in the event of (and as necessary to allow) the development of Seller's property as shown on Attachment 1 to the Water Agreement.

4.4. **Escrow Recording and Deliveries.** At the Close of Escrow, Escrow Holder shall:

- 4.4.1. Cause the Title Company to record the Deed, the Easement Agreement, the Easement Agreement (Access), and the Water Agreement in the Official Records of Box Elder County, Utah;
- 4.4.2. Cause any documentary transfer taxes to be paid;
- 4.4.3. File the tax affidavits as required;
- 4.4.4. Deliver one original of the Seller's FIRPTA Certificate to Buyer;
- 4.4.5. Deliver one fully executed duplicate original of the License Agreement, Easement Agreement, Easement Agreement (Access), and Water Agreement to Seller and Buyer respectively; and

- 4.4.6. Cause the Title Company to deliver to Buyer the Title Policy, subject to the Permitted Exceptions, plus any applicable endorsements requested and paid for by Buyer.

4.5. **Prorations and Closing Costs.**

- 4.5.1. Except as expressly set forth in this Agreement, each Party must bear its own costs (including attorneys' fees) in connection with its negotiation, due diligence investigation and conduct of the Purchase and Sale Transaction. Seller shall pay the premium for standard coverage in connection with the Title Policy for the Closing. Buyer shall pay the cost of the Survey and any extended coverage and/or endorsements that Buyer desires in connection with the Title Policy. Any and all documentary stamp taxes, surtaxes, or transfer fees or taxes, recording fees, escrow fees and other customary closing costs shall be allocated between Seller and Buyer in the manner customary for commercial real estate transactions in the county in which the Property is located.
- 4.5.2. All real property taxes and assessments accrued for the current year shall be prorated between the Parties as of Closing.
- 4.5.3. Payments to any and all utility and other service providers related to the Property shall be prorated between the Parties as of Closing.
- 4.5.4. All transfer, proceeds, or other taxes (not including general state and federal income taxes of Seller, if any) imposed upon this transaction by any state or local entity shall be paid by Buyer.

- 4.6. **Possession.** Buyer shall be entitled to possession of the Property at Closing.

5. **Representations and Warranties.**

- 5.1. **Seller Representations.** Seller, to Seller's Current Knowledge, as of the Effective Date and again at the Closing, represents and warrants to Buyer that:
 - 5.1.1. **Organization and Standing.** Seller is duly formed, validly existing and in good standing under the laws of the State of its formation. Seller has full power and authority to enter into and perform this Agreement and all documents, instruments and agreements entered into by Seller pursuant to this Agreement, and to carry out the transactions contemplated hereby and thereby. This Agreement has been executed, and such other documents, instruments and agreements have been or will be executed, by a duly authorized representative of Seller.
 - 5.1.2. **Binding Agreement.** Upon Seller's execution of this Agreement, this Agreement shall be binding and enforceable against Seller in accordance with its terms, and upon Seller's execution of the additional documents contemplated by this Agreement, they shall be binding and enforceable against Seller in accordance with their terms.
 - 5.1.3. **No Condemnation.** Seller has not received any written notice of condemnation or eminent domain proceedings with respect to the Property, and no condemnation or eminent domain proceedings or negotiations have been commenced in connection with the Property.

- 5.1.4. **No Litigation.** There are no current actions, suits, or proceedings at law or in equity before any judicial body or governmental agency affecting or involving the Property.

The warranties and representations by Seller set forth in this Section 5.1 shall merge with the Deed and shall not survive Closing.

- 5.2. **Buyer's Representations.** Buyer, to Buyer's Current Knowledge, as of the date of this Agreement and again at Closing, represents and warrants to Seller that:

5.2.1. **Organization and Standing.** Buyer is duly formed, validly existing municipality and in good standing under the laws of the State of Utah. Buyer has full power and authority to enter into and perform this Agreement and all documents, instruments and agreements entered into by Buyer pursuant to this Agreement, and to carry out the transactions contemplated hereby and thereby. This Agreement has been executed, and such other documents, instruments and agreements have been or will be executed, by a duly authorized representative of Buyer.

5.2.2. **Binding Agreement.** Upon Buyer's execution of this Agreement, this Agreement shall be binding and enforceable against Buyer in accordance with its terms, and upon Buyer's execution of the additional documents contemplated by this Agreement, they shall be binding and enforceable against Buyer in accordance with their terms.

The warranties and representations by Buyer set forth in this Section 5.2 shall merge with the Deed and shall not survive Closing.

6. **"AS IS" Purchase.**

6.1. **Disclaimer.** Except as expressly set forth in Section 5.1 (Seller Representations) above, Seller has not made, and Buyer acknowledges that Seller has not made, any warranty, certification, or representation, express or implied, written or oral, statutory or otherwise, concerning the Property or City Easement area, any portion thereof, or any inspection materials. Without limiting the generality of the foregoing, Seller has not made, and Buyer acknowledges that Seller has not made, any warranty, certification, or representation related to: (i) the condition of title to the Property or City Easement area; (ii) the nature, physical condition or any other aspect of the Property or City Easement; (iii) the existence of Hazardous Materials in, on, about, under or affecting the Property or City Easement area; (iv) the compliance of the Property or City Easement area with any federal, state or local laws, ordinances, statutes, rules, codes or regulations (including, without limitation, any environmental laws or any zoning codes); (v) the size, dimensions or square footage of the Property or City Easement area; (vi) the fitness of the Property or City Easement area for any particular purpose (including without limitation the current use thereof); or (vii) the completeness, adequacy, truthfulness, or accuracy of any inspection materials or other documents or materials provided by Seller to Buyer.

6.2. **Acceptance.** SUBJECT TO THE EXPRESS TERMS OF THIS AGREEMENT, BUYER ACKNOWLEDGES FOR BUYER AND BUYER'S SUCCESSORS AND ASSIGNS THAT BUYER WILL BE ACQUIRING THE PROPERTY AND CITY EASEMENT BASED SOLELY UPON BUYER'S OWN INVESTIGATION, INSPECTION THEREOF, AND REVIEW OF THE TITLE REPORT AS SET FORTH IN SECTION 3.1. SELLER AND BUYER AGREE THAT, EXCEPT AS EXPRESSLY SET FORTH IN SECTION 5.1 (SELLER REPRESENTATIONS), THE PROPERTY AND CITY EASEMENT SHALL BE SOLD AND BUYER SHALL ACCEPT

TITLE TO AND POSSESSION OF THE PROPERTY AND CITY EASEMENT ON THE CLOSING DATES “AS IS, WHERE IS, WITH ALL FAULTS” WITH NO RIGHT OF SET OFF OR REDUCTION IN THE PURCHASE PRICE, AND THAT EXCEPT AS SET FORTH IN SECTION 5.1 (SELLER REPRESENTATIONS), SUCH SALE SHALL BE WITHOUT REPRESENTATION, CERTIFICATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, ORAL OR WRITTEN, STATUTORY OR OTHERWISE, AND SELLER DOES HEREBY DISCLAIM AND RENOUNCE ANY SUCH REPRESENTATION, CERTIFICATION OR WARRANTY.

- 6.3. **General Release.** Buyer, on behalf of itself and its successors, assigns and representatives, does hereby release Seller and Seller’s employees, officers, directors, agents, representatives, managers, members, affiliates, parent companies, and the successors and assigns of each of the foregoing from any and all claims, actions, causes of action, demands, liabilities, damages, costs, expenses, or compensation whatsoever, including attorneys’ fees, whether direct or indirect, known or unknown, foreseeable or unforeseeable, which Buyer may have at Closing Date or which may arise in the future on account of or in any way arising out of or connected with this Agreement or the Property. Buyer understands the significance of executing this Agreement and the general release of claims set forth above.
- 6.4. **Material Inducement.** Buyer hereby agrees and acknowledges that the terms and conditions of this Article 6 (“AS-IS” Purchase) are a material inducement to Seller’s sale of the Property and City Easement, and that Seller would not sell or transfer all or any part of the Property or City Easement to Buyer without Buyer’s express agreement to the terms and conditions of this Article 6. All terms and provisions of all portions of this Article 6 shall survive the Closing and the recording of the Deed.
7. **Risk of Loss.**
- 7.1. **Risk of Loss.** Subject to the provisions of this Article 7 (Risk of Loss) set forth below, the risk of loss with respect to the Property will be upon Seller with respect to any executory period related to this Agreement and will pass to Buyer at Closing.
- 7.2. **Condemnation.** If a portion of the Property becomes the subject of condemnation proceedings, Seller shall notify Buyer of such proceedings, and this Agreement shall not terminate, but shall remain in full force and effect. In such event, at Closing (i) Seller shall pay to Buyer all condemnation awards or proceeds from any such proceedings or actions in lieu thereof received by Seller to the date of Closing; (ii) Seller shall assign to Buyer all of Seller’s rights to defend such proceedings or actions in lieu thereof; and (iii) Buyer shall take the Property subject to any such proceedings. The Purchase Price shall not be adjusted or reduced for any such proceedings or for any land taken by condemnation, but rather the acreage for purposes of such calculation shall be the acreage of the Property prior to the condemnation. As used herein, the phrase “becomes the subject of condemnation proceedings” shall mean the service upon Seller of a formal notice of condemnation by a governmental authority with the power of eminent domain, specifying that all or a portion of the Property is subject to such proceeding or action.
- 7.3. **Casualty.**
- 7.3.1. **Minor Casualty.** If the Property shall be damaged by any casualty prior to Closing, and the loss in value to the Property because of such casualty (the “Casualty Loss Value”), as estimated by Seller in Seller’s sole but reasonable discretion, is less than or equal to five percent (5%) of the Purchase Price, then this Agreement shall

continue in full force and effect and the Closing shall occur as otherwise provided herein, without any adjustment to the Purchase Price.

- 7.3.2. **Major Casualty.** If the Property shall be damaged by any casualty prior to Closing, and the Casualty Loss Value, as estimated by Seller in Seller's sole but reasonable discretion, is more than five percent (5%) of the Purchase Price, then either Seller or Buyer may elect to terminate this Agreement, by written notice to the other party given not more than ten (10) days after receipt of written notice from Seller to Buyer of Seller's estimate of the valuation loss, which estimate notice Seller shall give within thirty (30) days after the casualty. If neither party elects to so terminate this Agreement, then this Agreement shall continue in full force and effect and the Closing shall occur as otherwise provided herein, without any adjustment to the Purchase Price.

8. Remedies and Termination

- 8.1. **Seller's Remedies.** In the event Buyer defaults in any of its agreements, covenants, representations, warranties or other obligations under this Agreement ("**Buyer's Default**"), Seller shall give Buyer written notice of such default and thereafter Buyer shall have ten (10) Business Days to cure such default (or such longer period if such is reasonably necessary in order to cure the default, not to exceed thirty (30) days, and then only if Buyer commences such cure within the initial ten (10) Business Day period, and thereafter, diligently pursues the cure to completion). Notwithstanding the foregoing, all time periods set forth herein in which Buyer must satisfy any condition, perform any act, or otherwise complete any task are not subject to any cure period. In the event that Buyer fails to timely cure Buyer's Default, Seller may, as Seller's sole remedies for such Buyer's Default: (i) waive the effect of such default and proceed to consummate the Purchase and Sale Transaction or (ii) cancel this Agreement as provided herein. In no event shall Seller be permitted to bring an action for specific performance of this Agreement or seek any punitive, special, or consequential damages of any kind.
- 8.2. **Buyer's Remedies.** In the event Seller materially defaults in any of its agreements, covenants, representations, warranties or other obligations under this Agreement ("**Seller's Default**"), Buyer shall give Seller written notice of such default and thereafter Seller shall have ten (10) Business Days to cure such default (or such longer period if such is reasonably necessary in order to cure the default, not to exceed thirty (30) days, provided that Seller commences such cure within the initial ten (10) Business Day period and thereafter diligently pursues the cure to completion). In the event that Seller fails to cure Seller's Default within the cure period, Buyer may, as Buyer's sole remedies for such Seller's Default: (i) waive the effect of such default and proceed to consummate the Purchase and Sale Transaction; or (ii) cancel this Agreement as provided herein. In no event shall Buyer be permitted to bring an action for specific performance of this Agreement or seek any punitive, special, or consequential damages of any kind.
- 8.3. **Termination.** If Buyer or Seller elects to terminate this Agreement pursuant to a right granted herein, the terminating Party shall give written notice of the termination to the other Party and Escrow Agent. Upon termination by notice as set forth in the preceding sentence, or upon an automatic termination in accordance with the terms of the Agreement, Escrow Agent shall return all documents deposited in the Escrow to the Party who supplied the documents. Upon delivery of money and documents, this Agreement and the Escrow will be deemed terminated, and except as expressly provided in this Agreement, neither Party will have any further liability or obligation under this Agreement. Upon termination of the Agreement because of a default by a Party, the

defaulting Party shall be liable for and shall pay any escrow termination fees or costs; otherwise, upon any termination Seller and Buyer shall each pay half of any such fees and costs.

9. **Attorneys' Fees.** If there is any litigation between Seller and Buyer to enforce or interpret any provisions or rights under this Agreement, the unsuccessful party in such litigation, as determined by the court, shall pay to the successful party, as determined by the court, all costs and expenses, including but not limited to reasonable attorneys' fees, incurred by the successful party, such fees to be determined by the court sitting without a jury.
10. **Notices.** Except as otherwise required by law, any notice, demand, or request given in connection with the Purchase and Sale Transaction and this Agreement shall be in writing and shall be given by (i) personal delivery; (ii) recognized, national overnight courier service; (iii) United States certified mail, return receipt requested, postage or other delivery charge prepaid; or (iv) electronic mail. In all events, notice shall only be deemed given if properly addressed to Seller or Buyer as applicable, at the following addresses (or at such other address as Seller or Buyer or the person receiving copies may designate in writing given in accordance with this Section):

SELLER

GRANITE CONSTRUCTION
COMPANY,
Granite Construction Company
Attn: Brad Sweet
1000 N Warm Springs Road
Salt Lake City, UT 84116

With a mandatory copy to:

Granite Construction Incorporated
Attn: Associate General Counsel
585 W. Beach Street
Watsonville, CA 95076

BUYER

WILLARD CITY

Attention: City Manager
Address: 80 W 50 S
P.O. Box 593
Willard, Utah 84340

Phone: 435-734-9881
Email: jkimpton@willardcity.com

TITLE COMPANY

Old Republic National Title Insurance
Company – Commercial
299 S. Main Street, Ste 120,
Salt Lake City, UT 84111
Attn: [insert]
Telephone No.: (801) [insert]
Facsimile No.: (801) [insert]
Email: [insert]



Notice shall be deemed to have been given on the date on which notice is delivered, if notice is given by personal delivery or electronic mail, on the date of delivery to the overnight courier service, if such a service is used, and on the date of deposit in the mail, if mailed. Notice shall be deemed to have been received on the date on which the notice is actually received or delivery is refused. Copies of all notices given to Seller or Buyer shall be given to Escrow Agent (provided, however, any omission on the part of either Party to provide a copy of the applicable notice to Escrow Agent shall not affect the effectiveness of the notice if properly provided to the other parties as described above).

16. **Additional Acts.** The Parties agree to promptly execute and deliver such other documents and perform such other acts as may be reasonably necessary to carry out the purposes and intent of this Agreement.
17. **Governing Law; Jurisdiction.** This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Utah.
18. **Business Days.** If this Agreement requires any act to be done or action to be taken on a date which is not a Business Day, such act or action shall be deemed to have been validly done or taken if done or taken on the next succeeding Business Day.
19. **Waiver.** The waiver by any Party hereto of any right granted to it hereunder shall not be deemed to be a waiver of any other right granted hereunder, nor shall the same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived.
20. **Survival.** Only where specifically so provided herein shall any of the covenants, agreements, representations, warranties, and indemnities set forth in this Agreement survive the Closing. Any such matters that survive Closing pursuant to the terms of this Agreement shall be subject to any time limitations set forth herein, and shall not merge into any deed, assignment or other instrument executed or delivered pursuant hereto. All claims for breach of the covenants, agreements, or warranties or for material misrepresentation and indemnity made in writing during the applicable time period limitation shall survive such period.
21. **Counterparts.** The Parties may sign this Agreement in multiple identical counterparts, all of which taken together shall constitute one and the same agreement. Further, the Parties shall treat a copy of an original signature to this Agreement for all purposes as an original signature. The Parties shall consider a copy of the signed Agreement for all purposes as an original of the Agreement to the maximum extent permitted by law, and no party to this Agreement shall have any obligation to retain a version of this Agreement that contains original signatures in order to enforce this Agreement, or for any other purpose.

22. **DocuSign ®.** This Agreement may be executed using DocuSign ®, which shall be deemed to have the same legal effect as an original, wet signature. All executed counterparts together shall constitute one and the same document, and any signature pages, including facsimile copies thereof, may be assembled to form a single original document.
23. **Successors and Assigns.** Seller shall have the right to assign its rights and obligations under this Agreement to any entity to which it transfers the Property prior to Closing, provided such entity assumes Seller's obligations under this Agreement and thereafter notice of such assignment is given to Buyer. Buyer shall not have the right to assign, transfer or convey any of its rights, interests or obligations under this Agreement to any other person or entity, without Seller's prior written consent, which consent Seller may grant or withhold in Seller's sole discretion. Notwithstanding the preceding sentence, Buyer may designate a different entity to take title to the Property at Closing. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.
24. **Entire Agreement/Amendment.** This Agreement and the Exhibits attached hereto set forth the entire understanding of the Parties with respect to the matters set forth herein as of the date hereof, and supersedes all prior oral and written agreements, discussions, and understandings of the Parties hereto as to the matters set forth herein and cannot be altered or amended except pursuant to an instrument in writing signed by both Buyer and Seller.
25. **Construction.** This Agreement is the result of negotiations between the Parties, neither of whom has acted under any duress or compulsion, whether legal, economic, or otherwise. Accordingly, the terms and provisions hereof shall be construed in accordance with their usual and customary meanings. Seller and Buyer hereby waive the application of any rule of law which otherwise would be applicable in connection with the construction of this Agreement that provides in effect that ambiguous or conflicting terms or provisions should be construed against the Party who (or whose attorney) prepared the executed Agreement or any earlier draft of the same.
26. **Interpretation.** If there is any specific and direct conflict between, or any ambiguity resulting from, the terms and provisions of this Agreement and the terms and provisions of any document, instrument or other agreement executed in connection herewith or in furtherance hereof, including any exhibits hereto, the same shall be consistently interpreted in such manner as to give effect to the general purposes and intentions as expressed in this Agreement, which shall be deemed to prevail and control.
27. **Headings.** The headings in this Agreement are for reference only and shall not limit or define the meaning of any provision of this Agreement.
28. **No Third-Party Beneficiary.** No term or provision of this Agreement or the exhibits hereto is intended to be, nor shall any such term or provision be construed to be, for the benefit of any person, firm, corporation, or other entity not a party hereto (including, without limitation, any broker), and no such other person, firm, corporation, or entity shall have any right or cause of action hereunder.
29. **Severability.** If any provision of this Agreement or any portion of any provision of this Agreement shall be deemed to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not alter the remaining portion of such provision, or any other provision hereof, as each provision of this Agreement shall be deemed severable from all other provisions hereof so long as removing the severed portion does not materially alter the overall intent of this Agreement.

30. **Time of the Essence.** With respect to all dates and time periods set forth in this Agreement, time is of the essence and such dates and time periods shall be strictly enforced.

Buyer's Initials: _____

The truth of the foregoing representations and warranties on and as of the Effective Date and on and as of the Closing Date shall be a condition precedent to Seller's obligations to sell the Property and otherwise perform under this Agreement. All representations and warranties by Buyer set forth in this Section shall survive the execution and delivery of this Agreement, the recording of the Deed and the Closing.

[SIGNATURES TO FOLLOW]

IN WITNESS WHEREOF, Seller and Buyer have executed this Agreement as of the Effective Date.

SELLER:

GRANITE CONSTRUCTION COMPANY, a California corporation

By: _____

Name: _____

Its: Authorized Agent

Date: _____

BUYER:

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

By: _____

Name: _____

Its: _____

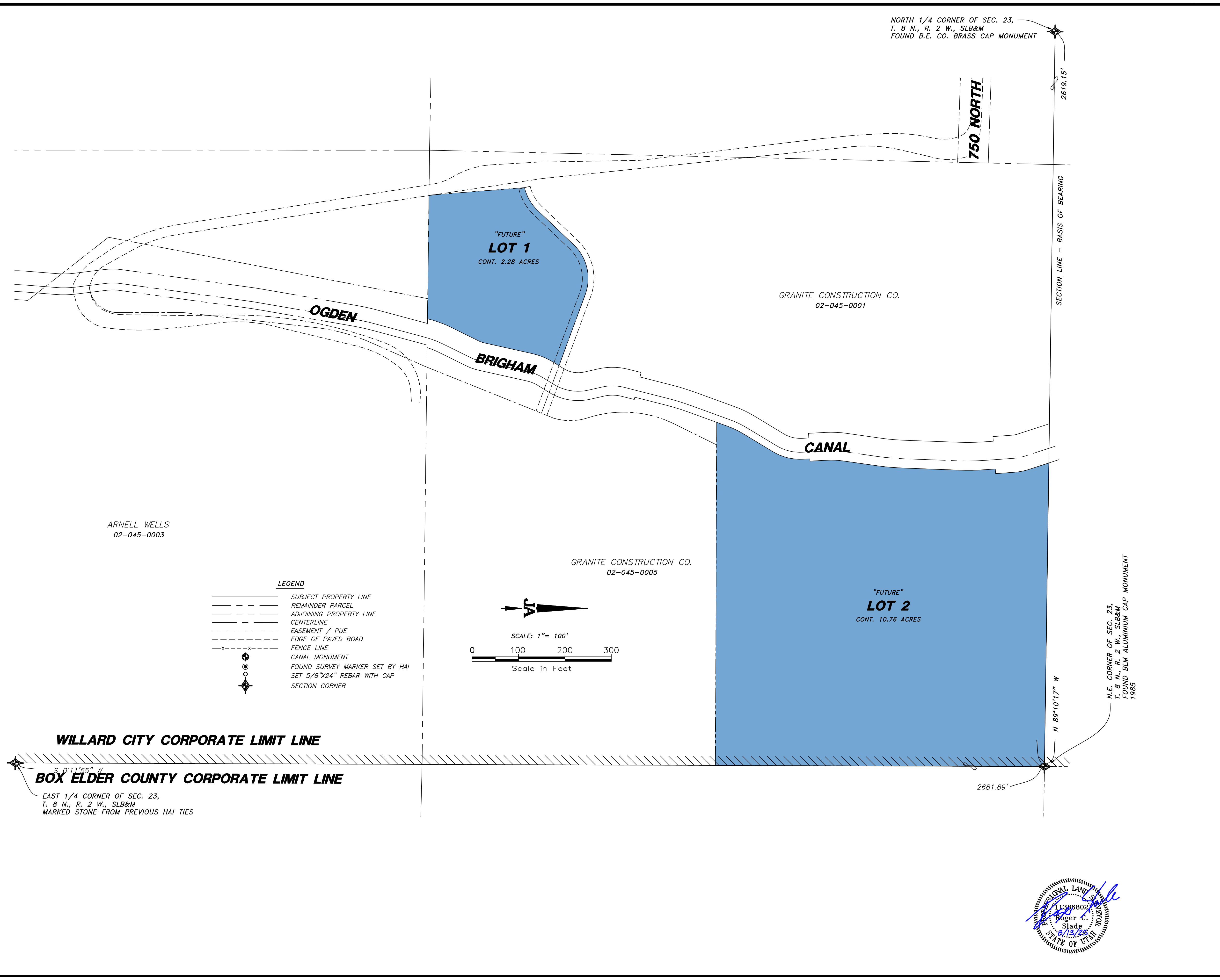
Date: _____

LIST OF EXHIBITS

- Exhibit A - Real Property Description
- Exhibit B - Deed
- Exhibit C - Water Agreement
- Exhibit D - License Agreement
- Exhibit E - Easement Agreement
- Exhibit F - Easement Agreement (Access)

Exhibit A

Real Property Description



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

WILLARD
750 NORTH CULINARY WATER TANK
PURCHASE SALE AGREEMENT - EXHIBIT A
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

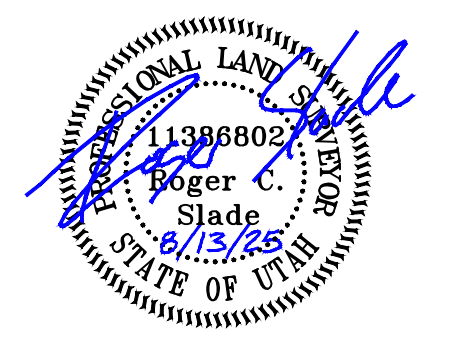


Exhibit B

Deed

(Attached)

EXHIBIT B

SPECIAL WARRANTY DEED

AFTER RECORDING MAIL TO:

SEND SUBSEQUENT TAX BILLS TO:

(Space Above Line For Recorder's Use)

SPECIAL WARRANTY DEED

Escrow No: _____

A.P.N: _____

GRANTOR, Granite Construction Company, a California corporation with an address of 585 West Beach Street, Watsonville, CA 95076 ("Grantor"), hereby CONVEYS AND WARRANTS only as against all who claim by, through, or under the Grantor, but not otherwise, to

GRANTEE, WILLARD CITY, a body corporate and politic of the State of Utah ("Grantee"), for the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the following described real property in Box Elder County, in the State of Utah, to wit (the "Property"):

See the attached Attachment 1

Note: The Grantor does not represent that the acreage or square footage calculations above or in the attached Attachment 1 are correct.

This conveyance is made and accepted SUBJECT TO the following matters, to the extent the same are still in force and effect: any and all restrictions, covenants, conditions, exceptions, reservations, easements (including prescriptive), rights-of-way, conflicts, encroachments, area and boundary discrepancies, taxes, liens, assessments, charges, claims, and encumbrances, if any, applicable to and enforceable against the above described Property as shown by the records of the county clerk of said county and all zoning laws, regulations, and ordinances of municipal and/or other governmental agencies and authorities relating to the above described Property and all matters noted on the final Title Report issued by [redacted] Title Company (File No. [redacted]). The Grantor specifically reserves, excepts and retains (A) any and all water rights and/or water shares, if any, relating to or associated with the Property, (B) any and all rights, title, entitlements, and interest in any 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 Property and attached or benefitting Grantor's nearby property, and all rights relating thereto), and (C) any and all rights, title, entitlements, and interest in the private road(s) / haul road(s) on Grantor's property.

IN WITNESS WHEREOF, the Grantor has executed this Special Warranty Deed this _____ day of _____, 2025.

GRANTOR:
Granite Construction Company, a California
corporation

By: _____
Its: _____

[APPLICABLE NOTARY FORM]

Notary Public

Attachment 1

ACCEPTANCE OF SPECIAL WARRANTY DEED BY WILLARD CITY

WILLARD CITY, a body corporate and politic of the State of Utah (“City”), hereby accepts and approves the foregoing Special Warranty Deed (the “Deed”) and the real property interests and rights conveyed therein.

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

Dated: _____, 2025

WILLARD CITY

a body corporate and politic of the State of Utah

By: _____

Its: _____

Attachment 1

ACCEPTANCE OF SPECIAL WARRANTY DEED BY WILLARD CITY

WILLARD CITY, a body corporate and politic of the State of Utah (“City”), hereby accepts and approves the foregoing Special Warranty Deed (the “Deed”) and the real property interests and rights conveyed therein.

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

Dated: _____, ~~2023~~2025

WILLARD CITY

a body corporate and politic of the State of Utah

By: _____

Its: _____

Exhibit C

Water Agreement

(Attached)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Granite Construction Company
Associate General Counsel
585 West Beach Street
Watsonville, California 95076

Tax Parcel Nos.:

WATER AGREEMENT

This WATER AGREEMENT (“**Agreement**”) is made and entered into by and between GRANITE CONSTRUCTION COMPANY, a California corporation (“**Granite**” or “**Water User**”), and WILLARD CITY, a body corporate and politic of the State of Utah (“**City**”) to be effective on the Close of Escrow under the Purchase Sale Agreement defined below. Granite and the City are hereinafter referred to collectively as the “**Parties**” and individually “**Party**”.

RECITALS

A. Granite owns certain real property located in the City of Willard, County of Box Elder, State of Utah, which Granite desires to develop in the future (as depicted on the proposed plat of subdivision attached as **Attachment 1** hereto and incorporated herein by reference) (the “**Granite Property**”).

B. 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 pipeline utility easement in exchange for the City’s agreement to provide culinary water to the Granite Property in the event said Granite Property is developed, subject the terms of this Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the PSA and Water Agreement, respectively.

C. Per Section 24.80.140 (Water Rights) of the City’s Zoning Code and the City’s water rights acquisition policy and conveyance requirements (collectively “**City Water Rights Requirements**”), the City Council may, in its discretion and with advice from the City Public Works Director and City Engineer, accept an amount “in lieu of actual conveyance of water rights.” In accordance with the City Water Rights Requirements, the City finds the conveyance of the Property and pipeline utility easement from Granite to the City pursuant to the terms and conditions of the PSA and Easement Agreement qualifies as a sufficient amount “in lieu of actual conveyance of water rights” in the event the Granite Property is developed as contemplated in, and subject to, the terms of this Agreement.

D. The Parties desire to enter into this Agreement whereby the City agrees to provide culinary water to Granite in the event of the proposed future development on the Granite Property, subject to the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, incorporating the above recitals and in consideration of the promises, covenants, representations, and warranties hereinafter set forth, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Provision of Water. The City agrees to make available for use at the Granite Property a sufficient supply of culinary water at sufficient pressure to service the Granite Property and the lots on the Granite Property as depicted on the proposed plat of subdivision included in **Attachment 1** (up to and not to exceed 110 equivalent residential units). This Agreement does not approve any future rezone or subdivision of the Granite Property. The Parties understand that as of the effective date of this Agreement, the proposed plat of subdivision [with ¼ acres lots] attached as **Attachment 1** has not been approved by the City, and that by this Agreement, the City is not approving such plat or waiving any requirement to obtain such City approval for the proposed development and/or subdivision, or waiving potentially applicable equitable, proportionate and reasonable impact fees pursuant to the Utah Impact Fees Act (U.C.A § 11-36a) and the City's Impact Fee Ordinance. Granite's proposed development depicted in **Attachment 1** remains subject to applicable subdivision law and compliance with governmental requirements (including, obtaining future approval of necessary zoning changes). However, by this Agreement, the City agrees to reserve a sufficient quantity of culinary water to at least supply the proposed lots on the Granite Property (as depicted on **Attachment 1**), subject to City's final approval (in its municipal capacity) of Granite's proposed development. For the avoidance of doubt, the Parties agree that (a) this Agreement will satisfy the water rights requirements applicable to Granite's proposed development depicted in **Attachment 1** under applicable state and local law and the City's Municipal Code, standards, policies, ordinances, and regulations (as such may be amended), including, but not limited to, Section 24.80.140 (Water Rights) of the City's Zoning Code and the City's water rights acquisition policy and conveyance requirements, and (b) Granite (and its successors and assigns) will not be required to furnish any further water rights (by conveyance, dedication, payment, or otherwise) as a condition to, as a requirement of, or as part of the application for or approval of such development.

2. Granite Notice. To exercise its rights under this Agreement, Granite shall notify the City of its intention to commence efforts to develop the Granite Property as contemplated in this Agreement by no later than fifty (50) years after the Effective Date of this Agreement.

3. Rate. The rate charged for the water used at the Granite Property shall be the same rate charged other City users for similar water services from the City's water system as established by the City Council from time to time in accordance with the City Municipal Code, applying any available rebates and/or discounts.

4. Water User's Cooperation. Water User shall cooperate with the City and be responsible for obtaining all permits, and any and all other necessary approvals and/or extension agreement that may be required for Water User's use of the City's culinary water system. The Parties agree to execute any and all documents which might be reasonably required to implement the provisions of this Agreement.

5. Disclaimer; Force Majeure. Granite acknowledges and agrees that water availability may be determined by factors beyond the City's control, including but not limited to drought. If either Party is delayed in or prevented from the performance of any act required under this Agreement by reasons not the fault of the Party and beyond the control of such Party, performance of the action in question shall be excused for the period of delay and the period for the performance of such act shall be extended for a period equivalent to the period of such delay.

6. Limitation of Damages. Notwithstanding anything to the contrary contained in this Agreement, under no circumstances will Granite or the City be liable under this Agreement or otherwise for lost profits, lost opportunity, indirect, consequential, punitive, or special damages regardless of the nature of the default or the basis of the claim.

7. Rules and Regulations. Water User agrees to follow all rules and/or regulations duly adopted by the City Council, which apply to City water users, subject to any applicable exemptions. Any modifications or amendments subsequently adopted by City Council action shall only be applied to Water User prospectively and not retroactively.

8. Recordation. It is understood and agreed that this Agreement may be recorded in the Official Records of Box Elder County.

9. Effective Date. This Agreement shall become effective upon the Close of Escrow as defined in the PSA.

10. Construction; Severability. Headings used in this Agreement are for convenience or reference only and are not intended to govern, limit, or aid in the construction of any term or provision hereof. The Parties have participated jointly in negotiating and drafting this Agreement. If a question of interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring either Party by virtue of the authorship of any provision of this Agreement. Unless otherwise specified in this Agreement, the terms "herein," "hereof," "hereunder" and other terms of like or similar import, will be deemed to refer to this Agreement as a whole (including Exhibits) and not to any particular section, subsection or paragraph. 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.

11. Choice of Law; Venue. 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 of Box Elder.

12. Waiver. 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.

13. Legal Advice. Each Party has received independent legal advice from its attorneys with respect to this Agreement.

14. Relationship of Parties. 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.

15. Binding on Successors; No Obligations to Third Parties. This Agreement shall be binding upon and shall inure solely to the benefit of the Parties hereto, the owners of the Granite Property, and their respective successors in interest, and this Agreement and all covenants contained herein shall run with the land. This Agreement is made for the sole benefit of the Parties hereto and their respective successors and assigns. Except as otherwise expressly provided herein, this Agreement shall not confer any rights upon, nor obligate any of the Parties hereto, to any other person or entity.

16. Divisibility. In the event that Water User subdivides or sells a portion of the Granite Property, Water User may apportion and allocate the benefits and burdens of this Agreement between such parcels in Water User's discretion provided that the benefits and burdens to the City are not materially affected thereby.

17. Notices. Any notice pursuant to this Agreement shall be given in writing by (a) personal delivery, or (b) reputable overnight delivery service with proof of delivery, or (c) e-mail, 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:

If to Granite: Granite Construction Company
Attn: Resource Development Manager, Brad Sweet
1000 N Warm Springs Road
Salt Lake City, UT 84116
Telephone: (801) 526-6000
Email: brad.sweet@gcinc.com

With a copy to: Granite Construction Incorporated
Attn: Associate General Counsel
585 West Beach Street
Watsonville, California 95076
Telephone: (831) 768-4024
Email: heather.lenhardt@gcinc.com

If to the City: WILLARD CITY
Attn: City Manager
80 W 50 S
P.O. Box 593

Willard, Utah 84340
Phone: (435) 734-9881
Email: jkimpton@willardcity.com

18. Entire Agreement. The PSA, this Agreement and all other Exhibits hereto, as well as the Recitals herein, constitutes the entire agreement between the Parties hereto with respect to the subject matter hereof, and supersedes all prior understandings or agreements with respect to the subject matter hereof, including any prior letter(s) of intent. There are no oral representations, understandings or agreements covering the same subject matter as this Agreement. This Agreement may be modified only by a writing signed by both Parties. All Exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement whether or not actually attached.

19. Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original as against the Party signing such counterpart, but which together shall constitute one and the same instrument.

[signatures on following page]

**GRANITE CONSTRUCTION COMPANY,
a California corporation**

By: _____
Name:

Date

Title:

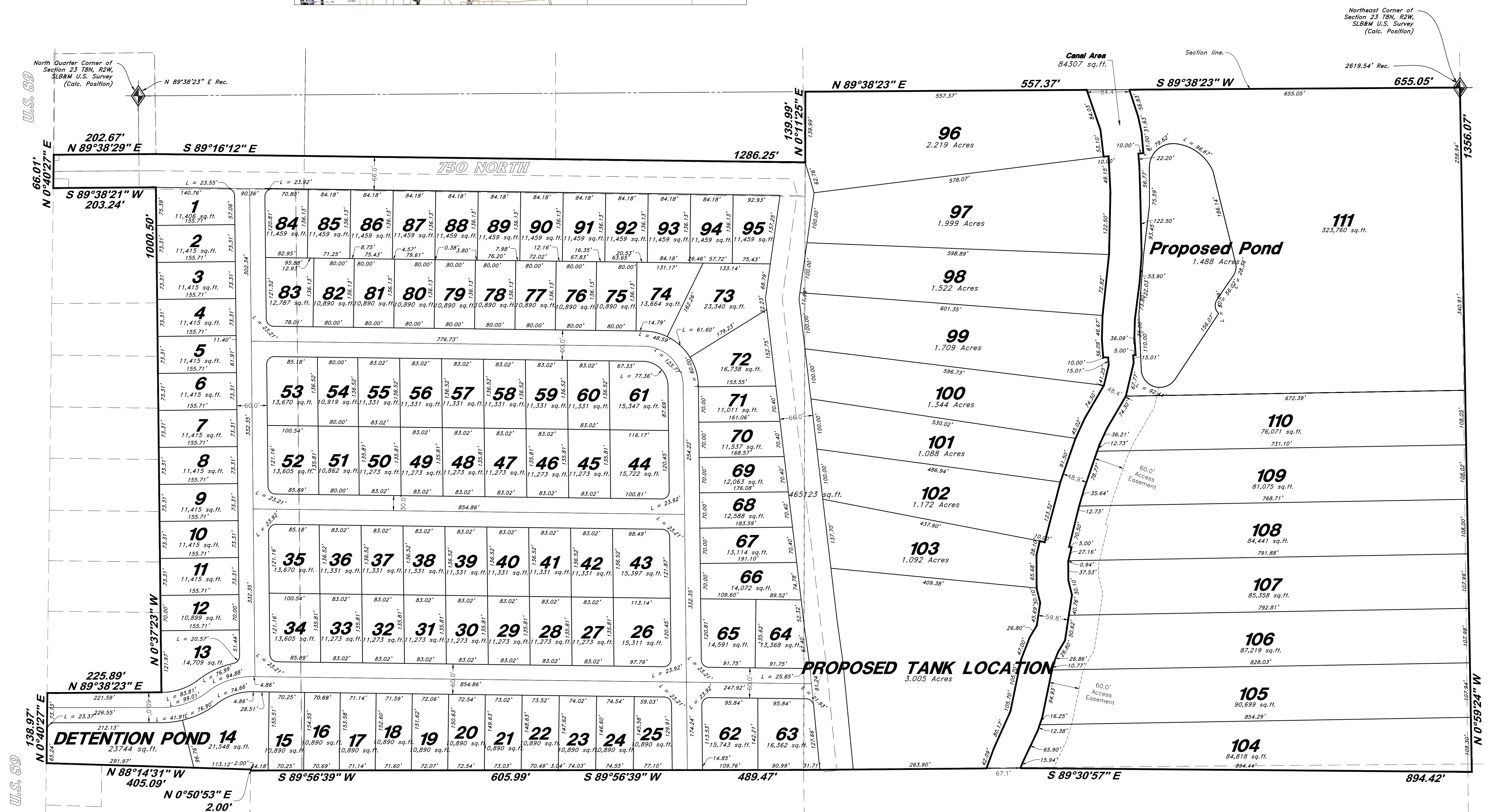
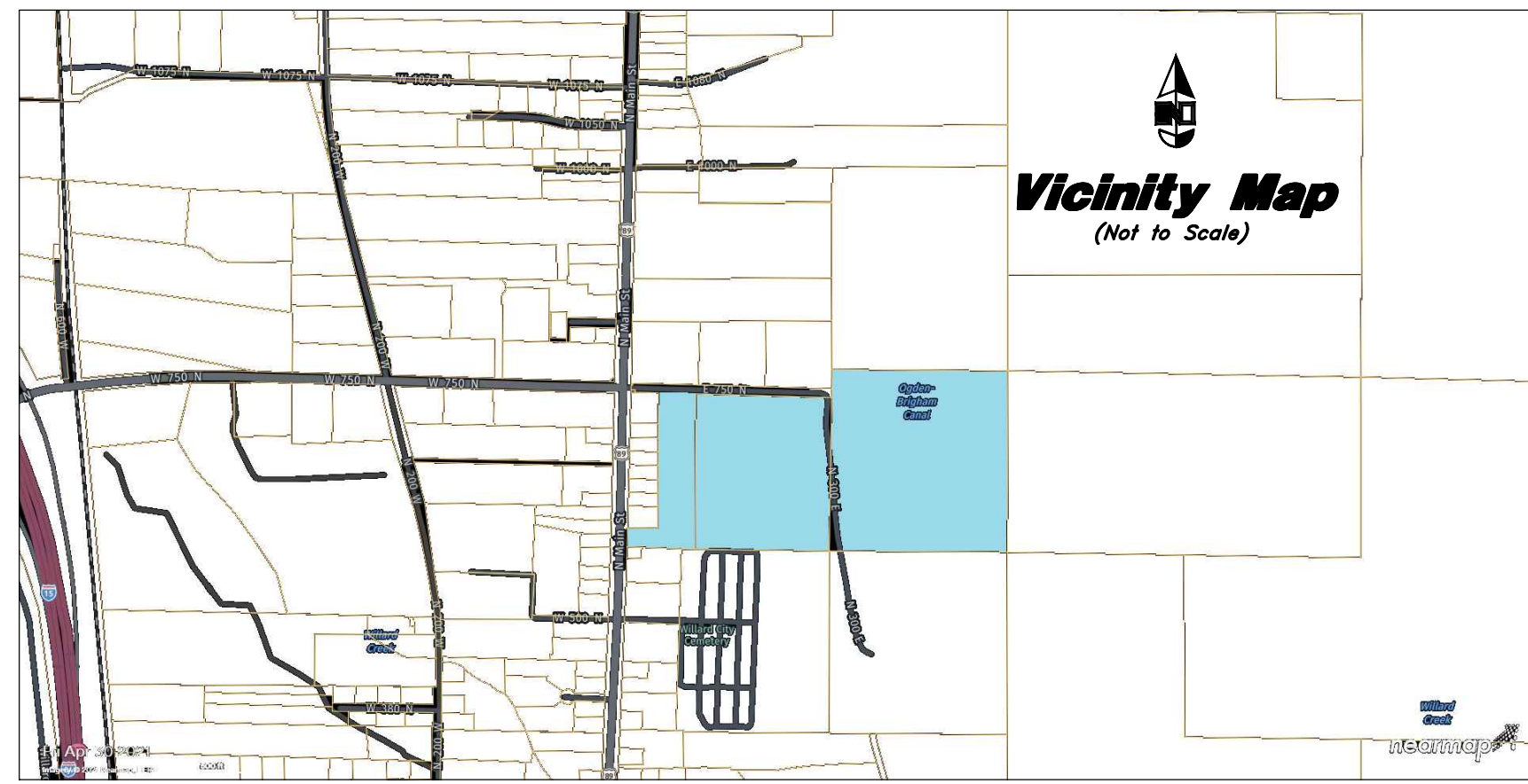
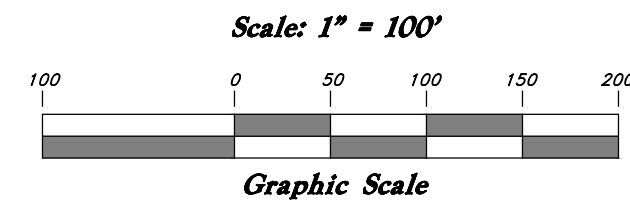
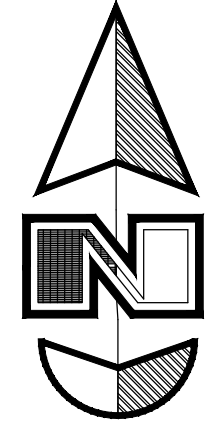
**WILLARD CITY
a body corporate and politic of the State of Utah**

By: _____
Name:

Date

Title:

Attachment 1
Granite Property (Attached)



North East Corner of Section 23 T8N, R2W, SLB&M U.S. Survey (Calc. Position)

North Quarter Corner of Section 23 T8N, R2W, SLB&M U.S. Survey (Calc. Position)

U.S. 89

U.S. 89

REV	DATE	DESCRIPTION

GREAT BASIN ENGINEERING

5746 SOUTH 1475 EAST OGDEN, UTAH 84403
 MAIN (801)394-4515 S.L.L.C. (801)392-7544
 WWW.GREATBASINENGINEERING.COM

CONCEPT PLAN

GRANITE WILLARD
 U.S. 89 750 North Street
 Willard, Box Elder County, Utah
 A part of Section 23, T8N, R2W, SLB&M, U.S. Survey

1 June, 2021

SHEET NO.

C1

21N737

- NOTES**
- The boundary shown here on does not represent an actual survey of the property.
 - Curves along the canal are shown as the Long Chord.

Exhibit D

License Agreement

(Attached)

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

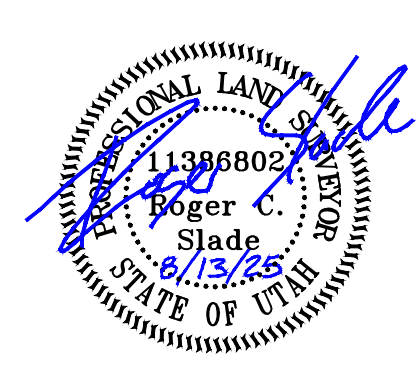
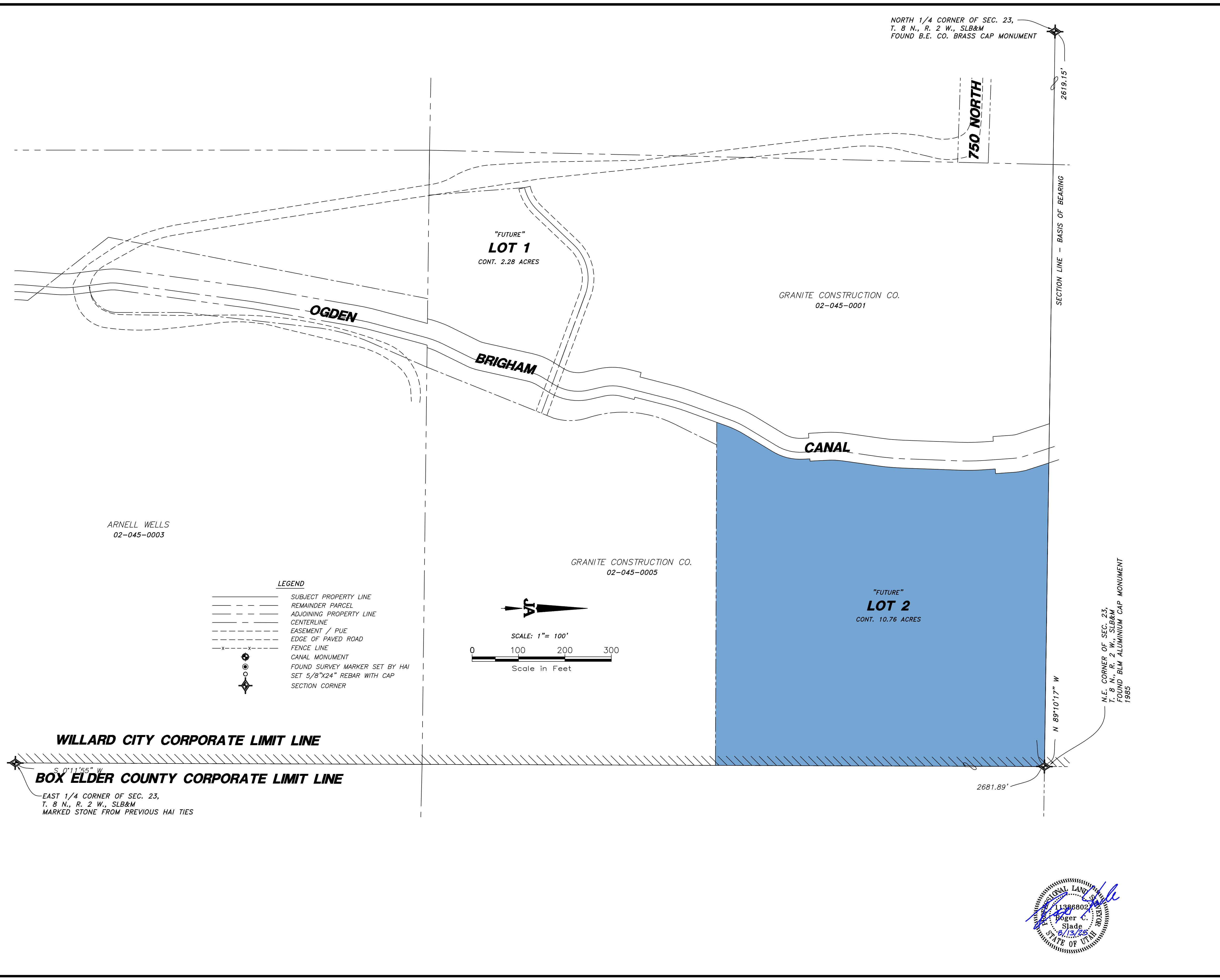
By: _____
Name: _____
Its: _____

"Granite"

GRANITE CONSTRUCTION COMPANY, a
California corporation

By: _____
Name: _____
Its: _____

EXHIBIT 1
DEPICTION/ DESCRIPTION OF PROPERTY AND LICENSE AREA



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

Exhibit E

Easement Agreement

(Attached)

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.

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

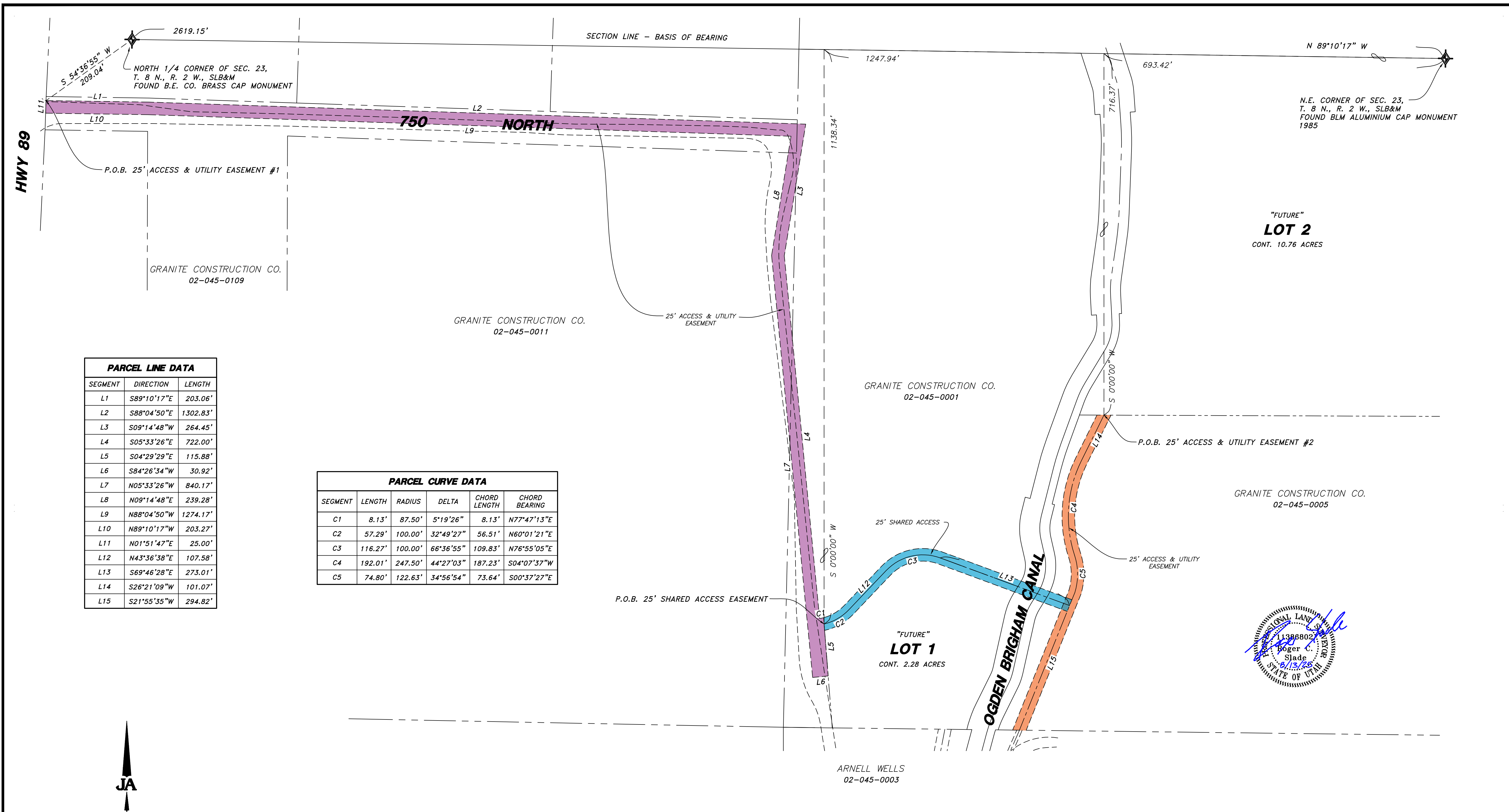
By: _____
Name: _____
Its: _____

"Granite"

GRANITE CONSTRUCTION COMPANY, a
California corporation

By: _____
Name: _____
Its: _____

EXHIBIT 1
DEPICTION / DESCRIPTION OF GRANITE PROPERTY AND EASEMENT AREA

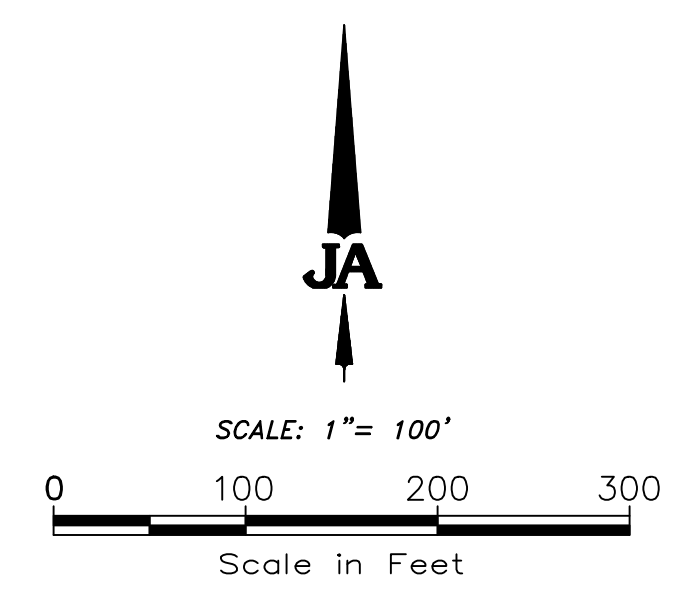


PARCEL LINE DATA

SEGMENT	DIRECTION	LENGTH
L1	S89°10'17"E	203.06'
L2	S88°04'50"E	1302.83'
L3	S09°14'48"W	264.45'
L4	S05°33'26"E	722.00'
L5	S04°29'29"E	115.88'
L6	S84°26'34"W	30.92'
L7	N05°33'26"W	840.17'
L8	N09°14'48"E	239.28'
L9	N88°04'50"W	1274.17'
L10	N89°10'17"W	203.27'
L11	N01°51'47"E	25.00'
L12	N43°36'38"E	107.58'
L13	S69°46'28"E	273.01'
L14	S26°21'09"W	101.07'
L15	S21°55'35"W	294.82'

PARCEL CURVE DATA

SEGMENT	LENGTH	RADIUS	DELTA	CHORD LENGTH	CHORD BEARING
C1	8.13'	87.50'	5°19'26"	8.13'	N77°47'13"E
C2	57.29'	100.00'	32°49'27"	56.51'	N60°01'21"E
C3	116.27'	100.00'	66°36'55"	109.83'	N76°55'05"E
C4	192.01'	247.50'	44°27'03"	187.23'	S04°07'37"W
C5	74.80'	122.63'	34°56'54"	73.64'	S00°37'27"E



- LEGEND**
- SUBJECT PROPERTY LINE
 - REMAINDER PARCEL
 - ADJOINING PROPERTY LINE
 - CENTERLINE
 - EASEMENT / PUE
 - EDGE OF PAVED ROAD
 - FENCE LINE
 - CANAL MONUMENT
 - FOUND SURVEY MARKER SET BY HAI
 - SET 5/8"X24" REBAR WITH CAP
 - SECTION CORNER

25' ACCESS & UTILITY EASEMENT NO. 1 DESCRIPTION

A 25.00 FOOT WIDE ACCESS AND UTILITY EASEMENT SITUATED IN THE NORTHEAST AND NORTHWEST QUARTERS OF SECTION 23, TOWNSHIP 8 NORTH, RANGE 2 WEST OF THE SALT LAKE BASE AND MERIDIAN.

BEGINNING AT A POINT ON THE EAST RIGHT-OF-WAY LINE OF STATE HIGHWAY 89 LOCATED 209.04 FEET SOUTH 54°36'55" WEST FROM THE NORTH QUARTER CORNER OF SAID SECTION 23 (BASIS OF BEARING IS THE NORTH LINE OF SAID NORTHEAST QUARTER WHICH BEARS NORTH 89°10'17" WEST);

RUNNING THENCE SOUTH 89°10'17" EAST 203.06 FEET; THENCE SOUTH 88°04'50" EAST 1302.83 FEET; THENCE SOUTH 09°14'48" WEST 264.45 FEET; THENCE SOUTH 05°33'26" EAST 722.00 FEET; THENCE NORTHEASTERLY ON A NON-TANGENT CURVE TO THE LEFT ALONG THE ARC OF A 87.50 FOOT RADIUS CURVE A DISTANCE OF 8.13 FEET, CHORD BEARS NORTH 77°47'13" EAST 8.13 FEET, HAVING A CENTRAL ANGLE OF 05°19'26"; THENCE SOUTH 04°29'29" EAST 115.88 FEET; THENCE SOUTH 84°26'34" WEST 30.92 FEET; THENCE; NORTH 05°33'26" WEST 840.17 FEET; THENCE NORTH 09°14'48" EAST 239.28 FEET; THENCE NORTH 88°04'50" WEST 1274.17 FEET; THENCE NORTH 89°10'17" WEST 203.27 FEET TO SAID EAST RIGHT-OF-WAY LINE; THENCE NORTH 01°51'47" EAST 25.00 FEET ALONG SAID EAST RIGHTS-OF-WAY LINE TO THE POINT OF BEGINNING.

25' SHARED ACCESS EASEMENT DESCRIPTION

A 25.00 FOOT WIDE SHARED ACCESS EASEMENT FOR INGRESS AND EGRESS BEING 12.50 FEET LEFT AND 12.50 FEET RIGHT OF THE FOLLOWING DESCRIBED ALIGNMENT SITUATED IN THE NORTHEAST QUARTER OF SECTION 23, TOWNSHIP 8 NORTH, RANGE 2 WEST OF THE SALT LAKE BASE AND MERIDIAN.

BEGINNING AT A POINT LOCATED 1247.94 FEET NORTH 89°10'17" WEST ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER AND 1138.34 FEET SOUTH 00°00'00" WEST FROM THE NORTHEAST CORNER OF SAID SECTION 23;

RUNNING THENCE NORTHEASTERLY ON A NON-TANGENT CURVE TO THE LEFT ALONG THE ARC OF A 100.00 FOOT RADIUS CURVE, A DISTANCE OF 57.29 FEET, CHORD BEARS NORTH 60°01'21" EAST 56.51 FEET, HAVING A CENTRAL ANGLE OF 32°49'27"; THENCE NORTH 43°36'38" EAST 107.58 FEET; THENCE EASTERLY TO THE RIGHT ALONG THE ARC OF A 100.00 FOOT RADIUS CURVE, A DISTANCE OF 116.27 FEET, CHORD BEARS NORTH 76°55'05" EAST 109.83 FEET, HAVING A CENTRAL ANGLE OF 66°36'55"; THENCE SOUTH 69°46'28" EAST 273.01 FEET TO THE TERMINUS OF THIS EASEMENT.

25' ACCESS & UTILITY EASEMENT NO. 2 DESCRIPTION

A 25.00 FOOT WIDE ACCESS AND UTILITY EASEMENT BEING 12.50 FEET LEFT AND 12.50 FEET RIGHT OF THE FOLLOWING DESCRIBED ALIGNMENT SITUATED IN THE NORTHEAST QUARTER OF SECTION 23, TOWNSHIP 8 NORTH, RANGE 2 WEST OF THE SALT LAKE BASE AND MERIDIAN.

BEGINNING AT A POINT LOCATED 693.42 FEET NORTH 89°10'17" WEST ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER AND 716.37 FEET SOUTH 00°00'00" WEST FROM THE NORTHEAST CORNER OF SAID SECTION 23;

RUNNING THENCE SOUTH 26°21'09" WEST 101.07 FEET; THENCE SOUTHERLY TO THE LEFT ALONG THE ARC OF A 247.50 FOOT RADIUS CURVE, A DISTANCE OF 192.01 FEET, CHORD BEARS SOUTH 04°07'37" WEST 187.23 FEET, HAVING A CENTRAL ANGLE OF 44°27'03"; THENCE IN A SOUTHERLY DIRECTION WITH A REVERSE TANGENT CURVE TO THE RIGHT OF A 122.63 FOOT RADIUS CURVE, A DISTANCE OF 74.80 FEET, CHORD BEARS SOUTH 00°37'27" EAST 73.64 FEET, HAVING A CENTRAL ANGLE OF 34°56'54"; THENCE SOUTH 21°55'35" WEST 294.82 FEET TO THE SOUTH LINE OF GRANITE CONSTRUCTION PROPERTY, TAX ID NO. 02-045-0005 AND THE TERMINUS OF THIS EASEMENT.



CONSULTING ENGINEERS ASSOCIATES
JONES & JONES
 6080 Fashion Point Drive
 South Ogden, Utah 84403
 (801) 478-9767 www.jonescivil.com

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

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

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

SHEET: 1 OF 1 SHEETS

REV. DATE APPR.

G:\Clients\Willard City\Projects\750 North Culinary Water Tank\2-Drawings\1-Survey\750 N Water Easements\City Accessing.dwg, 8/13/2025 9:57:28 AM

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: _____

Exhibit F

Easement Agreement (Access)

(Attached)

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Attn: Associate General Counsel
Granite Construction Company
585 West Beach St.
Watsonville, CA 95076

SPACE ABOVE THIS LINE FOR RECORDER'S USE

EASEMENT AGREEMENT (Access)

THIS EASEMENT AGREEMENT (Access) ("**Agreement**") is made and entered into 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 closing date under the PSA defined below ("**Closing Date**"). 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, consisting of 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 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 ± 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 depicted and described in **Exhibit 1** attached hereto and incorporated herein by reference (the "**Property**"), and excluding the Excluded Property, as further described and defined in the PSA.

E. The City desires to grant to Granite and Granite desires to acquire from the City a permanent, non-exclusive easement over the identified portions of Property, more particularly depicted and described on **Exhibit 1** attached hereto and incorporated herein by this reference.

F. The Parties desire that said easement and rights be on the terms, covenants, and conditions set forth herein.

G. In conjunction and simultaneously with the recording of the Deed (as such term is defined in the PSA), this Agreement shall be recorded in the Official Records of the County of Box Elder.

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 Easement. City hereby grants to Granite a perpetual, non-exclusive easement (the “**Easement**”) on, over, under, upon, and across that certain portion of the Property more particularly described in 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 herein. 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.

2. Use and Purposes.

2.1 The Easement granted herein may be used by Granite and its Successors and Visitors and the Occupants of the Granite Property for the purpose of pedestrian and vehicular ingress, egress, and access over the Easement Area to, from, and between the Easement Area and the nearby Granite Property and/or the Granite Leased Property, and for other lawful purposes related thereto. 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 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, as follows: (a) that the Easement over the Easement Area can and likely will be used by heavy equipment; (b) that use of the Easement and Easement Area can and likely will generate noise, dust and traffic in connection with the operations on the Granite Property and/or the Granite Leased Property; and (c) that the Easement can and likely will be used to transport various materials over the Easement and Easement Area.

2.3 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 Easement Area which will interfere with (a) any use of the Easement Area by Granite, by Granite’s Successors or Visitors, or by any Occupants of the Granite Property or the Granite Leased Property, or (b) any operations on the Granite Property or the Granite Leased Property.

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 City 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 interfere with the use of the Easement 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.

3. Maintenance. If and to the extent that maintenance and/or repairs to the Easement 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 Easement Area.

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 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 over the Easement Area is granted for the benefit of and is appurtenant to the Granite Property, as the dominant tenement, and shall burden the Property, as the servient tenement. 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. Indemnity and Insurance.

6.1 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; (b) the use or misuse of the Easement Area by the indemnitor or its Successors, Visitors or Occupants; and/or (c) the breach by the indemnitor of the indemnitor's obligations under this Agreement.

6.2 Liability Insurance. During the term of this Agreement, 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 Easement 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. General Provisions.

7.1 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

7.2 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.

7.3 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.

7.4 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, 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 legal fees and to any court or other proceeding costs incurred, in addition to any other damages or relief awarded.

7.5 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.

7.6 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.

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 PROPERTY

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)