

SEWER DEVELOPMENT AGREEMENT
[Sewer Trunk Line]

This **SEWER DEVELOPMENT AGREEMENT** (this “**Agreement**”) is made effective as of the (the “**Effective Date**”), by and among RG LAKEVIEW, LLC, a Utah limited liability company; (“**Lakeview**”), IRONWOOD REAL ESTATE, L.L.C., a Utah limited liability company (“**Ironwood**”); GRANTSVILLE CITY, a political subdivision of the State of Utah (“**City**”); and GRANTSVILLE CITY REDEVELOPMENT AGENCY, a political subdivision of the State of Utah (“**Agency**”). Lakeview, Ironwood, City, and Agency are sometimes referred to herein collectively as the “**Parties**” and individually as a “**Party**”.

RECITALS

A. City is a Utah municipality with authority under statutes and applicable laws to enter into agreements relating to the development of improvements within City’s territorial boundaries.

B. Agency has been created and operates pursuant to Utah Code Annotated Title 17C, the Community Reinvestment Agency Act for the purpose of promoting project area development within the Agency boundaries and the Agency is authorized to enter into agreements with property owners, governmental entities, private entities, and others.

C. Ironwood owns or will own that certain parcel of real property located in the territorial boundaries of the City and the Agency, in Tooele County, Utah having Tooele County tax parcel no. 05-065-0-0015 (the “**Ironwood Parcel**”), which Ironwood intends to develop as a residential subdivision (the “**Ironwood Subdivision**”).

D. RG Lakeview or its affiliates own or will own certain parcels of real property located in the territorial boundaries of the City and the Agency, in Tooele County, Utah and in the vicinity of the Ironwood Parcel that RG Lakeview intends to develop as a business park (the “**Lakeview Business Park**”).

E. In connection with the development of the Ironwood Subdivision and the Lakeview Business Park and to facilitate the development of the areas surrounding the projects, the Parties desire to enter into this Agreement to provide for the coordination of the design, construction, maintenance, payment and reimbursement of certain sewer infrastructure improvements and related work as more particularly set forth below.

AGREEMENT

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

1. **Incorporation of Recitals.** The Parties acknowledge the accuracy of the foregoing Recitals. Each of the foregoing recitals are hereby incorporated into this Agreement by this reference and are made a part hereof.
2. **Incorporation of Will Serve Agreement.** The Parties acknowledge receipt of the Will Serve Agreement (“**Will Serve**”) entered into, or soon hereafter entered into, between Ironwood and the City. The Will Serve is hereby incorporated into this Agreement by this reference and is made a part hereof.

3. **Definitions.** Unless otherwise defined herein, the words and phrases specified in this Agreement shall have the same meaning(s) as the definitions contained in that certain Development Agreement for Lakeview Business Park West (“**Lakeview Development Agreement**”), entered into by RG Lakeview and the City, and recorded by the Tooele County Recorder as Entry# 509563. Section 1.2 (Definitions) of the Lakeview Development Agreement is hereby incorporated into this Agreement by this reference and is made a part hereof.

4. **Construction of Sewer Trunk Line.**

4.1 **Description of Sewer Trunk Line.** RG Lakeview, under direction from the City or the Agency, shall coordinate, administer, direct and oversee the design and construction of the sewer trunk line depicted generally on Exhibit A attached hereto (the “**Trunk Line**”). The Parties hereby acknowledge the Trunk Line is owned, managed, controlled, and will be operated by the City. The Parties further acknowledge and agree that, except for the Trunk Line depicted on Exhibit A, any and all other sewer improvements to or for the benefit of the Ironwood Subdivision or the Ironwood Parcel, including without limitation, any laterals to lots and/or connections or stubs will be the sole responsibility of Ironwood. RG Lakeview has engaged, or may engage, architects, engineers, consultants and other design professionals, properly registered or licensed as appropriate in Utah, who shall be responsible for the design and/or engineering required for the Trunk Line and any plans and specifications relating to the Trunk Line as well as contractors and subcontractors, properly licensed and bonded in Utah, who will be responsible for the construction of the Trunk Line and suppliers who will be responsible for supplying materials in connection with the construction of the Trunk Line (collectively, the “**Service Providers**”).

4.2 **Design of Sewer Trunk Line.** The Parties acknowledge and agree that RG Lakeview, under direction from, and in consultation with the City, shall be responsible for the coordination, administration, direction and oversight of the preparation of the plans and specifications (and any revisions or modifications thereto) for the Trunk Line (the “**Plans**”) by the applicable Service Providers. RG Lakeview shall also be responsible for submitting the Plans to the City and/or any other governmental or quasi-governmental authorities having jurisdiction over the Trunk Line (collectively, the “**Approving Authorities**”) for approval and shall use commercially reasonable efforts to obtain all required approvals of the Plans. The Plans, as approved by the Approving Authorities, are referred to as the “**Approved Plans**”. The Parties hereby agree, to promptly cooperate with each other in connection with the preparation and approval of the Plans and the Approved Plans (including any changes, revisions or modifications thereto), which cooperation shall include, but shall not be limited to, the execution of documents, as well as reasonable and achievable modifications to the Plans during the course of the project.

4.3 **City Land Use Authority.** The Parties acknowledge that nothing in this Agreement shall be deemed to supersede, waive, or replace the City’s authority to manage, control, or operate the City’s sanitary sewer system, including the Trunk Line and all other sewer improvements, appurtenances, or easements contemplated herein.

4.4 **Construction Standard.** The Trunk Line will be constructed in accordance with the Construction Standard (as hereinafter defined). As used herein, the term “**Construction Standard**” shall mean the construction and installation of the Trunk Line in substantial conformity with the Approved Plans, the requirements of this Agreement, and the applicable requirements of the Approving Authorities. RG Lakeview and Ironwood are required to provide digital sets of as-builts in .pdf, .dwg, and shape files prior to serviceability.

4.5 **Lien-Free Construction.** Subject to Ironwood’s satisfaction of its payment obligation under this Agreement, RG Lakeview shall cause the Trunk Line to be designed and constructed free of any mechanics’ or materialmen’s liens. In the event any mechanics’ or materialmen’ lien is recorded against

the Ironwood Property as a result of work performed under this Agreement, but not as a result of Ironwood's actions or activities, RG Lakeview shall, within thirty (30) days of RG Lakeview acquiring knowledge of such lien (a) cause such lien to be removed as an encumbrance, or (b) diligently contest such lien but RG Lakeview shall not be required to provide Ironwood a surety bond or other security. Notwithstanding any contrary provision hereof, RG Lakeview's obligations under this paragraph shall not apply to the extent that any mechanics' or materialmen's lien arises due to any failure by Ironwood to make payment of any amount under Section 6 below as and when due under the terms of that Section.

4.6 Easements; Soils Deposit License.

4.6.1 Easement for Construction of Trunk Line. Ironwood represents and warrants that Ironwood has, or promptly will upon execution of this Agreement, provide to the City, by separate written agreement that has been properly recorded in the official records of the Tooele County Recorder, and in a form of reasonably acceptable to the City, a temporary construction easement granting the City, RG Lakeview and its Service Provides the right to access the Ironwood Property and construct the Trunk Line as described herein.

4.6.2 Grant of Other Easements. Ironwood hereby agrees to promptly grant any and all other easements and make any and all dedications that are reasonably requested by RG Lakeview and/or the City and as are reasonably required in connection with the design, construction, completion, operation and reconstruction of the Trunk Line. Ironwood further agrees to execute, acknowledge and record any and all instruments and documents as are reasonably necessary to effectuate the easements and dedications referenced above

4.6.3 Soils Deposit License. Ironwood hereby grants to the City, RG Lakeview and its Service Providers a license to deposit upon the Ironwood Property excess soils materials from the trenching of the Trunk Line project (a) from the intersection of Utah State Routes 112 and 138 to the Ironwood Property, and (b) through the Ironwood Property.

5. Warranty for Trunk Line.

5.1 Limitation of Liability. This Section 5 sets forth the sole and exclusive rights and remedies of Ironwood and the sole and exclusive obligations of RG Lakeview in connection with any defect in the Trunk Line or any component thereof. RG Lakeview makes, and Ironwood receives, no warranty, either express or implied, from RG Lakeview with respect to the Trunk Line (including, but not limited to, any warranty of merchantability or fitness for any particular purpose), and such warranties are hereby expressly excluded and disclaimed by RG Lakeview. Except as otherwise specifically set forth in this Section 5, Ironwood hereby releases RG Lakeview from any liability relating to any claim by Ironwood or its successors in interest or assigns (as applicable) relating to any defect in the Trunk Line or any liability for any violations to the Ironwood Property. In addition, to the fullest extent permitted by applicable law, Ironwood shall indemnify, defend and hold RG Lakeview harmless for, from and against any claim by Ironwood, Ironwood's successors or assigns (as applicable), or any other third party (including, without limitation, any other lot owner within the Ironwood Property or any association formed with respect to the Ironwood Property (or any portion thereof)) relating to any defect in the design or construction of the Trunk Line or any component thereof or any liability for any violations to the Ironwood Property.

5.2 City and Agency Exclusion. The Parties acknowledge and agree that the City and Agency are hereby excluded from this Section 5 and any obligations or exclusions discussed therein and that RG Lakeview will provide the financial assurances to the City and/or Agency as set forth in the Participation Agreement and Lakeview Development Agreement.

6. **Trunk Line Costs; Ironwood Share.**

6.1 **Definition of Trunk Line Costs.** As used herein, the term “**Trunk Line Costs**” shall mean all hard and soft costs incurred in connection with the design, construction, installation of the Trunk Line, including, without limitation, the costs of labor, materials and supplies, all costs relating to the preparation, amendment or modification of the Plans and Approved Plans, all engineering, consultant and legal fees incurred in connection with obtaining approval of the Approved Plans (or any amendment or modification thereto) by the Approving Authorities, construction staking, demolition, soil compaction, costs of all bonds required by the Approving Authority with respect to the Trunk Line, any processing, plan check or permit fees, any utility or other deposits, all legal and engineering services required to obtain any permit for the construction of the Trunk Line, cost of causing the City to accept the Trunk Line, costs of any insurance obtained and/or maintained in connection with the construction of the Trunk Line, any corrections, changes or additions required by the Approving Authorities, any corrections, changes or additions necessitated by site conditions, sales tax, any contractor’s fees, all other matters referenced in this Agreement as Trunk Line Costs, and any costs that are incurred by RG Lakeview to design, construct, install, and dedicate the Trunk Line.

6.2 **Ironwood’s Share of Trunk Line Costs; Service Capacity.** Ironwood acknowledges and agrees that Ironwood’s share of the Trunk Line Costs (the “**Ironwood Share**”) is equal to **Four Hundred Ninety-Five Thousand Three Hundred Twenty-Five and 00/100 Dollars (\$495,325.00)**. Subject to the Will Serve and City’s Vested Laws, City acknowledges and agrees that Ironwood’s payment of the Ironwood Share will allow sewer service for wastewater flow for up to two hundred fifty-five (255) equivalent residential units (ERUs) in a future Ironwood Subdivision.

6.3 **Payment of the Ironwood Share; Trunk Line Use Subject to Satisfaction of Payment.** Ironwood shall pay to the Agency the Ironwood Share together with all accrued and unpaid interest under this Agreement on or before the date that is **five (5) years** after the Effective Date of this Agreement (the “**Maturity Date**”). The Ironwood Share shall accrue interest from the Effective Date until the Maturity Date at a fixed per annum interest rate of **seven percent (7%)**. Ironwood shall have the option to prepay the Ironwood Share, in part or in whole, at any time and from time to time, without penalty. Additionally, Ironwood agrees to pay its prorated share of all costs related to a contemplated change order to accommodate a lift station and force main along Utah State Route 138, which additional prorated amount will be determined subsequent to the Effective Date of this Agreement and promptly paid by Ironwood to the Agency. The Parties acknowledge and agree that Ironwood’s use of Ironwood’s share of the Trunk Line capacity is subject to satisfaction in full of Ironwood’s payment obligations hereunder. Should Ironwood fail to satisfy its payment obligations, City or Agency may take any action permitted by state law and the City’s Vested Laws, including, but not limited to, termination of sewer service or withholding plat approvals.

6.4 **Use of Ironwood Share.** Subject to that certain Participation Agreement for the Lakeview Business Park Community Reinvestment Project Area dated April 15, 2020, as amended from time to time, (“**Participation Agreement**”) Agency covenants and agrees to use the Ironwood Share solely for payment of costs of the Trunk Line project, which may include reimbursement to RG Lakeview for costs RG Lakeview incurs in completing the Trunk Line Project.

7. **Notices and Communications.** All notices and other communications required or permitted hereunder shall be in writing and shall be given by personal delivery, or email overnight courier, or sent by registered or certified mail, postage prepaid, correctly addressed to the intended recipient at the address set forth below:

RG Lakeview RG Lakeview, LLC
2265 East Murray Holladay Road
Holladay, Utah 84117
Attn: Anthon Stauffer
Email: anthonstauffer@theromneygroup.com

And a copy to: Snell & Wilmer L.L.P.
15 West South Temple, Suite 1200
Salt Lake City, Utah 84101
Attn: Wade Budge
Email: wbudge@swlaw.com

Ironwood: Ironwood Development, L.L.C.
13 Pier Place,
Stansbury Park, Utah 84074
Attn: Joseph White
Email: 8303642@gmail.com

City: Grantsville City
429 East Main Street
Grantsville City, UT 84029
Attn: Brett Coombs
Email: bcoombs@grantsvilleut.gov

Agency: Grantsville City Redevelopment Agency
429 East Main Street
Grantsville City, UT 84029
Attn: Brett Coombs
Email: bcoombs@grantsvilleut.gov

Such notices and other communications shall be deemed to be given and received as follows: (i) upon actual receipt, if delivered personally on a business day between 8:00 a.m. and 5:00 p.m. (Utah time), otherwise on the next business day; (ii) upon actual delivery, if delivered by overnight courier; or (iii) three (3) business days following deposit in the mail, if delivered by mail. If notice is sent by email, it shall be deemed to have been given upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment); provided, that if such email is not sent on a business day during the hours of 8:00 a.m. and 5:00 p.m. (Utah time), such email shall be deemed to have been sent at the opening of business on the next business day for the recipient. The Parties may, from time to time, designate a different address by written notice given in the manner provided for above.

8. **Waiver of Consequential and Certain Other Damages.** Except as otherwise expressly set forth in this Agreement, the Parties hereby waive all claims against each other for consequential, incidental, special, exemplary and punitive damages arising out of or relating to this Agreement.

9. **Attorney Fees.** In the event any Party finds it necessary to bring any action, or other legal proceeding against any other Party hereto to enforce any of the terms, covenants or conditions hereof, the Party prevailing in any such action or other legal proceeding shall be paid all reasonable costs and reasonable attorneys fees by the non-prevailing Party, and in the event any judgment is secured by said prevailing Party, all such costs and attorney fees shall be included therein, such fees to be set by the judge and not a jury.

10. **Further Acts.** Each of the Parties hereto shall execute and deliver all such documents and perform all such acts as reasonably necessary, from time to time, to carry out the objectives and intent of this Agreement.

11. **No Partnership; Third Parties.** It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between the Parties hereto. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

12. **Entire Agreement; Amendment.** This Agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understandings of the Parties, oral or written, are hereby superseded and merged herein. No change or addition is to be made to this Agreement except by written amendment executed by all of the Parties hereto. Nothing in this Agreement, replaces or supersedes the Will Serve agreement, the Lakeview Development Agreement, or the Participation Agreement.

13. **Governing Law.** This Agreement is entered into in the State of Utah and shall be construed and interpreted under the laws of the State of Utah without giving effect to principles of conflicts of law.

14. **Severability.** If any provision of this Agreement is declared void or unenforceable, such provision shall be severed from this Agreement and shall not affect the enforceability of the remaining provisions of this Agreement.

15. **Successors and Assigns.** A Party shall not assign this Agreement or any of its rights or obligations hereunder without the prior written consent of each other Party hereto (which shall not be unreasonably withheld or delayed). Any attempted assignment in violation of the foregoing provision shall be null and void and of no force or effect. Subject to the limitations set forth above, this Agreement shall be binding upon, and shall inure to the benefit of, each of the Parties and their successors and assigns.

16. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by facsimile or other electronic means of an executed counterpart of this Agreement shall be sufficient for purposes of this Agreement.

17. **Authority.** The Parties each warrant that they have all of the necessary authority to execute this Agreement. Specifically, and furthermore, Ironwood represents and warrants that Ironwood owns or has contractual rights to own fee simple title to the Ironwood Property and has authority to enter into this Agreement affecting the Ironwood Property.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

RG LAKEVIEW:

RG LAKEVIEW, LLC,
a Utah limited liability company

By: _____
Name: Anthon Stauffer
Its: Authorized Signer

RG LAKEVIEW ACKNOWLEDGMENT

STATE OF UTAH)
 :ss.
COUNTY OF _____)

On the ____ day of _____, 2023, personally appeared before me _____, who being by me duly sworn, did say that he/she is the _____ of RG Lakeview, LLC, a Utah limited liability company, and that the foregoing instrument was duly authorized by the company at a lawful meeting held by authority of its operating agreement and signed in behalf of said company.

NOTARY PUBLIC

IRONWOOD:

IRONWOOD REAL ESTATE, L.L.C.,
a Utah limited liability company

By: _____
Name: _____
Its: _____

IRONWOOD ACKNOWLEDGMENT

STATE OF UTAH)
 :ss.
COUNTY OF _____)

On the ____ day of _____, 2023, personally appeared before me _____, who being by me duly sworn, did say that he/she is the _____ of Ironwood Real Estate, L.L.C., a Utah limited liability company, and that the foregoing instrument was duly authorized by the company at a lawful meeting held by authority of its operating agreement and signed in behalf of said company.

NOTARY PUBLIC

Approved as to form:

Brett Coombs
City Attorney

Attest:

Braydee Baugh
City Recorder

CITY:

GRANTSVILLE CITY,
a Utah political subdivision

By: _____
Jesse Wilson, City Manager

CITY ACKNOWLEDGMENT

STATE OF UTAH)
 :SS.
COUNTY OF TOOELE)

On the ____ day of _____, 2023, personally appeared before me Jesse Wilson who being by me duly sworn, did say that he is the City Manager of Grantsville City, a political subdivision of the State of Utah, and that said instrument was signed in behalf of the City by authority of its City Council and said Jesse Wilson acknowledged to me that the City executed the same.

Approved as to form:

Brett Coombs
Agency Attorney

Attest:

Secretary

AGENCY:

**GRANTSVILLE CITY
REDEVELOPMENT AGENCY,**
a Utah political subdivision

By: _____
Neil Critchlow, Chairman

GRANTSVILLE CITY REDEVELOPMENT AGENCY ACKNOWLEDGMENT

STATE OF UTAH)
 :ss.
COUNTY OF TOOELE)

On the ____ day of _____, 2023, personally appeared before me Neil A. Critchlow who being by me duly sworn, did say that he is the Chairman of the Grantsville City Redevelopment Agency, a political subdivision of the State of Utah, and that said instrument was signed in behalf of the Grantsville City Redevelopment Agency by authority of its Board of Directors and said Neil A. Critchlow acknowledged to me that the Agency executed the same.

EXHIBIT A
[General Depiction of Trunk Line]





**KENNETH GORDON LEWIS
SEWER EASEMENT EXHIBIT**

NO.	REVISIONS	BY	DATE	3288-08 SHEET NO. 1 of 1
-----	-----------	----	------	--------------------------------