

## **WATER BANKING AGREEMENT**

This Water Banking Agreement ("**Agreement**") is entered into as of the 25th day of February 2025 ("**Effective Date**"), by and between MEADOWBROOK WATER USERS ASSOCIATION, a Utah nonprofit mutual water corporation ("**MWUA**"); TOOELE INVESTORS, LLC, a Utah limited liability company ("**Owner**"); and OQUIRRH POINT IMPROVEMENT DISTRICT, a Utah special district ("**District**").

### **RECITALS**

**WHEREAS** Water Right Nos. 15-587, 15-1051, 15-4671, 15-4961, and 15-4962, together with approved Change Application a44182 (collectively, "**Water Rights**") have been or will be deeded by Owner to District; and

**WHEREAS** the Water Rights allow for the diversion of 40.15 acre-feet of water for municipal use; and

**WHEREAS** the Water Rights are being transferred to District in order to meet District's water dedication requirements for Owner's development(s) and/or for use by Owner's assigns to meet District's water dedication requirements for development; and

**WHEREAS** District is willing to accept the Water Rights for use in its system in satisfaction of its water dedication requirements for present or future developments of Owner or Owner's assigns.

**NOW, THEREFORE**, in consideration of the foregoing premises, the mutual covenants hereafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, incorporating the recitals set forth above, agree as follows:

### **AGREEMENT**

1. Transfer and Acceptance of the Water Rights. The Water Rights have been conveyed and assigned, or will be conveyed and assigned, by MWUA (for the benefit of Owner) to District by Water Deed, and District has accepted, or will accept, the conveyance and assignment of the Water Rights. District agrees and acknowledges that the Water Rights are acceptable water rights for purposes of satisfying District's water dedication requirements.

2. Water Credits. In exchange for the transfer of the Water Rights, District hereby grants to Owner water dedication credits for 40.15 acre-feet of water ("**Credits**"). As provided herein, the Credits may be used by Owner to meet District's water dedication requirements for Owner's development(s) or may be assigned by Owner to others. The District Clerk shall maintain a credit log to keep track of any Credits that have not yet been dedicated to a specific development to meet District's water dedication requirements. Owner, or any assignee of all or a portion of the Credits, may request a copy of the credit log by making a written request to the District Clerk.

Within ten business days of receiving the request, the District Clerk will provide a copy of the credit log.

3. Use of Credits for Owner's Developments. Owner may use the Credits in order to meet District's water dedication requirements as part of the development approval process. Prior to final plat approval, Owner shall send the District Clerk a written request to apply a portion of the Credits to a specific development. The number of acre-feet from the Credits required for dedication to a particular development shall be determined by District ordinances and policies existing at the time of the dedication. A decision to apply the Credits to a specific development is final, and any Credits so applied are no longer available for application to another project or assignment to a third party.

4. Assignment of Credits. Owner may assign any or all of the Credits to others using an Assignment of Water Credits form similar to Exhibit A ("**Assignment**"). An assignee shall present the Assignment, with original signatures, to the District Clerk, at which time the District Clerk shall update the credit log to account for the Assignment. The District Clerk shall also keep a copy of each Assignment in his/her records. An assignee may assign the Credits in the same manner outlined herein or may use the Credits in order to meet District's water dedication requirements. Any assignment of Credits that is not presented to the District Clerk as provided in this paragraph shall be void as against any subsequent purchaser, in good faith and for valuable consideration, of the same Credits, or any portion thereof, where the subsequent purchaser's assignment is first presented to the District Clerk.

5. Use of Credits by Assignees. An assignee may use the Credits in order to meet District's water dedication requirements as part of the development approval process. Prior to final plat approval, assignee shall send the District Clerk a written request to apply a portion of the Credits to a specific development. The number of acre-feet from the Credits required for dedication to a particular development shall be determined by District ordinances and policies existing at the time of the dedication. A decision to apply the Credits to a specific development is final, and any Credits so applied are no longer available for application to another project or assignment to a third party.

6. District's Use of Water Rights. Upon Owner's application of the Credits to a development or assignment of the Credits to an assignee, District shall have the full and unencumbered right to divert and beneficially use the water under the Water Rights. District bears the responsibility to protect and maintain in good standing the Water Rights, including placing the Water Rights to beneficial use, filing proof documents on the Change Application, and filing other documentation with the Utah Division of Water Rights. Owner's rights to Credits under this Agreement will not be affected if the Water Rights are forfeited, abandoned, or otherwise lost due to District's failure to protect or maintain the Water Rights in good standing

7. Termination by Owner. Owner may, at any time and in its sole discretion, terminate this Agreement by filing written notice of termination with the District Clerk. Upon termination, any Credits that have not been dedicated to a specific development shall be canceled and District will deed to Owner the proportionate amount of the Water Rights represented by the canceled credits.

8. Owner's Use of Water Rights. Until such time as Owner applies the Credits to a development or assigns the Credits to an assignee, Owner shall have the right to divert the Water Rights from one or more of District's wells and to use the Water Rights to irrigate 10 acres of Owner's land. If Owner diverts the Water Rights from one or more of District's wells for irrigation use, Owner's payment obligation to the District shall be substantially the same as Owner's prior payment obligation to MWUA, which is that Owner will pay to the District (a) its proportionate share of the utility costs for the operation of the well(s) during the irrigation season and (b) a set fee of \$160 per month during the non-irrigation season.

9. Successors and Assigns. Pursuant to the terms of this Agreement, Owner shall have the right to assign its rights, duties, and obligations. The parties acknowledge that the rights, duties, and obligations of Owner (except for Owner's right to use the Water Rights under Section 8) will also apply to any successor or assign of Owner, and that the use of the term "Owner" in this contract includes Owner's successors or assigns.

10. Ownership of Water Facilities. Nothing in this Agreement shall alter the ownership of any wells, tanks, or other water facilities of Owner, MWUA, or District.

11. Entire Agreement. This Agreement represents the entire agreement between the parties and supersedes all prior agreements and understandings concerning its subject matter. This Agreement shall not be amended or modified except by written instrument signed by both parties.

12. Construction and Enforcement. This Agreement shall be construed in accordance with and governed by the laws of the State of Utah. This Agreement may be specifically enforced.

13. Third Party Beneficiaries. Except for the assignees of Credits, this Agreement is not intended to and shall not create any rights in any person or entity not a party to this Agreement.

14. Attorney Fees. In any action arising out of this Agreement, the prevailing party shall be entitled to costs and reasonable attorney fees.

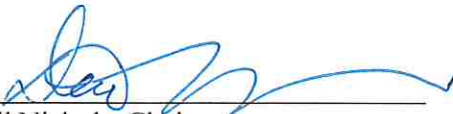
15. Further Assurances. After the execution of this Agreement, the parties agree to execute and deliver such documents, and to take or cause to be taken all such other actions, as either party may reasonably deem necessary or appropriate in order to carry out the intents and purposes of this Agreement.

16. Severability. If any term, covenant, or condition of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and the remainder of the Agreement shall remain in full force and effect.

17. Authority of Parties. The persons signing this Agreement represent and warrant that they have full authority to do so and that their corporation or entity has undertaken and obtained whatever formalities and approvals are necessary to enter into this Agreement.

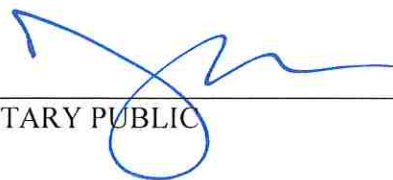
IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

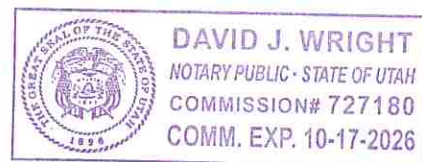
**OQUIRRH POINT IMPROVEMENT DISTRICT**

By:   
Dell Nichols, Chairman

STATE OF UTAH )  
:SS  
COUNTY OF DAVIS )

On the 25 day of FEB., 2025, Dell Nichols, personally appeared before me and duly acknowledged that he/she, acting in his/her authorized capacity as Chairman of OQUIRRH POINT IMPROVEMENT DISTRICT, executed this Water Banking Agreement for the purposes stated therein.

  
NOTARY PUBLIC

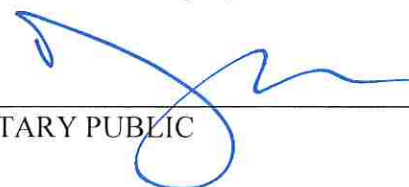


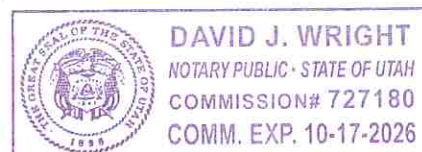
**MEADOWBROOK WATER USERS ASSOCIATION**

By:   
Chris Meacham, President

STATE OF UTAH )  
:SS  
COUNTY OF DAVIS )

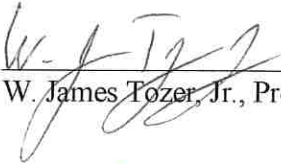
On the 25 day of FEB., 2025, Chris Meacham, personally appeared before me and duly acknowledged that he/she, acting in his/her authorized capacity as President of MEADOWBROOK WATER USERS ASSOCIATION, executed this Water Banking Agreement for the purposes stated therein.

  
NOTARY PUBLIC



**TOOELE INVESTORS, LLC**

By: Vectra Management Group-NY Inc.  
Its: Manager

By:   
W. James Tozer, Jr., President

STATE OF New York )  
COUNTY OF New York ) :ss

On the 4 day of March, 2025, W. James Tozer, Jr., personally appeared before me and duly acknowledged that he/she, acting in his/her authorized capacity as President of Vectra Management Group-NY Inc., as Manager of TOOELE INVESTORS, LLC, executed this Water Banking Agreement for the purposes stated therein.

  
NOTARY PUBLIC

IVONNE CRUZ  
Notary Public, State of New York  
No. 01CR6013365  
Qualified in New York County  
Commission Expires October 25, 2026

**EXHIBIT A**

## ASSIGNMENT OF WATER CREDITS

This Assignment of Water Credits ("Assignment") is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_ ("Assignor"), whose mailing address is \_\_\_\_\_, and \_\_\_\_\_ ("Assignee"), whose mailing address is \_\_\_\_\_. For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor transfers and assigns to Assignee \_\_\_\_\_ acre-feet of water credits that were banked with Oquirrh Point Improvement District pursuant to the Water Banking Agreement between Oquirrh Point Improvement District and Tooele Investors, LLC, dated February 25, 2025.

**In order to effectuate this Assignment, Assignee shall present this original signed and notarized Assignment to the Oquirrh Point Improvement District Clerk.**

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Transferor

State of \_\_\_\_\_ )  
 ) ss  
County of \_\_\_\_\_ )

On the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, personally appeared before me \_\_\_\_\_, personally known to me to be the person whose name is subscribed to this instrument, who acknowledged that he/she executed it.

Notary Public