



**AMENDED AGENDA
COUNTY COUNCIL
Wednesday, July 16, 2025**

NOTICE is hereby given that the Summit County Council will meet, on Wednesday, July 16, 2025, electronically, via Zoom, and at the anchor location of the Summit County Courthouse, 60 N. Main Street, Coalville, UT 84017

(All times listed are general in nature, and are subject to change by the Board Chair)

To view Council meeting, live, visit the "Summit County, Utah" Facebook page.

OR

To participate in Council meeting: Join Zoom webinar: <https://zoom.us/j/772302472>

OR

To listen by phone only: Dial 1-301-715-8592, Webinar ID: 772 302 472

12:30 PM - Some Council Members to attend a tour at Wasatch Front Waste & Recycling District, 604 W. 6960 S., Midvale, Utah 84047 (60 min)

1:30 PM - Break, and travel to Summit County courthouse (3 hours, 10 min)

4:40 PM Closed Session - Property acquisition (30 min)

5:10 PM - Move to Council chambers (5 min)

5:15 PM - Pledge of Allegiance (5 min)

5:20 PM Convene as the Governing Board of Snyderville Basin Special Recreation District

1. 5:20 PM - Continued discussion and possible approval of Public Recreation Trail Easement and Access Agreement - Mid Mountain Trail (Pinebrook Master Association), Memorandum of Understanding - Mid Mountain Connector Trail (Hi-Ute Property), and Public Recreation Trail Easement Agreement (Hi-Ute Property); Dana Jones and Matt Wagoner (5 min)

[Basin Recreation-Staff Report and Agreements.pdf](#)

Dismiss as the Governing Board of Snyderville Basin Special Recreation District

5:25 PM Consideration of Approval

1. 5:25 PM - Discussion and possible approval of Fiscal Agent Agreement Between Chalk Creek Hoytsille Water User Company and Summit County; Brandon Brady (10 min)
[CountyPresentation.pdf](#)
[CCH Fiscal Agent Agreement Staff Report 7-16-25 Final.pdf](#)
2. 5:35 PM - Third Amendment to Interlocal Cooperation Agreement for Transit System Services between High Valley Transit District and Summit County; Caroline Rodriguez (15 min)
[Third Amendment-Interlocal Agreement-High Valley Transit and Summit County](#)
3. 5:50 PM - Council and Manager comments (10 min)

6:00 PM Public Input

Public comment is for any matter not on the Agenda and not the subject of a pending land use application. If you would like to submit comments to Council, please email publiccomments@summitcountyutah.gov by 12:00 p.m. on Wednesday, July 16, 2025. If you wish to interact with Council, for public input, please appear in person, or use the “Raise Hand” button at the bottom of the chat window in Zoom.

6:00 PM Public Hearing

Convene as the Governing Board of Mountain Regional Water Service District

1. Public Hearing regarding the issuance of the Mountain Regional Water Special Service District’s Water Revenue Bonds, Series 2025. This public hearing and bonds to be issued is to receive input from the public with respect to the issuance of the Bonds and any potential economic impact that the Project to be financed with the proceeds of the Bonds may have on the private sector; Andy Garland
[MRW Parameters Memo Public Hearing 07.16.25.pdf](#)
[July 16 2025 Council Presentation Slide Deck Public Hearing.pdf](#)
[Res 2025-13 Authorizing the Issuance and Sale of not more than \\$43,000,000 Aggregated Principle amount of Water Revenue Bonds Executed.pdf](#)

Dismiss as the Governing Board of Mountain Regional Water Service District

Adjourn



To: Summit County Council
From: Dana Jones, District Director
Prepared By: Matt Wagoner, District Superintendent
Date: 7/9/2025
Re: Hi Ute Trail Easements

Background:

The Mid-Mountain Connector Trail is an important link in the Basin Recreation trail system that has been planned for many years. Recently, Basin Recreation staff have worked closely with the Hi Ute Ranch, Utah Open Lands, Pinebrook Master Association, and Park City School District to negotiate a final alignment. A series of agreements that must be approved by County Council are required before construction of this trail can be completed. The agreement with Park City School District was approved at the June 25th Council meeting. The remaining agreements to be considered are with Pinebrook Master Association, Hi Ute Ranch, and Utah Open Lands.

Discussion:

Representatives from the Pinebrook Master Association have been involved in the conceptualization of this trail connection from the very beginning. The alignment incorporates an existing public trail on Pinebrook open space and allows for important new connections through the Pinebrook open space that create a much more user-friendly trail grade. Their involvement has been critical in planning a trail that will provide a first-rate public amenity. The construction easement is included in this report for review and possible approval.

Utah Open Lands and the Hi Ute Ranch are both party to a single memorandum of understanding with Basin Recreation that includes the trail easement as an exhibit. All representatives have had extensive conversations to work towards an alignment that incorporates each organization's values. Basin Rec staff believe the intensive process has resulted in a balanced and thoughtful trail that will provide a valuable public amenity while respecting landscape resources. The agreement with Hi Ute Ranch and Utah Open Lands is included in this report for review and possible approval.

WHEN RECORDED MAIL TO:
Snyderville Basin Recreation District
5715 Trailside Drive
Park City, UT 84098

Space above for Recorders Stamp

PUBLIC RECREATION TRAIL EASEMENT AND ACCESS AGREEMENT

Property Owner:

Trail Name:

Parcels:

Pinebrook Master Association

Mid Mountain Trail

PBOS-1; PP-54-D

THIS PUBLIC RECREATION TRAIL EASEMENT AGREEMENT AND ACCESS AGREEMENT ("**Easement Agreement**"), is made and entered into this ____ day of _____, 2025, by and between Pinebrook Master Association, a Utah nonprofit corporation, with address at 7950 Pinebrook Road, Park City, Utah 84098 ("**Owner**"), and **SNYDERVILLE BASIN SPECIAL RECREATION DISTRICT**, a special service district of the State of Utah, with offices at 5715 Trailside Drive, Park City, UT 84098 ("**SBSRD**"). Owner and SBSRD are sometimes collectively referred to in this Easement Agreement as the "**Parties**" or individually as a "**Party**."

RECITALS

WHEREAS, Owner is the owner of certain real property in SUMMIT COUNTY, Utah, more particularly described on **Exhibit A**, attached hereto and by this reference incorporated herein (the "**Property**"); and,

WHEREAS, the term "**Owner**" as used herein shall mean the possessor of any interest in the Property, whether public or private land, including a condominium association where the easement to be granted herein is located in a designated common area and an owner's association is empowered to grant easements over same; and,

WHEREAS, Owner desires to grant SBSRD an easement across a portion of the Property for the purpose of establishing a public, non-motorized and natural surface trail, and assisting in the shaping of the character, direction, and development of public recreation trails throughout Summit Count; and,

WHEREAS, SBSRD is a public body, authorized by Summit County Code, Title 2, Chapter 21, to acquire interests in real property for purposes of public recreational services and programs;

AGREEMENT

NOW, THEREFORE, in consideration of the sum of one dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged, the Parties hereby agree as follows:

1. Grant of Easement.

Owner hereby grants unto SBSRD:

A. A trail easement ("**Trail Easement**") on, over, under, and across the Property solely consisting of a corridor thirty feet (30') in width ("**Easement Corridor**") lying along an alignment as described in the document attached hereto as **Exhibit B**, and by this reference is incorporated herein, exclusively for the duration and purpose set forth herein below and consisting only of the rights hereinafter enumerated.

B. A non-exclusive access easement ("**Access Easement**") on, over, under, and across private roads, driveways, common area parcels, and emergency ingress/egress easements which are owned and/or controlled by Owner on the Property, including access into gated/guarded communities, for the duration and limited purposes set forth herein below and consisting of the rights hereinafter enumerated.

2. Duration.

The Trail Easement and Access Easement are granted in perpetuity and shall run with the land so as to be forever binding upon the Parties hereto and their respective heirs, personal representatives, administrators, successors, and assigns.

3. Purpose.

The purpose of the Trail Easement is to obtain, develop, preserve, and maintain the area within the Easement Corridor for development, construction, use, preservation, and maintenance of a non-motorized trail, for the use and benefit of SBSRD and the general public.

The purpose of the Access Easement is to provide SBSRD and its Affiliates (as defined below), not the general public, access to the Easement Corridor as SBSRD deems reasonable and necessary for the sole purpose of developing, constructing, maintaining, and otherwise managing the Trail Easement in accordance with provisions set forth herein. In its use of the Access Easement, SBSRD shall make reasonable efforts to protect the private nature of Owner's trail system and shall not make any changes or improvements to Owner's property located outside of the Trail Easement without first obtaining Owner's prior written consent.

4. Rights Conveyed and Obligations.

The rights conveyed to and corresponding obligations imposed upon SBSRD by this Trail Easement and Access Easement are as follows:

A. To develop within the Easement Corridor a natural surface trail not to exceed ten feet (10') in width (**“Mid Mountain Trail”** or **“Trail”**) for non-motorized, year-round, recreational use, which Mid Mountain Trail will be documented by an “as built” trail survey, which may be recorded against the Property.

B. To lay out, mark, develop, construct, maintain or relocate the Trail, within the Easement Corridor. When deemed necessary, SBSRD and Owner agree to work in good faith to relocate any portion of the Trail that may need to be moved outside of the Easement Corridor. This is especially the case at the time of original construction of the Trail. Such adjustments to the Easement Corridor will be documented on an “as-built” trail survey, which may be recorded against the Property.

C. To make minor topographical changes to the Property within the Easement Corridor for the necessity and convenience of locating the Trail (including improvements as needed to provide structural support and erosion control, drainage ditches, berms, import soils to build up to level grade, etc.).

D. To establish and maintain appropriate signage within the Easement Corridor marking the Trail and providing directions or other appropriate information in connection with the Trail, including signage and other appropriate information developed in coordination with Owner to encourage the public to use the Trail and refrain from using Owner’s private trail system.

E. To enter upon the Easement Corridor for all reasonable and necessary construction, maintenance, and repair of the Trail and Easement Corridor, and to pursue same diligently to completion. Such maintenance shall include, but shall not be limited to sweeping, snow grooming, weed spraying, re-treading, re-surfacing, and otherwise keeping the trail in a serviceable and safe condition.

F. To manage vegetation within the Easement Corridor through removal and/or trimming of trees, shrubs, grasses, exotic or noxious plant species, in order to maintain appropriate sight lines (as determined necessary by SBSRD at its sole discretion), and otherwise as necessary to keep the Trail in a serviceable and safe condition and maintain the integrity of the Trail.

G. To maintain the Easement Corridor in a good, clean and sanitary condition, free from waste or litter and/or any condition that is offensive to the public health, safety or welfare or that constitutes a nuisance.

H. To ensure that no lien or claim of mechanics, laborers or materialmen will be filed against the Property, or any part or parts thereof, for any work, labor or materials furnished, alleged to have been furnished or to be furnished pursuant to any agreement by SBSRD regarding the Trail Easement.

I. If any damage occurs to Owner's Property, or any improvements thereon, arising out of, related to, or as a consequence of any SBSRD work in the Easement Corridor, Owner promptly will notify SBSRD in writing of the damage. Unless otherwise agreed by the Parties, SBSRD will repair the damage (or commence and diligently pursue repairing the damage) within 30 days after receipt of Owner's notice.

5. Limitation on Use of the Trail Easement.

Public access on, over or across the Trail Easement shall be strictly limited to access by foot or other non-motorized means except as follows: (a) use by motorized or battery propelled wheelchairs, (b) use by Owner or SBSRD operated motor vehicles for purposes of construction or maintenance of any Trail that may be established within the Easement Corridor, and (c) use for emergency access for wildland fire and structural fire suppression, to facilitate search and rescue operations, or by public law enforcement personnel as deemed necessary for public safety.

6. Fees.

No fees shall be charged by Owner for use of the Trail Easement for any reason.

7. Liability/Indemnification/Immunity.

Owner shall enjoy the limitations on legal liability involving public recreational use of the Trail Easement as provided for in *Utah Code §§57-14-101 thru 205* (Limitations on Landowner Liability – Relating to Recreational Use) and *Utah Code §57-14-401 and §78B-4-509 (2) and (3)* (Inherent Risks of Certain Activities). Furthermore, SBSRD agrees to indemnify, defend, and forever hold Owner (including without limitation, its officers, directors, owners, members, agents, representatives, affiliates, partners, associates, and employees), harmless from and against any loss, damage, injury or death arising from any act or omission of SBSRD (including without limitation, licensees, employees, agents, and invitees) for the duration of the Trail Easement and/or Access Easement.

Owner shall promptly notify the SBSRD of all incidents and claims known to the Owner which may be the basis for a claim of indemnification against the SBSRD and provide SBSRD with a reasonable opportunity to defend, negotiate, settle, or deny such claims, and litigate the defense of such claims. Owner agrees that it will not in any way interfere with the rights of SBSRD to assert all legal defenses and defend against the claims of third parties.

8. Owner's Representations.

Notwithstanding that the Trail Easement and Access Easement granted herein are without warranty, Owner represents that it is a possessor-in-interest of the Property, and that it has full legal authority to

grant this Trail Easement and Access Easement to SBSRD free of liability for any lien or encumbrance previously placed thereon by Owner.

9. Retained Rights.

Except for the rights expressly conveyed to SBSRD hereunder, Owner reserves to itself, its personal representatives, heirs, successors and assigns all other rights arising out of ownership of the Property, including, without limitation, the right to engage in, or permit or invite others to engage in, all uses of the Property **not expressly prohibited herein and that are not inconsistent and do not interfere with the terms and conditions of this Easement Agreement**, including, again without limitation, the following enumerated rights:

A. A right-of-way on, over, under, and across the Trail Easement for purposes of ingress, egress, placement of underground utilities for the benefit of the Property and adjacent property that is or may hereafter be acquired by Owner, the location of any such right-of-way to be designated by Owner at a future date.

B. To relocate (but not terminate), the Trail, as described herein, provided all of the following conditions are met: (i) SBSRD approves in writing the proposed new location, which approval shall not be unreasonably withheld, noting that integrity of the Trail (e.g. grade, line of site) and increased maintenance concerns, are examples of justification for disapproval; (ii) the proposed new location of Trail, as approved by SBSRD, is within the Easement Corridor; (iii) relocation work is completed by or at the direction of SBSRD; and (iv) Owner agrees in writing to promptly reimburse SBSRD for all actual out-of-pocket costs associated with the relocation of the Trail (SBSRD to provide a written estimate of costs to Owner prior to commencement of work). Upon any such relocation, SBSRD shall enjoy all rights conveyed herein with respect to the Trail, as relocated.

C. To landscape and install and maintain irrigation within the Easement Corridor, but not any portion of the Trail, subject to the right, but not the obligation of SBSRD to manage any such vegetation as provided for in **Section 4 Paragraph F** herein.

10. Enforcement.

The SBSRD and Owner shall have the right to enforce, through any permitted proceeding at law or in equity, including by specific performance, the terms, provisions, restrictions and requirements of this Easement Agreement. Any failure to insist upon the strict performance of or compliance with any of the terms, provisions, covenants and requirements of this Easement Agreement shall not result in or be construed to be an abandonment or termination of this Easement Agreement or any waiver of the right to insist upon such performance or compliance with the terms of this Easement Agreement in the future. If any action or proceeding is brought because of a default under, or to enforce or interpret any

of the covenants, provisions, or requirements of this Easement Agreement, the party prevailing in such action or arbitration shall be entitled to recover from the unsuccessful party reasonable attorneys' fees (including those incurred in connection with any appeal), the amount of which shall be fixed by the court or the arbitrator and made a part of any judgment rendered.

11. **Acceptance.**

By its signature set forth herein below, SBSRD hereby accepts the foregoing grant of the Trail Easement and Access Easement subject to the terms and conditions herein.

12. **Binding Effect.**

This Easement Agreement extends to and is binding upon the Parties and their respective heirs, personal representatives, successors and assigns.

13. **Law.**

This Easement Agreement shall be interpreted, construed, and enforced according to the laws of the State of Utah.

14. **Relationship Between the Parties.**

The easements and rights-of-way reserved above are not intended to create, nor shall they be in any way interpreted or construed to create a joint venture, partnership, or any similar relationship between Owner and SBSRD.

15. **Amendment.**

This Easement Agreement shall not be modified or amended except by a written instrument executed by the Parties hereto and recorded in the official records of Summit County.

16. **Entire Agreement.**

The Parties agree that this Trail Easement and Access Easement constitutes the entire understanding and agreement between the Parties with regard to the subject matter hereof, and supersedes any previous agreement, representation, or understanding between the Parties relating to the subject matter hereof.

17. **Severability.**

If any provision of this Easement Agreement shall be declared by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall remain in full force and effect.

Counterpart signatures appear on the following pages

SNYDERVILLE BASIN SPECIAL RECREATION DISTRICT

BY: _____
Tonja Hansen
Chair

On the _____ day of _____, 2025, personally appeared before me, **TONJA HANSEN**, the signer of the foregoing instrument, who duly acknowledged to me that he executed the same as Chair of the **Summit County Council**, the governing body of the **Snyderville Basin Special Recreation District, Summit County, Utah**.

NOTARY PUBLIC

PINEBROOK MASTER ASSOCIATION

By: _____

Name: _____

Its: _____

STATE OF _____)
):ss
COUNTY OF _____)

The undersigned, a Notary Public in and for the above state and county, hereby certifies that on the ____ day of _____ 2025 before me personally appeared _____, the _____, of Pinebrook Master Association, who is known to me as the person and officer described in and who executed the foregoing instrument on behalf of said Pinebrook Master Association, and who acknowledge that he/she held the position or title set forth in the instrument and certificate, that he/she signed the instrument of behalf of Pinebrook Master Association by proper authority, and that the instrument was the act of Pinebrook Master Association for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year last aforesaid.

SEAL:

NOTARY PUBLIC

EXHIBIT A

(Legal Description of Property)

Summit County Tax Identification Parcel No. PBOS-1

A Parcel of land lying within Sections 11 & 14, Township 1 South, Range 3 East, Salt Lake Base and Meridian, more particularly described as follows:

Commence at the East Quarter of Section 11, Township 1 South, Range 3 East, Salt Lake Base and Meridian; thence West, a distance of 3070.37 feet; thence South, a distance of 3019.65 feet, to the POINT OF BEGINNING; said point being on the East boundary line of Pinebrook Subdivision No. 8 according to the official plat thereof and running thence along said East boundary the following (7) courses N 04°00'00" W, a distance of 310.00 feet. N 34°00'00" E, a distance of 300.00 feet, N 19°00'00" E, a distance of 460.00 feet, N 60°30'00" E, a distance of 150.00 feet, N 42°30'00" E, a distance of 240.00 feet, N 61°00'00" E, a distance of 305.00 feet and N 49°00'00", a distance of 96.39 feet; thence S 26°30'00" E, a distance of 10.98 feet; thence N 63°30'00" E, a distance of 435.60 feet; thence N 26°30'00" W, a distance of 90.00 feet; thence N 63°30'00" E, a distance of 261.49 feet; thence S 54°03'28" E, a distance of 659.19 feet; thence S 51°54'40" W, a distance of 470.11 feet; thence S 44°37'15" E, a distance of 1682.56 feet; thence East, a distance of 210.00 feet to the East line of Section 14, Township 1 South, Range 3 East, Salt Lake Base and Meridian; thence S 00°15'29" E, a distance of 1535.72 feet along said Section Line; thence West, a distance of 50.00 feet to the Northeast corner of Ecker Hill Plat "B" according to the official plat thereof; thence along the Northerly boundary of said Ecker Hill Plat "B" the following (9) courses S 75°00'00" W, a distance of 737.78 feet, S 48°45'00" W, a distance of 200.00 feet, N 41°15'00" W, a distance of 200.00 feet, N 48°45'00" E, a distance of 84.32 feet, N 21°36'03" W, a distance of 138.94 feet, N 32°57'56" W, a distance of 226.12 feet, N 55°21'42" W, a distance of 254.27 feet, N 17°10'52" W, a distance of 191.64 feet and S 63°00'00" W, a distance of 61.68 feet to the Easterly boundary line of Ecker Hill Plat A according to the official plat thereof; thence along said boundary line the following (5) courses N 05°31'54" W, a distance of 700.00 feet, N 30°00'00" W, a distance of 265.00 feet, N 69°30'00" W, a distance of 863.25 feet, S 00°16'41" W, a distance of 156.90 feet and N 89°57'57" W, a distance of 593.37 feet, to the POINT OF BEGINNING; Containing 123.3772 acres of land, more or less.

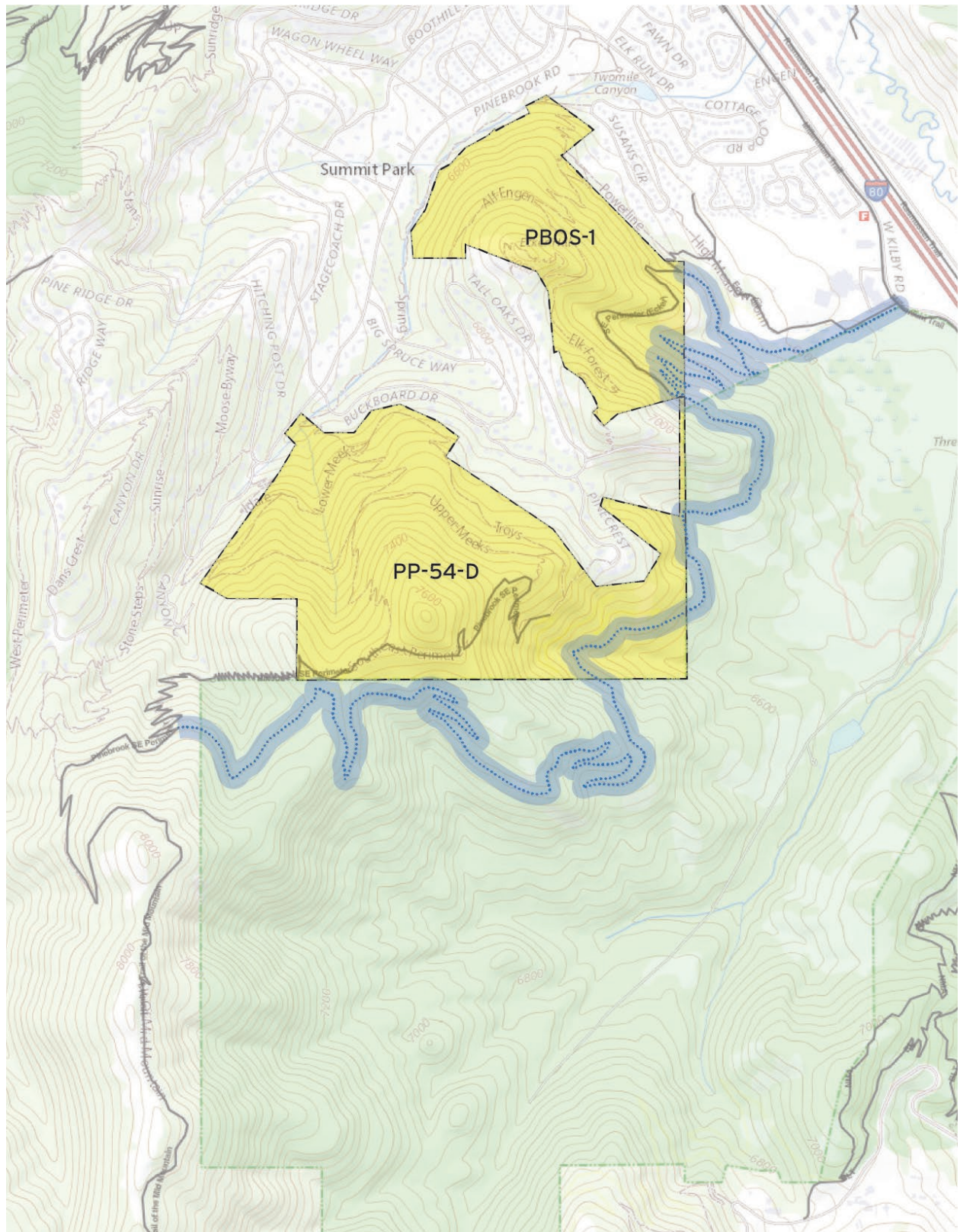
Summit County Tax Identification Parcel No. PP-54-D

THAT PORTION OF THE FOLLOWING DESCRIBED PARCEL LYING IN SEC 14, T1SR3E, SLBM
BEG AT A PT WH IS S 1001.44 FT ALG THESEC LINE & W 5277.96 FT FR THE E 1/4 OF SEC 11, T1SR3E,
SLBM SD PT ALSO BEING THE NE COR OF LOT 100 OF PINEBROOK SUBD NO 2 PHASE 1 ACCORDING
TO OFFICIAL PLAT THEREOF & RUN TH S 22°14'38" W 302.29 FT ALG SD SUBD TO THE NW COR OF
LOT 112 OF PINEBROOK SUBD 3, TH ALG SD SUBD THE FOLLOWING (11) COURSES S 86°00'00"
W, 713.27 FT S 16°20'01" W, 246.84 FT, S 08°30'00" E 403.16 FT, S 55°50'13" 172.50 FT S 20°17'06" W
274.40 FT TO BEG OF A CUR CONCAVE E'LY, HAVING A RAD OF 151.38 FT & A CENTRAL OF 84°03'31"
S'LY ALG ARC OF SD CUR TO THE LEFT, 222.09 FT SD ARC SUBTENDED BY A CHORD WH BEARS S

21°44'39" E 202.70 FT; TO A PT OF INT/SEC WITH A NON-TANGENT CUR CONCAVE W'LY HAVING A RAD OF 257.00 FT & A CENTRAL ANGLE OF 55°29'41", S'LY ALG THE ARC OF SD CUR TO THE RIGHT, FR WH THE LOCAL TANGENT AT THE BEG PT BEARS S 14°59'41" E 248.92 FT, SD ARC TANGENT AT THE BEG PT SUBTENDED BY A CHORD WH BEARS S 12°45' 10" W, 239.30 FT TO THE CURVE'S END, S 40°30'00" W 223.54 FT; TO THE BEG OF A CUR CONCAVE E'LY, HAVING A RAD OF 166.00 FT & A CENTRAL ANGLE OF 125°00'00" SW'LY ALG ARC OF SD CUR TO LEFT, 362.16 FT, SD ARC SUBTENDED BY A CHORD WH BEARS S 22°00'00" E 294.94 FT TO CURVE'S END; S 84°30'00" E 179.58 FT TO THE BEG OF A CUR, CONCAVE SW'LY, HAVING A RAD OF 175.00 FT & A CENTRAL ANGLE OF 95°30'00" & E'LY ALG THE ARC OF SD CUR TO THE R, 291.69 FT, SD ARC SUBTENDED BY A CHORD WH BEARS S 36°45'00" E, 259.08 FT TO THPT OF INT/SEC WITH A NON-TANGENT LINE TO TH NE COR OF LOT 367 OF (AMENDED) PINEBROOK SUB 3A; TH ALG SD SUBD TH FOLLOWING (7) COURSES, S 76°24'12" W 152.86 FT, S 47°10'19" W 274.19 FT, S 26°04'37" E, 219.00 FT, S 60°29'15" E, 244.75 FT, S 84°01'01" E, 260.00 FT, N 80°57'56" E, 204.56 FT & N 41°56'59" E, 377.40 FT TOTL SW'LY LINE OF PINEBROOK SUBD 4; TH ALG SD SUBD THE FOLLOWING (6) COURSES S 48°30'00" E 67.95 FT, S 13°45'00" E 217.38 FT; S 04°15'00" W, 1156.23 FT, S 79°00'00" E 214.50 FT, TO A PT OF INT/SEC WITH A NON-TANGENT CUR, CONCAVE E'LY HAVING A RAD OF 313.00 FT & A CENTRAL ANGLE OF 20°38'46" S'LY ALG THE ARC OF SD CUR TO THE LEFT, FR WH THE LOCAL TANGENT AT BEG PT BEARS S 06°38'46" W, 112.79 FT, SD ARC SUBTENDED BY A CHORD WH BEARS S 03°40'37" E, 112.18 FT TO APT OF COMPOUND CURVATURE WITH A CURVE, CONCAVE N'LY, HAVING A RAD OF 128.00 FT & A CENTRAL ANGLE OF 120°30'12", S'LY ALG ARC OF SD CUR TO THE LEFT, 269.21 FT, SD ARC SUBTENDED BY A CHORD WH BEARS S 74°15'06" E, 222.26 FT TO THE PT OF INT/SEC WITH A NON-TANGENT LINE TO THE NW COR OF LOT 371 OF PINEBROOK SUBD 3B, TH ALG SD SUBD THE FOLLOWING (3) COURSES S 44°30'00" E, 189.43 FT N 31°30'00" E 399.92 FT & N 32°28'00" W 183.18 FT TO NE'LY LINE OF SD PINEBROOK SUB NO 4; TH N 39°15'00" E 205.42 FT TO SW COR OF LOT 249 OF PINEBROOK SUBD 6A; TH S 49°30'00" E 122.69 FT ALG THE SW'LY LINE OF SD SUBD; TH S 49°30'00" E, 208.84 FT; TH E 346.33 FT; TH N 7°00'00" E, 305.00 FT; TH N 77°00'00" E 326.00 FT; TH S 65°00'00" E 461.00 FT; TH S 53°00'00" E 297.00 FT TO THE NW'LY LINE OF ECKERHILL OF PINEBROOK PLAT B; TH ALG BNDRY LN OF SD SUBD THE FOLLOWING (2) COURSES S 34°00'00" W 254.45 FT & S 56°00'00" E 1440.91 FT; TH S 37°07'57" E 792.95 FT; TH N 83°30'33" E 534.03 FT; TH N 31°51' 30" E 355.73 FT; TH N 51°39'05" W 853.34 FT TO SE COR OF LOT E-78 OF SD ECKER HL OF PINEBROOK PLAT B; TH ALG SD SUBD TH FOLLOWING (3) COURSES N 14°02'51" E 100.00 FT S 75°57'08" E, 882.69 FT & N 00°15'29" W, 1320.00 FT; TH E 50.70 FT TO THE E SEC LINE OF SEC 14, T1SR3, SLBM; TH ALG SD SEC LINE S 00°16'43" E 3123.47 FT TO THE SE COR OF SEC 14, T1SR3E, SLBM; TH ALG SD S LINE OF SEC 14 TH FOLLOWING (2) COURSES S 89°46'36" W 2703.13 FT TO THE S 1/4 COR & S 89°53' 53" W, 2713.39 FT TO THE SW COR OF SD SEC 14; TH S 89°52'56" W 2114.97 FT ALG S LINE OF SEC 15, T1SR3E, SLBM; TH N 00°25'05" W 5392.97 FT TO THE N LINE OF SD SEC 15; TH S 89°56'44" E, 754.15 FT ALG SEC LINE TO THE SIXTEENTH COR OF SD SEC 15; TH N 00°01'19" E 1342.90 FT; TH E, 1513.53 TO PT OF BEG CONT 293.20 ACRES IN SEC 14; (LESS 52.45 AC PINERIDGES SUBDIVISION) BAL 240.75 ACRES

EXHIBIT B

(Site Map with delineation of Easement Corridor Alignment)



Memorandum of Understanding Mid Mountain Connector Trail

Parties

Snyderville Basin Special Recreation District (“SBSRD”): SBSRD is a political subdivision of Summit County formed for the purpose of developing, managing and maintaining parks, trails, properties, sports facilities and recreational programs in the Snyderville Basin.

Hi Ute Ranch, L.C., a Utah limited liability company (“Hi-Ute”): Hi-Ute is owned by the Buehner Family and is the current owner of approximately 1100 acres of land in the Snyderville Basin (the “Hi-Ute Property”).

The Utah Open Lands Conservation Association, Inc., a Utah non-profit corporation (“Utah Open Lands”): Utah Open Lands operates as a statewide land conservation trust and is the owner of two conservation easements that exist on the Hi-Ute Property. Utah Open Lands also owns approximately 345 acres of property adjacent to the Hi Ute Ranch and previously part of the contiguous property owned by the Buehner Family.

Parties: Parties consist of SBSRD, Hi-Ute and Utah Open Lands.

Purpose

Hi-Ute and Utah Open Lands desire to allow SBSRD to locate a connection for the Mid-Mountain Trail through a portion of the Hi Ute Property (the “Trail”). This Memorandum of Understanding provides the framework for the Parties to move forward in constructing the Trail to the extent it is on the Hi Ute Property. It is the Parties’ understanding that the Trail will replace any current or agreed to rights to construct a Mid Mountain Connector trail.

Basic Terms

Trail Alignment: SBSRD’s proposed preliminary alignment for the Trail was shared with Hi-Ute and Utah Open Lands in 2023 and 2024.

In order to begin construction on July 1, 2025 Each party included in this agreement will submit suggested modifications to SBSRD as written comments by June 13, 2025. SBSRD will incorporate reasonable accommodations to these comments in the trail design and provide justifications for each before construction begins. All parties agree to work in good faith to relocate any portion of the trail that may need to be moved outside of the mapped alignment. This is especially the case at the time of original construction of the trail.

Trail Design: The Trail is intended to be a multi-use trail consistent with backcountry trail design. It is to be a soft surface trail, with a width no greater than 48 inches.

Trail Materials: No impervious surfaces may be used on the Trail.

Trail Use: The Trail will be restricted to human powered recreation including but not limited to mountain biking and hiking.

Conservation Values: Consideration for the protection of wildlife calving and fawning will be given as to location of the Trail, use of the Trail and periodic closures of the Trail for wildlife.

Trail Public Use: The Trail, once constructed, is contemplated for public use. It shall be the responsibility of SBSRD to enforce trail use consistent with the above restrictions as well as SBSRD's own rules including preventing all off-trail encroachment by the public.

Fencing and Signage: SBSRD will only install signs next to the Trail that minimize impacts to the scenic character of the Hi-Ute Property. No fencing of the Trail shall be allowed unless deemed necessary by all Parties to protect the conservation values attendant to the Hi-Ute Property.

Agreement

The above terms are incorporated here. The Parties agree to work cooperatively with respect to the alignment of the Trail and SBSRD agrees to thereafter construct the Trail on such alignment and pursuant to the above understandings. Hi-Ute and Utah Open Lands agree to allow reasonable access to the Hi-Ute Property for this purpose, including a right to use the Hi-Ute Property as is reasonably necessary for the construction of the Trail. The Parties agree to negotiate in good faith a recordable Easement on the Hi-Ute Property for the Trail in a form that is substantially consistent with Exhibit A. This Easement shall also provide representation that Hi-Ute and Utah Open Lands will be protected from liability arising out of the use of the Trail pursuant to Utah Code per Section 57-14-202.

The undersigned Parties:

SBSRD

Snyderville Basin Special Recreation District

By: _____, _____

Hi-Ute

Hi Ute Ranch, L.C., a Utah limited liability company

By: Paul W. Buehner, Manager

Utah Open Lands

The Utah Open Lands Conservation Association, Inc., a Utah non-profit corporation

By: Wendy Fisher, Executive Director

EXHIBIT A

WHEN RECORDED MAIL TO:
Snyderville Basin Recreation District
5715 Trailside Drive
Park City, UT 84098

Space above for Recorders Stamp

PUBLIC RECREATION TRAIL EASEMENT AGREEMENT

Property Owners:

Trail Name:

Parcels:

Hi-Ute Ranch, L.C. and
The Utah Open Lands Conservation
Association

Mid Mountain Trail

PP-61; PP-52-1-A

THIS PUBLIC RECREATION TRAIL EASEMENT AGREEMENT ("**Easement Agreement**"), is made and entered into this ____ day of _____, 2025, by and between **HI-UTE RANCH, L.C.**, a Utah limited liability company, with address at P.O. Box 17286, Salt Lake City, Utah 84117 and **THE UTAH OPEN LANDS CONSERVATION ASSOCIATION, INC.**, a Utah non-profit corporation as owner of a portion of the Property, as defined below, and as the holder of two conservation easements on the Property, with address at P.O. Box 17286, Salt Lake City, Utah 84117 (together, the "**Owners**"), and **SNYDERVILLE BASIN SPECIAL RECREATION DISTRICT**, a special service district of the State of Utah, with offices at 5715 Trailside Drive, Park City, UT 84098 ("**SBSRD**"). Owners and SBSRD are sometimes collectively referred to in this Easement Agreement as the "**Parties**" or individually as a "**Party**."

RECITALS

WHEREAS, Owners are the owner of two parcels of real property in SUMMIT COUNTY, Utah, more particularly described on **Exhibit A**, attached hereto and by this reference incorporated herein (collectively the "**Property**");

WHEREAS, Owners desires to grant SBSRD an easement across a portion of the Property for the purpose of establishing one single track, public, recreation, non-motorized and natural surface trail subject to the limitations here contained; and

WHEREAS, SBSRD is a public body, authorized by Summit County Code, Title 2, Chapter 21, to acquire interests in real property for purposes of public recreational services and programs.

AGREEMENT

NOW, THEREFORE, in consideration of the sum of one dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged, the Parties hereby agree and act as follows:

1. Grant of Easement.

Owners hereby grants unto SBSRD the following non-exclusive easements:

A. A corridor thirty feet (30') in width ("**Easement Corridor**") lying along an alignment as described in the document attached hereto as **Exhibit B**, and by this reference is incorporated herein, exclusively for the purpose set forth herein below and consisting only of the rights hereinafter enumerated and.

B. A four (4) foot wide trail easement ("**Trail Easement**" or "**Trail**") on, over, under, and across the Property lying within the Easement Corridor upon which the Trail shall be located.

2. Duration.

The Easement Corridor and Trail Easement are granted in perpetuity and shall run with the land so as to be forever binding upon the owners of the Property and is for the benefit of the Parties hereto and their respective heirs, personal representatives, administrators, successors, and assigns.

3. Purpose.

The purpose of the Easement Corridor is to provide SBSRD with room to develop, construct, maintain, and otherwise manage the Trail.

The purpose of the Trail Easement is for the Trail which shall be limited to a multi-use non-motorized trail, consistent with backcountry trail design, for the recreation use by the general public in accordance with SBSRD's Rules and Regulations.

4. Rights Conveyed and Obligations.

The rights conveyed to and obligations imposed upon SBSRD by this Easement Agreement are as follows:

A. The right to construct and maintain within the Easement Corridor the Trail, a natural soft surface trail not to exceed four feet (4') in width for non-motorized, year-round, recreational use, which

Trail will be documented by an “as built” trail survey, which may be recorded against the Property. No impervious surfaces may be used on the Trail.

B. To the extent either SBSRD or The Utah Open Lands Conservation Association, Inc. request changes, the Parties agree to make minor changes to the location of the Easement Corridor and Trail Easement; provided that any such change does not adversely affect wildlife, springs and creeks or views from occupied portions of the Property. Such adjustments to the Easement Corridor and Trail Easement will be documented on an “as-built” trail survey, which may be recorded against the Property executed by all Parties or their successors in interest.

C. The right to make minor topographical changes to the Property within the Easement Corridor for the necessity and convenience of locating the Trail (including improvements as needed to provide structural support and erosion control, drainage ditches, berms, and the importation of soils to build the Trail up to a level grade). The Trail shall be constructed so as to minimize adverse impact on views from the Property that is occupied (i.e.; no switch backs that are visible from the Property shall be permitted).

D. To establish and maintain appropriate signage to be located within the Easement Corridor marking the Trail and providing directions or other appropriate information in connection with the Trail. Signs shall be placed so as to minimize impacts on the scenic character of the Property.

E. To enter upon the Easement Corridor for all reasonable and necessary construction, maintenance, and repair of the Trail, and to pursue same diligently to completion. Such maintenance shall include, but shall not be limited to sweeping, weed spraying, re-surfacing and otherwise keeping the Trail in a serviceable and safe condition.

F. To minimal extent necessary, manage vegetation within the Easement Corridor through removal and/or trimming of trees, shrubs, grasses, exotic or noxious plant species, in order to maintain appropriate sight lines (as determined necessary by SBSRD at its sole discretion), and otherwise as necessary to keep the Trail in a serviceable and safe condition and maintain the integrity of the Trail.

G. To maintain the Easement Corridor in a good, clean and sanitary condition, free from waste or litter and/or any condition that is offensive to the public health, safety or welfare or that constitutes a nuisance.

H. To ensure that no lien or claim of mechanics, laborers or materialmen will be filed against the Property, or any part or parts thereof, for any work, labor or materials furnished, alleged to have been furnished in the construction or maintenance of the Trail or Easement Corridor.

I. If any damage occurs to an Owner’s Property, or any improvements thereon, arising out of, related to, or as a consequence of any SBSRD work on the Trail or Easement Corridor, such Owner will promptly notify SBSRD in writing of the damage. Unless otherwise agreed by the Parties, SBSRD will

repair the damage (or commence and diligently pursue repairing the damage) within 30 days after receipt of such Owner's notice.

J. To periodically close the Trail for wildlife conservation, such as calving and fawning in a location that is in close proximity to the Trail. From May 15 to June 15, when trail usage and calving season is most likely to **conflict**, UOL and SBSRD will negotiate in good faith to balance the priorities of wildlife conservation and public use. UOL will not request to restrict public access without verifiable cause and SBSRD will make every effort to inform UOL of sensitive wildlife activity within the **Easement Corridor** while closing the **Trail** in a timely manner."

K. To prohibit smoking by users of the Trail at any time when the potential of wildfires is high.

5. Limitation on Use of the Trail Easement.

Public use of the Trail shall be strictly limited to foot or other non-motorized means except as follows: (a) use by electric personal assistive mobility devices to the minimum extent required by Utah law, (b) use by Owners or SBSRD operated motor vehicles for purposes of construction or maintenance of the Trail, and (c) use for emergency access for wildland fire and structural fire suppression, to facilitate search and rescue operations, or by public law enforcement personnel as deemed necessary for public safety.

Fencing of the Trail or Easement Corridor is prohibited unless deemed necessary by all Parties. This does not include temporary, intermittent barriers such as those that limit roque trail creation, closes portions of the Trail for maintenance, etc.

6. Fees.

No fees shall be charged by Owners for use of the Trail as herein provided.

7. Liability/Indemnification/Immunity.

Owners shall enjoy the limitations on legal liability involving public recreational use of the Trail Easement as provided for in *Utah Code §§57-14-101 thru 205* (Limitations on Landowner Liability – Relating to Recreational Use) and *Utah Code §57-14-401 and §78B-4-509 (2) and (3)* (Inherent Risks of Certain Activities) because SBSRD will only permit public use of the Trail for "recreation" as such term is defined in such Utah statute. Furthermore, SBSRD agrees to indemnify, defend, and forever hold Owners (including without limitation, its officers, directors, owners, members, agents, representatives, affiliates, partners, associates, and employees), harmless from and against any loss, damage, injury or death arising from any act or omission of SBSRD or of its, licensees, employees, agents, and invitees.

Owners shall promptly notify the SBSRD of all incidents and claims known to Owners which may be the basis for a claim of indemnification against the SBSRD and provide SBSRD with a reasonable opportunity to defend, negotiate, settle, or deny such claims, and litigate the defense of such claims. Owners agree

that it will not in any way interfere with the rights of SBSRD to assert all legal defenses and defend against the claims of third parties.

8. Owner's Representations.

Notwithstanding that the Easement Corridor and Trail Easement granted herein are without warranty, each Owner represents that it is a possessor-in-interest of the Property it owns, and to the best of such Owner's knowledge it has full legal authority to grant this Trail Easement as to the Property such Owner owns to SBSRD free of liability for any lien or encumbrance previously placed thereon by such Owner except that all of the Property is subject to one of two conservation easements previously given to The Utah Open Lands Conservation Association, Inc.; however Utah Open Lands as holder of such easements is consenting to this Easement Corridor and Trail Easement. Nothing herein amends or modifies either of the two conservation easements.

9. Retained Rights.

Except for the rights expressly conveyed to SBSRD hereunder, each Owner reserves to itself, its personal representatives, heirs, successors and assigns all other rights arising out of ownership of the Property owned by such Owner, including, without limitation, the right to engage in, or permit or invite others to engage in, all uses of the Property **not expressly prohibited herein and that are not inconsistent and do not interfere with the terms and conditions of this Easement Agreement**, including, again without limitation, the following enumerated rights:

A. A right-of-way on, over, under, and across the Trail Easement for purposes of ingress, egress, placement of underground utilities for the benefit of the Property and adjacent property that is or may hereafter be acquired by Owners, the location of any such right-of-way to be designated by Owners at a future date.

B. To relocate (but not terminate), the Trail and Easement Corridor, as described herein, provided all of the following conditions are met: (i) SBSRD approves in writing the proposed new location, which approval shall not be unreasonably withheld, noting that integrity of the Trail (e.g. grade, line of site) and increased maintenance concerns, are examples of justification for disapproval; (ii) relocation work is completed by or at the direction of SBSRD; and (iii) Owners agree to promptly reimburse SBSRD for all actual out-of-pocket costs associated with such relocation of the Trail (SBSRD to provide a written estimate of costs to Owners prior to commencement of work). Upon any such relocation, SBSRD shall enjoy all rights conveyed herein with respect to the Trail, as relocated.

C. To landscape within the Easement Corridor, but not any portion of the Trail, subject to the right, but not the obligation of SBSRD to manage any such vegetation as provided for in **Section 4 Paragraph F** herein.

D. To irrigate anywhere on its Property, except that no above ground pipe or sprinkler will be located within the Easement Corridor.

10. Enforcement.

SBSRD and Owners shall have the right to enforce, through any permitted proceeding at law or in equity, including by specific performance, the terms, rights, provisions, restrictions and requirements of this Easement Agreement. Any failure to insist upon the strict performance of or compliance with any of the terms, provisions, covenants and requirements of this Easement Agreement shall not result in or be construed to be an abandonment or termination of this Easement Agreement or any waiver of the right to insist upon such performance or compliance with the terms of this Easement Agreement in the future. If any action or proceeding is brought because of a default under, or to enforce or interpret any of the covenants, provisions, or requirements of this Easement Agreement, the party prevailing in such action or arbitration shall be entitled to recover from the unsuccessful party reasonable attorneys' fees (including those incurred in connection with any appeal), the amount of which shall be fixed by the court and made a part of any judgment rendered.

11. Acceptance.

By its signature set forth herein below, SBSRD hereby accepts the foregoing grant of the Corridor Easement and Trail Easement subject to the obligations, terms and conditions herein.

12. Law.

This Easement Agreement shall be interpreted, construed, and enforced according to the laws of the State of Utah.

13. Relationship Between the Parties.

The easements and rights reserved above are not intended to create, nor shall they be in any way interpreted or construed to create a joint venture, partnership, or any similar relationship between or among Owners and SBSRD.

14. Amendment.

This Easement Agreement shall not be modified or amended except by a written instrument executed by SBSRD and the then owner(s) of the affected Property and recorded in the official records of Summit County.

15. Entire Agreement.

The Parties agree that this Easement Agreement constitutes the entire understanding and agreement between the SBSRD and each Owner with regard to the subject matter hereof and any rights with respect to the Property, and supersedes any previous agreement, option, representation, or understanding between the SBSRD and each Owner relating thereto.

16. **Severability.**

If any provision of this Easement Agreement shall be declared by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall remain in full force and effect.

17. **Counterparts.** This Easement Agreement may be executed in counterparts, all of which when taken together shall constitute an entire agreement.

IN WITNESS WHEREOF, the Parties have executed this Easement Agreement by its duly authorized representatives this _____ day of _____, 2025.

Counterpart signatures appear on the following pages

HI-UTE RANCH, L.C.

By: _____

Name: Paul W. Buehner

Its: Manager

STATE OF _____)
):ss
COUNTY OF _____)

The undersigned, a Notary Public in and for the above state and county, hereby certifies that on the ____ day of _____ 2025 before me personally appeared Paul W. Buehner, the Manager, of Hi-Ute Ranch, LC ("Hi-Ute Ranch"), who is known to me as the person and officer described in and who executed the foregoing instrument on behalf of said Hi-Ute Ranch, and who acknowledge that he/she held the position or title set forth in the instrument and certificate, that he/she signed the instrument of behalf of Hi-Ute Ranch by proper authority, and that the instrument was the act of Hi-Ute Ranch for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year last aforesaid.

SEAL:

NOTARY PUBLIC

THE UTAH OPEN LANDS CONSERVATION ASSOCIATION, INC.

By: _____

Name: _____

Its: _____

STATE OF _____)
):ss
COUNTY OF _____)

The undersigned, a Notary Public in and for the above state and county, hereby certifies that on the ____ day of _____ 2025 before me personally appeared _____, the _____, of The Utah Open Lands Conservation Association, Inc. ("UOLCA"), who is known to me as the person and officer described in and who executed the foregoing instrument on behalf of said UOLCA, and who acknowledge that he/she held the position or title set forth in the instrument and certificate, that he/she signed the instrument of behalf of UOLCA by proper authority, and that the instrument was the act of UOLCA for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year last aforesaid.

SEAL:

NOTARY PUBLIC

EXHIBIT A

(Legal Description of Property)

Summit County Tax Identification Parcel No. PP-61

ALL OF SEC 23 T1S R3E SLBM

Approx. 640 acres

Summit County Tax Identification Parcel No. PP-52-1-A

THE W1/2 & THE W1/2 OF THE E1/2 OF SEC 13 T1SR3E SLBM (EXCEPTING: THOSE PORTIONS LYING WITHIN INTERSTATE 80 AS CONSTRUCTED & PRESENTLY EXISTING & ALSO THOSE PORTIONS LYING N & E OF SD INTERSTATE 80)

(LESS 5.0 AC M128-284,M198-195 PP-53-A)(LESS 0.25 AC M222-31 S-404)

(LESS 72.93 AC EXCEPTION 5 708-428PP-52-2)

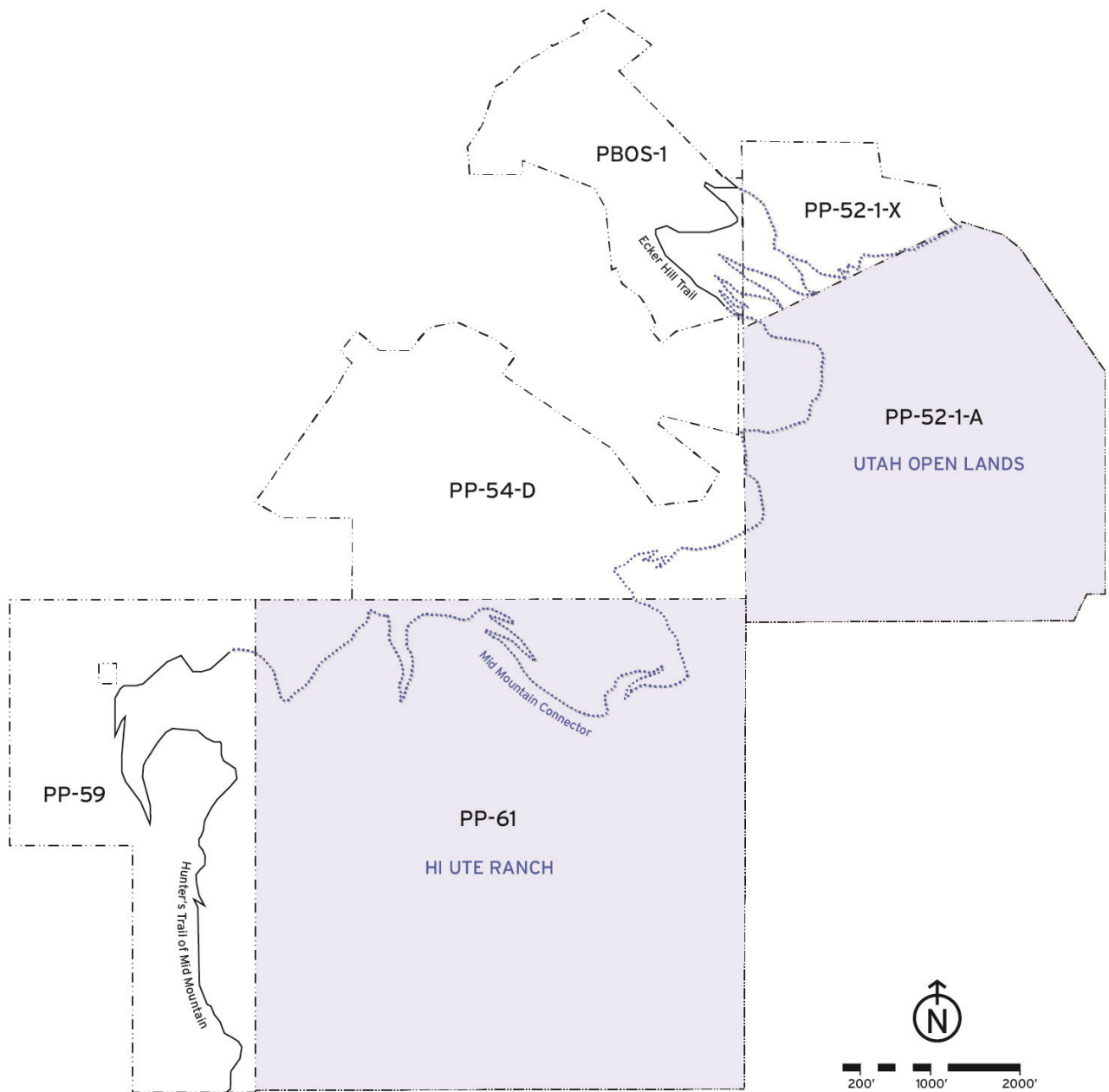
(LESS 1.96 AC EXCEPTION 6 708-428PP-52-1)

(LESS 0.18 AC M143-550 PP-51)

Approx. 344.78 acres

EXHIBIT B

(Site Map with delineation of Easement Corridor Alignment)





Boyer Dam Rehabilitation Project

Presented by:



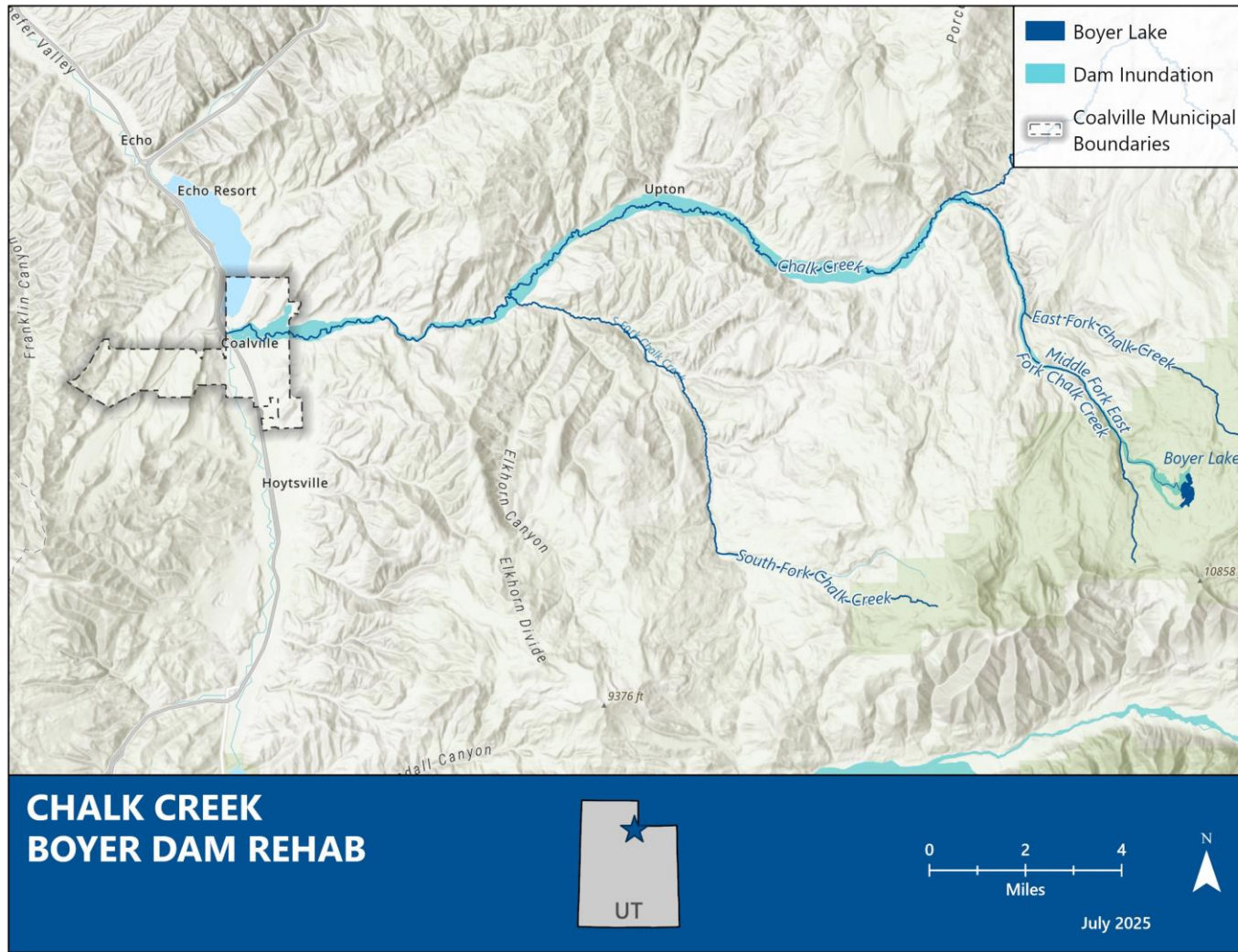
THE
LANGDON
GROUP



GATEWAY
MAPPING
INC.

J-U-B FAMILY OF COMPANIES

Boyer Lake



Project Description

- High Hazard Dam
- Minimum State Dam Safety Standards
- Flood Inundation Map
- Fill Restrictions
- 1600 ac-ft to 2,000 residents of Summit County

Deficiencies

FIGURE 1: SITE MAP

BOYER LAKE DAM (UT00052)



Existing Deficiencies:

- Seepage and sinkholes near abutments
- Crest Width
- Dam Slopes & protection
- Spillway
- Update Emergency Action Plan

North Dam



South Dam



Funding

- Project is \$1.1 million
- FEMA FY24 High Hazard Potential Dams (HHPD) Grant
- Project cost sharing
 - 65% HHPD Grant
 - 35% Match from Division of Water Resources – State Dam Safety Grant
- Planning Covered 100%

Fiscal Agent Request

- Project is required to have a local governmental fiscal agent
- County Role
 - Review and approve pay requests received from irrigation co., submit requests to the Division of Water Resources
 - Retain records
 - Establish & maintain separate dedicated account for grant funds
 - Act as pass-through agency for grant funds
 - Working with the Div. of Water Res., ensure compliance of irrigation co.
 - Cooperate with potential audits
 - Include HHPD Grant funds in the County's federal annual single audit
 - Retain project related records for a period of 3 years
 - Meet with irrigation co. as needed to facilitate transfer of information
- Agreement
- Validate eligibility by July 31

Fiscal Agent Request

HHPD Grant Funds



State Dam Safety
Grant Funds

Chalk Creek-Hoytsville Irr.
Co.

Questions?



Engineering Department
60 N Main St
Coalville, UT 84017
summitcounty.org

Date: 7/16/2025

To: County Council

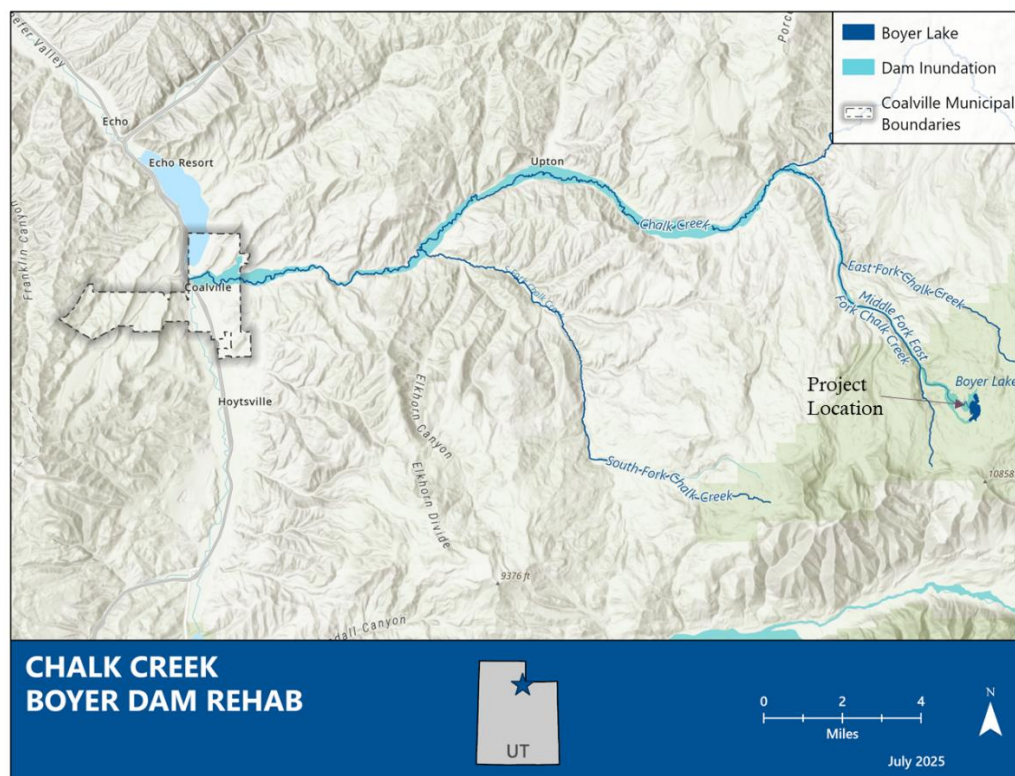
Shayne Scott, County Manager

From: Brandon Brady, County Engineer; Matt Leavitt, CFO; Chris Thomsen, JUB Engineering; Rodney Bagnell, CCH President; Ben Marett, Utah DNR

Re: Fiscal Agency Agreement between Summit County and Chalk Creek Hoytsville Water User Company

Background:

Chalk Creek Hoytsville Water Users Corporation (CCH) owns, operates, and manages Boyer Reservoir (Boyer), which is located 29 miles east of Coalville, Utah in Summit County. Location shown in the figure below. Boyer is on Dam Safety's list of dams that need to be upgraded to meet minimum safety standards. CCH has been offered funds from Utah State Board of Water Resources to prepare a plan to address deficiencies.



The Division of Water Resources has received a FEMA FY24 High Hazard Potential Dams (HHPD) Grant. This grant funding is to be used throughout the state to rehabilitate HHPD's which do not meet minimum state safety standards. The grant can also be used for other county-led efforts involving pre-disaster mitigation activities related to HHPD's. They wish to award approximately \$1.1 million to CCH for planning and design work preceding a future rehabilitation project on Boyer Dam. However, as a private 501(c)12, CCH is required to have Summit County act as fiscal agent for the project to be eligible for the HHPD Grant. The Division of Water Resources needs to validate CCH eligibility by acquiring a local governmental fiscal agent for the project by July 31.

Dam Safety inspects the Boyer dam on a yearly basis. Although the dam currently fails to meet minimum state safety standards for high hazard dams, there is no reason to believe that the dam is in danger of imminent failure. Dam safety has prepared an inundation map showing the likely outcome should a failure occur (attached). Currently, the dam is not under fill restrictions. However, as the dam ages, the State Engineer has the statutory authority to order fill restrictions if the ability of the dam to safely impound water is in question. CCH provides 1600 ac-ft of water to more than 2,000 residents of Summit County in the summer and early fall when Chalk Creek River is low. Storing water in the reservoir is vitally important.

Recommendations:

Staff recommends that the County Council approve the fiscal agency agreement between Summit County and Utah Department of Natural Resources for the Chalk Creek Hoytsille Irrigation Company.

Attachments:

Fiscal Agency Agreement Between Chalk Creek Hoytsville Water User Company and Summit County

**FISCAL AGENCY AGREEMENT
BETWEEN CHALK CREEK HOYTSTVILLE WATER USER COMPANY AND SUMMIT COUNTY**

This Fiscal Agency Agreement ("Agreement") is made and entered into this _____ day of _____, _____ ("Effective Date"), by and between SUMMIT COUNTY, a political subdivision of the State of Utah, whose address is 60 N. Main Street, P.O. Box 128, Coalville, Utah 84017 ("**County**"), and CHALK CREEK HOYTSTVILLE WATER USER COMPANY, a non-profit organization organized under Section 501(c)(12) of the Internal Revenue Code, whose address is 1430 East Chalk Creek Road, Coalville, Utah 84017 ("**Non-Profit**"). Non-Profit or County may be individually referred to as a "Party" and collectively referred to as the "Parties."

RECITALS

WHEREAS, the Non-Profit is a 501(c)(12) organization dedicated to the construction, operation, maintenance, and administration of a water system designed to deliver water to its shareholders;

WHEREAS, the Non-Profit is eligible to receive federal grant funding from the Federal Emergency Management Agency under the Fiscal Year 2024 High Hazard Potential Grant Program (CFDA No. 97.041) for the purpose of planning and design work preceding a construction project to bring the Boyer Dam into compliance with the minimum state safety standards for high hazard dams as established under the authority of Utah Code Title 73, Chapter 5a, and further enumerated by Utah Administrative Rule, R655-11 (hereinafter "Federal Grant");

WHEREAS, the Non-Profit is unable to directly receive and administer the Federal Grant in accordance with federal regulations and requires a governmental entity to act as a fiscal agent for the receipt and disbursement of such funds;

WHEREAS, the County possesses the necessary legal authority, financial systems, and administrative capacity to serve as a fiscal agent for federal grant funding in accordance with applicable federal, state, and local laws and regulations;

WHEREAS, the Parties desire to enter into this Agreement to establish the terms and conditions under which the County will receive, hold, and disburse the Federal Grant funds on behalf of the Non-Profit.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties agree as follows:

ARTICLE I: DEFINITIONS

1.1. **"Federal Grant"** shall mean the grant funding awarded by Federal Emergency Management Agency under the Fiscal Year 2024 High Hazard Potential Dams Grant Program (CFDA No. 97.041) for the purposes described in the Recitals.

1.2. **"Grant Funds"** shall mean all monies received by the County pursuant to the Federal Grant, including any interest earned thereon, if applicable.

1.3. **"Allowable Costs"** shall mean those costs that are eligible for reimbursement or payment under the terms and conditions of the Federal Grant and applicable federal regulations (e.g., Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards – 2 CFR Part 200).

1.4. **"Program Activities"** shall mean the specific activities, projects, or services to be undertaken by the Non-Profit utilizing the Grant Funds, as outlined in the Federal Grant award and any associated project plans or scopes of work.

ARTICLE II: SCOPE OF SERVICES OF THE COUNTY, AS FISCAL AGENT

2.1. **Receipt of Funds:** The County acknowledges that the Federal Grant funds will be initially received by the State of Utah – Division of Water Resources as the primary recipient, and the State of Utah – Division of Water Resources shall be responsible for drawing down such funds from the federal system. The State of Utah – Division of Water Resources shall then pass through the Grant Funds to the County in accordance with applicable state and federal pass-through requirements.

2.2. **Establishment of Accounts:** The County shall establish and maintain separate, dedicated accounts for the Grant Funds, distinct from its own general funds, in accordance with generally accepted accounting principles and federal grant requirements. The Non-Profit may submit pay requests on an as-needed basis to facilitate proper cash management, ensuring compliance with federal cash management regulations (e.g., 2 CFR 200.305).

2.3. **Disbursement of Funds:** The County shall disburse Grant Funds to the Non-Profit, or directly to vendors/contractors as authorized by the Non-Profit, solely for Allowable Costs incurred in connection with the Program Activities and in accordance with the Non-Profit's approved requests and the terms of this Agreement and the Federal Grant.

2.4. **Financial Management and Reporting:** The County shall maintain accurate and complete financial records of all Grant Funds received and disbursed. The County shall provide regular financial reports to the Non-Profit as specified in Article IV, demonstrating compliance with federal requirements.

2.5. Compliance: The County shall comply with all applicable federal, state, and local laws, regulations, and grant terms related to the receipt, management, and disbursement of federal funds, including, but not limited to, 2 CFR Part 200 (Uniform Guidance), audit requirements, and reporting obligations.

2.6. Audit Cooperation: The County shall cooperate fully with any audits or reviews conducted by federal agencies, state agencies, or independent auditors related to the Federal Grant and the Grant Funds.

ARTICLE III: RESPONSIBILITIES OF THE NON-PROFIT

3.1. Program Implementation: The Non-Profit shall be solely responsible for the planning, implementation, and execution of the Program Activities in accordance with the Federal Grant award, its application, and any approved work plans.

3.2. Expenditure Authorization: The Non-Profit shall submit timely and complete requests for disbursement of Grant Funds to the County, including all necessary supporting documentation (e.g., invoices, receipts, contracts) to demonstrate that expenditures are Allowable Costs and are in accordance with the Program Activities.

3.3. Compliance with Grant Terms: The Non-Profit shall be responsible for understanding and complying with all program-specific requirements, performance metrics, and reporting obligations of the Federal Grant.

3.4. Reporting to the County: The Non-Profit shall provide the County with all necessary programmatic reports, documentation, and information required for the County to fulfill its financial reporting and compliance obligations under this Agreement and the Federal Grant.

3.5. Sub-recipient Monitoring (if applicable): If the Non-Profit subcontracts or sub-awards any portion of the Program Activities, it shall be responsible for monitoring its sub-recipients in accordance with 2 CFR Part 200.

3.6. Liability and Indemnification: The County shall assume no liability for damages, injuries, or losses arising from the Non-Profit's implementation of the Program Activities or from any actions or omissions of the Non-Profit, its employees, agents, or contractors. The Non-Profit shall indemnify and hold harmless the County from and against any and all claims, liabilities, losses, damages, and expenses (including reasonable attorneys' fees) arising out of or in connection with the Non-Profit's failure to properly implement the Program Activities or comply with the terms of the Federal Grant or applicable laws and regulations, except to the extent caused by the gross negligence or willful misconduct of the County.

ARTICLE IV: REPORTING AND OVERSIGHT

4.1. **Financial Reports:** The County shall provide the Non-Profit with quarterly financial reports detailing all Grant Funds received, disbursed, and the remaining balance. These reports shall include sufficient detail to enable the Non-Profit to track expenditures against its budget.

4.2. **Non-Profit Program Reports:** The Non-Profit shall provide the County with quarterly programmatic progress reports as required by the Federal Grant, demonstrating progress towards objectives and outcomes.

4.3. **Meetings:** Representatives from both the Non-Profit and the County shall meet quarterly to review financial and programmatic progress, address any issues, and ensure ongoing compliance.

ARTICLE V: COMPENSATION AND FEES

5.1. **Fiscal Agent Fee:** In consideration for the services provided hereunder, the County, acting as the Non-Profit's fiscal agent, will retain 5% of disbursed funds from the Federal Grant Funds, which fee is intended to cover the County's administrative costs associated with managing the Federal Grant Funds.

5.2. **Allowable Expenses:** Any specific, pre-approved direct expenses incurred by the County directly attributable to the management of the Grant Funds (e.g., specific software licenses, dedicated staff time) may be reimbursed by requesting payment through the State of Utah – Division of Water Resources, subject to prior written approval and being an Allowable Cost under the Federal Grant.

ARTICLE VI: DURATION AND TERMINATION

6.1. **Term:** This Agreement shall commence on the Effective Date and shall continue until the 23rd day of September, 2027, or until all Grant Funds have been expended and all financial and programmatic reporting obligations have been met, whichever is later, unless sooner terminated in accordance with this Article.

6.2. **Termination for Cause:** Either Party may terminate this Agreement immediately upon written notice to the other Party if the other Party materially breaches any provision of this Agreement and fails to cure such breach within twenty (20) days after receiving written notice thereof.

6.3. **Effect of Termination:** Upon termination, the County shall provide a final accounting of all Grant Funds. Any unexpended Grant Funds shall be handled in accordance with the Federal Grant terms and conditions. The Non-Profit shall remain responsible for all programmatic obligations and reporting until the Federal Grant is officially closed out.

ARTICLE VII: AUDIT AND RECORDS

7.1. Records Retention: The Parties shall maintain all financial records, programmatic documentation, and supporting materials related to the Federal Grant and this Agreement for a period of three (3) years from the date of submission of the final expenditure report, or longer if required by federal regulations.

7.2. Right to Audit: The Parties agree to allow federal, state, and independent auditors access to all records related to the Federal Grant and this Agreement during normal business hours for the purpose of audit or review.

7.3. Single Audit Responsibility: The County, as the sub-recipient of the Federal Grant and the entity incurring the aggregated federal expenditures, shall be responsible for arranging and covering the costs of any Single Audit required under 2 CFR Part 200 (Subpart F) if the County meets or exceeds the federal expenditure threshold in its fiscal year. The Non-Profit shall provide full cooperation and all necessary documentation to the County and its auditors for the completion of such an audit.

ARTICLE VIII: MISCELLANEOUS PROVISIONS

8.1. Notices: All notices required or permitted under this Agreement shall be in writing and shall be deemed effectively given when delivered personally, sent by certified or registered mail (return receipt requested), or by reputable overnight courier service, to the addresses first set forth above, or to such other addresses as either Party may designate by written notice.

8.2. Amendments: This Agreement may not be amended or modified except by a written instrument signed by duly authorized representatives of both Parties.

8.3. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Utah, without regard to its conflict of laws principles.

8.4. Entire Agreement: This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations, and discussions, whether oral or written, of the Parties.

8.5. Severability: If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

8.6. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

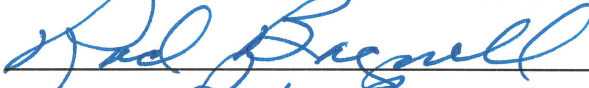
8.7. No Third-Party Beneficiaries: This Agreement is for the sole benefit of the Non-Profit and the County and does not create any third-party beneficiary rights.

8.8. **Force Majeure:** Neither Party shall be liable for any delay or failure in performance of its obligations hereunder if such delay or failure is caused by an event beyond its reasonable control, including but not limited to acts of God, war, terrorism, natural disasters, or governmental action.

8.9. **Dispute Resolution:** In the event of a dispute arising out of this Agreement, the Parties agree to first attempt to resolve the dispute through good faith negotiation. If negotiation fails, the Parties may consider mediation or binding arbitration as mutually agreed upon.

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

CHALK CREEK HOYTSTVILLE WATER USER COMPANY

By: 
Printed Name: Rod Bagwell
Title: Pres.

SUMMIT COUNTY

By: _____
Printed Name: _____
Title: _____

THIRD AMENDMENT TO INTERLOCAL COOPERATION AGREEMENT FOR TRANSIT SYSTEM SERVICES

This Third Amendment to Interlocal Cooperation Agreement (“*Third Amendment*”) is entered into this 1st day of June, 2025 (the “*Effective Date*”), by and among **HIGH VALLEY TRANSIT DISTRICT**, a small public transit district (hereinafter, “*District*”), having an address of 1680 Sego Lily Dr., Park City, Utah 84098, and **SUMMIT COUNTY**, a political subdivision of the State of Utah (hereinafter, “*County*”). Each is individually referred to as a “*Party*” and collectively as the “*Parties*.”

RECITALS

- A. County and District entered into that certain Interlocal Cooperation Agreement for Transit System Services, dated April 14, 2021 (the “*Original Agreement*”).
- B. The Parties extended the term of the Original Agreement on April 13, 2022, to a term ending April 30, 2037 (the “*First Amendment*”), and have further extended the term of the Original Agreement to April 30, 2046 (the “*Second Amendment*”).
- C. The District seeks to amend Section 14 of the Original Agreement, as many of the County Services (*defined in the Original Agreement*) are no longer necessary.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and in the Original Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

- 1. Recitals. The foregoing recitals are incorporated herein by this reference.
- 2. Original Agreement; Amendment. Except as expressly set forth in this Third Amendment, the Original Agreement, and its First and Second Amendments, shall remain unmodified and in full force and effect, and are hereby affirmed and ratified. In the event of any inconsistency between the terms of the Original Agreement, and its First and Second Amendments, and the terms of this Third Amendment, the terms of this Third Amendment shall govern and control in all respects. All future references to the Original Agreement shall be deemed references to the Original Agreement, as amended by the First, Second and Third Amendments.
- 3. Amendment to County Services. Section 14 of the Original Agreement is deleted in form and substance, and replaced by the following:

14. County Services

14.1 Legal Services. The Summit County Attorney (the “*County Attorney*”), or her designee, shall serve as the District’s General Counsel (the

“DGC”).

14.1.1 The DGC and other attorneys (as provided for in Sections 14.1.2 and 14.1.3) shall provide legal services, including, but not limited to negotiating, drafting and reviewing legal documents, regulations and policies; providing advice in labor and employment matters; and handling District litigation.

14.1.2 Legal services shall be provided by attorneys who: (a) are licensed to practice law within the State of Utah, and (b) are sworn civil deputies of the Summit County Attorney. Attorneys from the County shall at all times be deemed employees of the County and shall not be deemed employees of the District (Utah Code §11-13-222).

14.1.3 The District’s Board of Trustees and Executive Director may, upon the approval of the DGC, employ outside counsel to represent the District. While the District may control and direct the prosecution, defense and settlement of all lawsuits, the DGC shall determine how best to achieve the litigation goals of the District.

14.2 Equipment. The County shall, as part of the services to be provided under this Section 14, provide to the District the necessary equipment for County personnel providing the governmental services which are the subject of this section, including necessary vehicles and other facilities as are needed in the performance of the services contemplated by this section.

14.3 Consideration. The District shall pay the County as follows (the “County Fee”):

14.3.1 Legal Services:

14.3.1.1 The services of the County Attorney, Chief Deputy County Attorney, or any Civil Deputy County Attorney shall be billed in six (6) minute increments at \$350.00 per hour. This fee shall be increased every January 1st based upon the percent change in the Consumer Price Index, West Region, as published by the U.S. Bureau of Labor Statistics for the twelve month period ending in December of the immediately preceding year (the “CPI”).

14.3.1.2 Joint County/District projects for which Legal Services are provided, such as the Bus Rapid Transit Project, shall not be subject to a County Fee.

14.3.2 The County Fee shall be billed to the District on a quarterly basis and shall be payable within thirty (30) days after receipt.

14.3.3 The County Fee for January 1, 2025 – May 31, 2025 shall be \$55,000.00, payable within thirty (30) days following the Effective Date.

14.4 Liabilities and Indemnification.

14.4.1 All privileges and immunities from liability which are ordinarily available to District employees shall apply to the County employees while performing governmental services under this Section 14.

14.4.2 County agrees and promises to indemnify and hold District, its officers, agents, officials and employees, and volunteers harmless and release them for and from any liability, costs or expenses arising from any action, causes of action, claims for relief, demands, damages, expenses, costs, fees or compensation, whether or not said actions, causes of action, claims for relief, demands, damages, costs, fees, expenses, and/or compensation are known or unknown, are in law or equity, and without limitation, all claims of relief which can be set forth through a complaint or otherwise that may arise out of the acts or omissions, negligent or otherwise, of the County and/or its officers, agents, officials, members, employees or volunteers in the performance of this Section 14.

14.4.3 District agrees and promises to indemnify and hold County, its officers, agents, officials and employees, and volunteers harmless and release them for and from any liability, costs or expenses arising from any action, causes of action, claims for relief, demands, damages, expenses, costs, fees or compensation, whether or not said actions, causes of action, claims for relief, demands, damages, costs, fees, expenses, and/or compensation are known or unknown, are in law or equity, and without limitation, all claims of relief which can be set forth through a complaint or otherwise that may arise out of the acts or omissions, negligent or otherwise, of the District and/or its officers, agents, officials, members, employees or volunteers in the performance of this Section 14.

4. Severability. In the event that any condition, covenant, or other provision herein contained is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Third Amendment and shall in no way affect any other condition, covenant, or other provision herein contained. If such condition, covenant, or other provision shall be deemed invalid due to its scope or breadth, such condition, covenant, or other provision shall be deemed valid to the extent of the scope and breadth permitted by law.

5. Further Action/Amendment. The Parties shall execute and deliver all documents, provide all information, and take or forbear from all such action as may be necessary or appropriate to achieve the purposes of this Third Amendment.

6. Counterparts. This Third Amendment may be executed in any number of counterpart originals, each of which shall be deemed an original instrument for all purposes, but all of which shall comprise one and the same instrument.

7. Governing Law. This Third Amendment shall be construed and enforced in accordance with the laws of the State of Utah.

8. No Third-Party Beneficiary Rights. This Third Amendment is not intended to create, nor shall it be in any way interpreted or construed to create, any third-party beneficiary rights in any person not a Party hereto.

9. Authority. The individuals who execute this Third Amendment represent and warrant that they are duly authorized to execute this instrument on behalf of each Party and that no other signature, act, or authorization is necessary to bind the Parties to this Third Amendment.

IN WITNESS WHEREOF, the Parties have caused this Third Amendment to be executed on the dates indicated by the signatures of the respective Parties.

Signature Pages to Follow

Signed this ____ day of _____, 2025.

SUMMIT COUNTY

Tonja B. Hanson, Chair
Summit County Council

ATTEST:

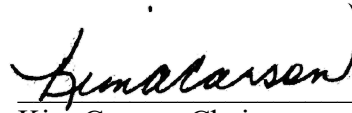
Evelyn Furse
County Clerk

Reviewed and found to be in proper form and compliance with applicable law:

Margaret H. Olson
County Attorney

Signed this _____ day of _____, 2025.

HIGH VALLEY TRANSIT DISTRICT

A handwritten signature in black ink, appearing to read "Kim Carson", written over a horizontal line.

Kim Carson, Chair
Board of Trustees

Reviewed and found to be in proper form and compliance with applicable law:

A handwritten signature in blue ink, appearing to read "David L. Thomas", written over a horizontal line.

David L. Thomas
General Counsel



To: Summit County Council
From: Steve Anderson, CFO
Date: June 25, 2025
Subject: Parameter Resolution Approval for WIFIA Loan

Action Requested

The District is requesting the approval of Resolution MRW 2025-13, authorizing the issuance and sale of Water Revenue Bonds in the amount of \$43 million to fund the expansion and optimization of the Signal Hill Treatment Plant.

Background

The District has been working with the Environmental Protection Agency (EPA) since October 2023 to access federal funding through the Water Infrastructure Finance and Innovation Act (WIFIA) to upgrade and expand its Signal Hill Treatment Plant located in the Promontory area.

The District's current estimate of project costs is \$45.37 million, of which federal funding can provide up to 80%. The federal funding consists of two parts; first, a loan through the WIFIA program, and \$2 million received from the State of Utah, Division of Drinking Water that originated through a federal program.

The remaining 20% required by the District is comprised of costs already incurred, collected impact fees and cash capital reserves.



Funding Sources Summary

Below is a summary of expected funding sources for the project.

Description	Total
Total Project Cost	\$42,269,993
Additional Contingency	\$2,000,000
Financing Costs	\$320,000
Costs Previously Incurred	\$775,582
TOTAL COST	\$45,365,575
WIFIA LOAN	\$34,292,460
Division of Drinking Water Funding	\$2,000,000
Previously Incurred Costs	\$775,582
Impact Fees	\$2,300,000
Additional District Cash	\$5,997,533
TOTAL SOURCES	\$45,365,575

Expected WIFIA loan draw down \$34.3 Million

As can be seen above, the expected WIFIA loan amount is \$34.3 million. The District is requesting approval of \$43 million due to the relatively early stage of the project (30% design) and the uncertainty of financial conditions including tariffs.



There is a contingency of \$6.38 million in the current construction cost projection and an additional \$2.00 million has been added, bringing the total contingency to 25% of total construction costs.

Impact on Customers

The WIFIA loan program provides flexibility which allows the District to better match the expense of the project with those that will benefit. Some of the benefits of the loan include deferring the first payment until five years after substantial completion and the ability to “capitalize” interest expense. Due to this flexibility, the District is estimating water rate increases as follows below:

- Projected rate increases from 2027 through 2033: 3% to 5%
- Projected rate increase in 2034: 8% to 9%
- Projected rate increases after 2035 through 2040: 4% to 6%

All rate increases assume normal inflation/cost increases.

If revenue is higher than currently projected, the District has the option to make annual interest payments on the WIFIA loan to lower the overall cost of the loan.



Mountain Regional Water SSD

Public Hearing

July 16, 2025



Project Information and Background



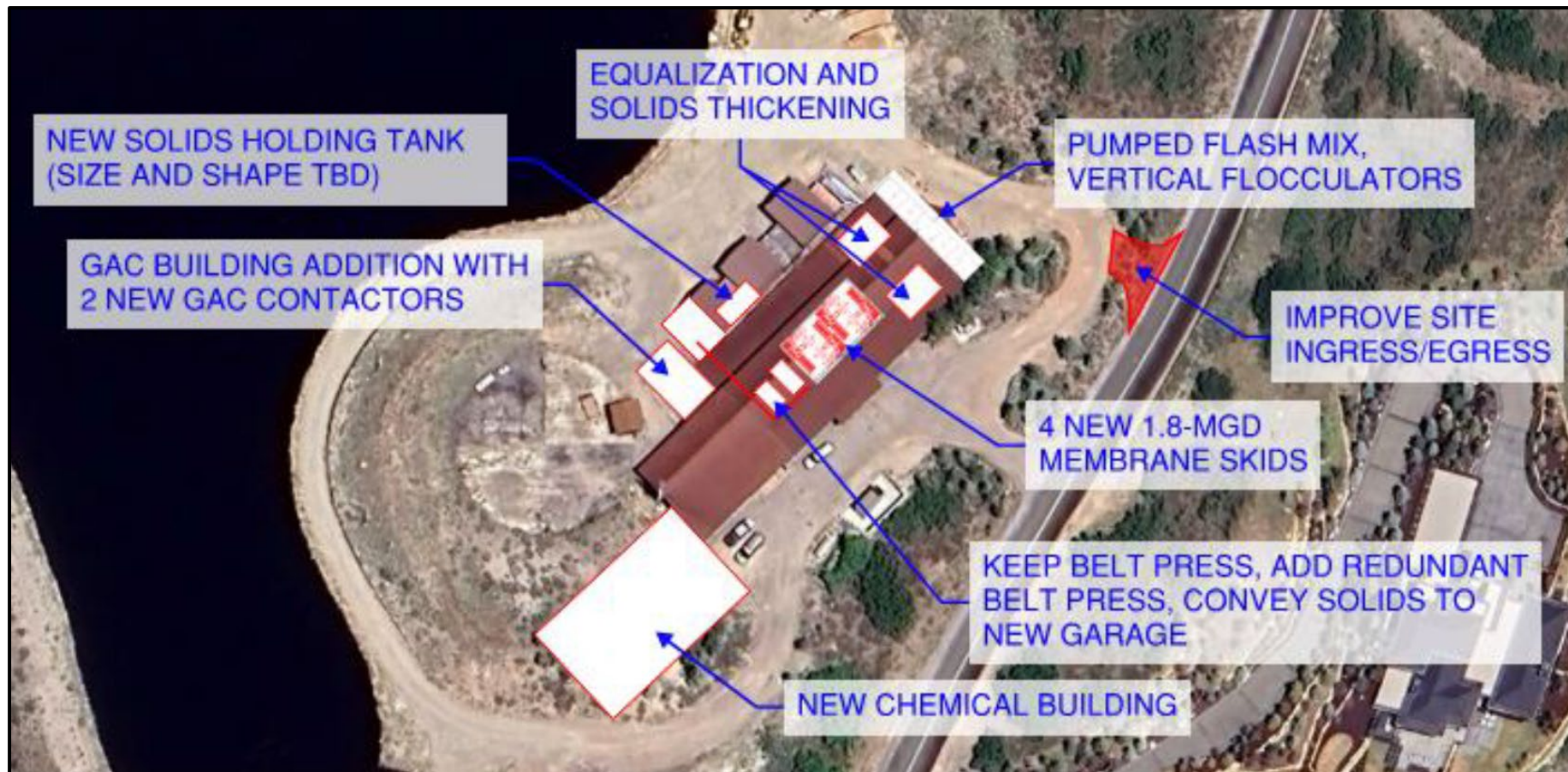
Project Objectives



- Meet increased demand
- Fully utilize Lost Canyon water
- Meet water quality objectives
- Increase safety
- Improve operations & maintenance
- Provide reliability/redundancy
- Future resilience (e.g., regulatory changes, wildfire, etc.)
- Capital and O&M costs



Proposed Project Layout



Funding Sources Summary



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Total Project Cost	\$42,269,993
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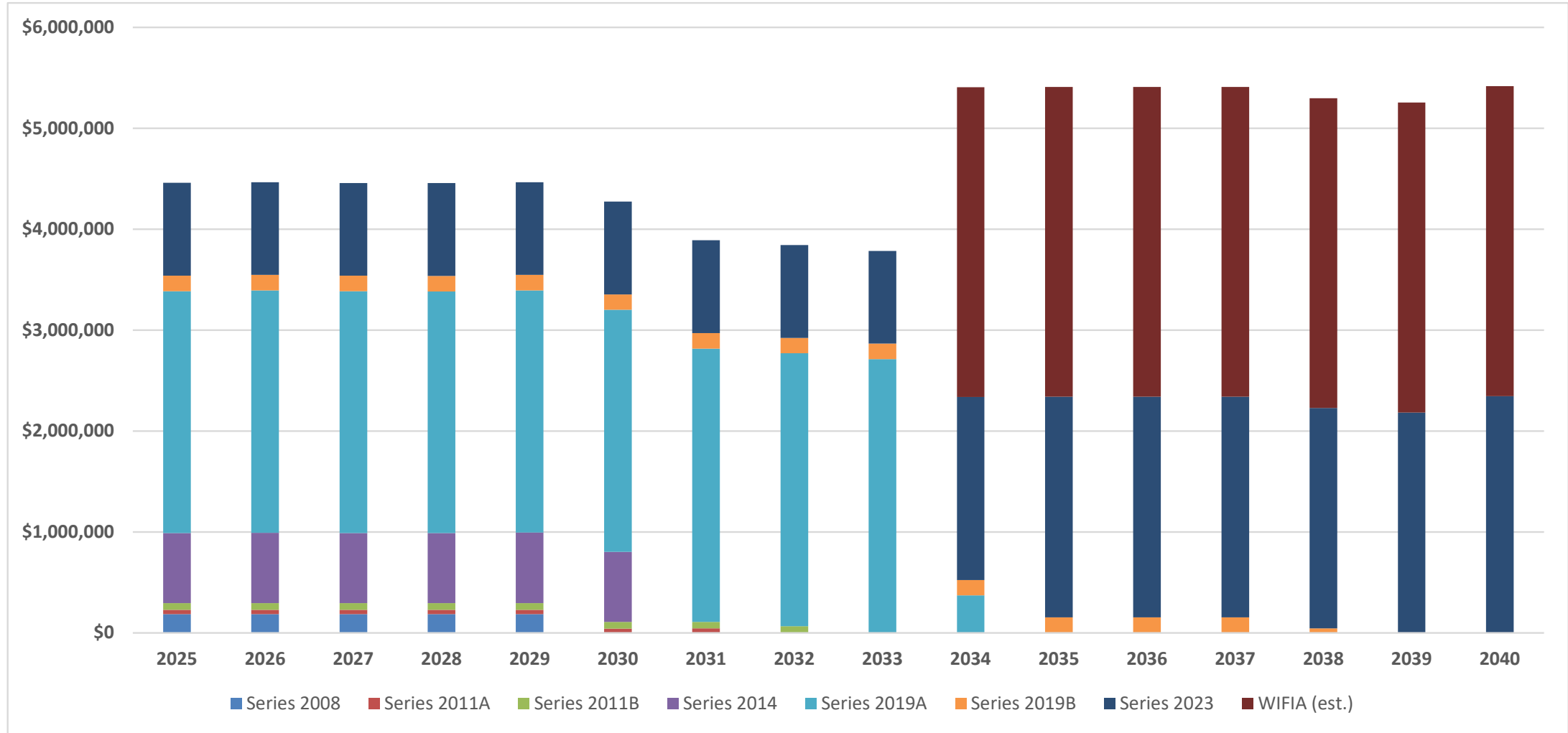


WIFIA Loan:

- Expected loan amount \$34.3 million
 - Parameter Resolution of \$43 million
 - \$9M difference to account for early-stage design and potential economic factors
 - Current built in contingency of 25%
 - Interest capitalized from 2027 through 2033
- Projected water rate increases to customers
 - Projected rate increases from 2027 through 2033: 3% to 5% (assumes normal inflation/cost increases)
 - Projected rate increase in 2034: 8% to 9% (assumes normal inflation/cost increases)
 - Projected rate increases after 2035 through 2040: 4% to 6% (assumes normal inflation/cost increases)

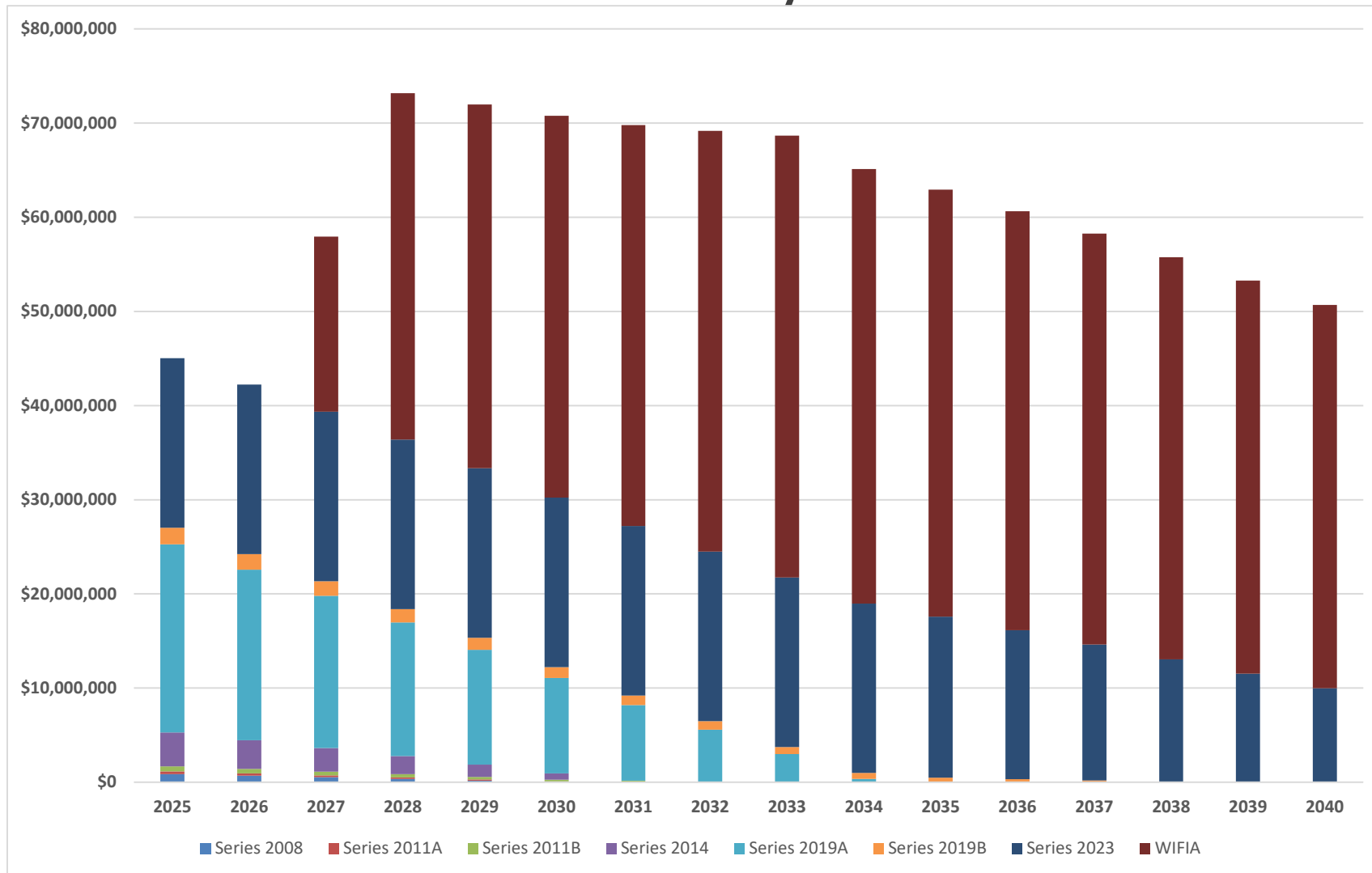


Annual Parity Debt Payment





Total Parity Debt





WIFIA Closing Timeline

- June 25th – Council meeting to adopt Parameters Resolution
- July 16th – Council meeting for Public Hearing
- July through October 2025 – District works with WIFIA team on loan closing
- Q4 2025 – WIFIA loan closed
- January 1, 2027 – First draw down on WIFIA Loan.



Park City, Utah

June 25, 2025

The County Council (the "Council") of Summit County, Utah acting as the governing body of the Mountain Regional Water Special Service District, Utah (the "Issuer"), met in regular public session at the Richins Building, 1885 West Ute Boulevard, Park City, Utah at 5:20 p.m. on Wednesday, June 25, 2025, with the following members present:

Tonja Hanson	Chair
Canice Harte	Vice Chair
Roger Armstrong	Councilmember
Megan McKenna	Councilmember
Chris Robinson	Councilmember

Also present:

Shayne Scott	County Manager
Evelyn Furse	County Clerk
David Thomas	Chief Civil Deputy County Attorney

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this Resolution had been discussed, a Certificate of Compliance with Open Meeting Law with respect to this June 25, 2025 meeting was presented to the Council, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in written form, was fully discussed, and pursuant to motion duly made by Councilmember Harte and seconded by Councilmember Robinson, was adopted by the following vote:

AYE: Hanson
Harte
Armstrong
McKenna
Robinson
NAY: Ø

The resolution is as follows:

RESOLUTION NO. MRW 2025-13

A RESOLUTION OF THE COUNTY COUNCIL OF SUMMIT COUNTY, UTAH (THE "COUNTY") ACTING AS THE GOVERNING BODY OF THE MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH (THE "ISSUER"); AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$43,000,000 AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, IN ONE OR MORE SERIES; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF SUCH BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH SUCH BONDS MAY MATURE, THE MAXIMUM INTEREST RATES WHICH SUCH BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH SUCH BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF EACH SERIES OF BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE POSTING OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD AND SETTING OF A PUBLIC HEARING DATE; AUTHORIZING AND APPROVING THE EXECUTION OF DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act"), the County Council (the "County Council") of Summit County, Utah acting as the governing body of the Mountain Regional Water Special Service District, Utah (the "Issuer"), has authority to issue bonds from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer payable from the revenues received by the Issuer from its existing water system (the "System") for the municipal purposes set forth therein; and

WHEREAS, subject to the limitations set forth herein and pursuant to the provisions of the Act, the Issuer desires to issue bonds to (a) finance the optimization and expansion of the Issuer's Signal Hill Water Treatment Plant and all related improvements (the "Project"), (b) fund a debt service reserve fund, if necessary, and (c) pay costs of issuance related thereto; and

WHEREAS, in order to accomplish the foregoing, the Issuer desires to issue its Water Revenue Bonds in one or more series from time to time in an aggregate principal amount of not to exceed Forty-Three Million Dollars (\$43,000,000) (collectively, the "Series 2025 Bonds") pursuant to (i) the Act, this Resolution, and (ii) a General Indenture of Trust dated June 1, 2001, as heretofore further amended and supplemented (the "General Indenture") and a Sixteenth Supplemental Indenture of Trust (the "Supplemental Indenture" and collectively with the General Indenture, the "Indenture"), with the Indenture in substantially the form presented to the meeting at which this Resolution was adopted and which are attached hereto as Exhibit B; and

WHEREAS, the Act provides that prior to issuing bonds for project purposes, an issuing entity must (a) give notice of its intent to issue such Series 2025 Bonds and (b) hold a public hearing to receive input from the public with respect to (i) the issuance of the Series 2025 Bonds and (ii) the potential economic impact that the improvement, facility or property for which the Series 2025 Bonds pay all or part of the cost will have on the private sector; and

WHEREAS, the Act provides for the posting of a Notice of Public Hearing and Bonds to Be Issued and the Issuer desires to post such notice in compliance with the Act with respect to the Series 2025 Bonds; and

WHEREAS, the County Council desires to approve and authorize the preparation and use of one or more Bond Purchase Agreements, if needed (each a "Bond Purchase Agreement"), and/or a Loan Agreement, if needed (the "Loan Agreement"), to be entered into between the Issuer and each purchaser for one or more of the series of the Series 2025 Bonds, which are in substantially the forms attached hereto as Exhibits C and D; and

WHEREAS, in order to allow the Issuer flexibility in setting the pricing date of the Series 2025 Bonds to optimize debt service costs to the Issuer, the County Council desires to grant to one of the General Manager, Assistant General Manager, or the Chief Financial Officer of the Mountain Regional Water Special Service District (the "District") (together, the "Designated Officers"), the authority to (a) determine whether all or a portion of the Series 2025 Bonds should be sold pursuant to a private placement or a public offering (including via a negotiated underwriting or public bid); (b) approve the principal amounts, interest rates, terms, maturities, redemption features, and purchase price at which the Series 2025 Bonds shall be sold; (c) make any changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the "Parameters"); and (d) select the Underwriter(s)/Purchasers for the Series 2025 Bonds.

NOW, THEREFORE, it is hereby resolved by the County Council of Summit County, Utah, acting as the governing body of the Mountain Regional Water Special Service District, Utah, as follows:

Section 1. The County Council hereby finds and determines that it is in the best interests of the Issuer and rate payers of Issuer to issue not more than Forty-Three Million Dollars (\$43,000,000) aggregate principal amount of the Issuer's Water Revenue Bonds, Series 2025 (to be issued in one or more series, under one or more indentures and with such other series or title designation(s) as may be determined by the Issuer), to bear interest at a rate of not to exceed 5.5% per annum, to mature in not more than thirty-eight (38) years from their dated date or dated dates, and to be sold at a price not less than ninety-nine percent (99%) of the total principal amount thereof, all pursuant to this Resolution, a resolution to be adopted by the County Council authorizing and confirming the issuance and sale of the Series 2025 Bonds (herein referred to as the "Final Bond Resolution"), an Indenture to be entered into at the time of issuance of the Series 2025 Bonds in substantially the form attached hereto as Exhibit B, one or more Bond Purchase Agreements (if needed) to be entered into at the time of issuance of the Series 2025 Bonds in substantially the form attached hereto as Exhibit C, and a Loan Agreement (if needed) to be entered into at the time of issuance of the Series 2025 Bonds in substantially the form attached hereto as

Exhibit D, and the Issuer hereby declares its intention to issue the Series 2025 Bonds according to the provisions of this Resolution, the Indenture, the Bond Purchase Agreements, the Loan Agreement and the Final Bond Resolution, when adopted.

Section 2. The Issuer hereby authorizes and approves the sale of the Series 2025 Bonds pursuant to the provisions of this Resolution, the Indenture, the Bond Purchase Agreements, the Loan Agreement and the Final Bond Resolution to be adopted by the County Council authorizing and confirming the issuance and sale of the Series 2025 Bonds and the final form of the Indenture, the Bond Purchase Agreements and Loan Agreement.

Section 3. With regard to the Series 2025 Bonds to be issued to finance the Project, the Issuer shall hold a public hearing on July 16, 2025, to receive input from the public with respect to (1) the issuance of the Series 2025 Bonds and (2) the potential economic impact that the improvements to be financed with the proceeds of the Series 2025 Bonds will have on the private sector, which hearing date shall not be less than fourteen (14) days after notice of the public hearing is published (A) as required in Section 45-1-101, Utah Code, and (B) as a Class A notice under Section 63G-30-102, Utah Code, (i) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code, (ii) on the Issuer's official website, and (iii) in a public location that is reasonably likely to be seen by residents within the geographical bounds of the Issuer. The Issuer additionally authorizes the publication of such notice pursuant to Sections 11-14-316, and 11-14-318 of the Act as (x) notice of its intent to issue bonds, (y) notice of a public hearing to receive input from the public with respect to the Series 2025 Bonds and (z) the initiation of a 30-day contestability period in which any person of interest may contest the issuance of the Series 2025 Bonds. The District Clerk shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Issuer's offices, for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the initial posting thereof. The Issuer directs its officers and staff to post a "Notice of Public Hearing and Bonds to be Issued" in substantially the form attached hereto as Exhibit E.

Section 4. The Issuer hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for initial expenditures for costs of the Project. The Series 2025 Bonds are to be issued, and the reimbursements made, by the later of 18-months after the payment of the costs or after the Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Bonds which will be issued to finance the reimbursed costs of the Project is not expected to exceed \$43,000,000.


Section 5. The Issuer hereby reserves the right to opt not to issue the Series 2025 Bonds for any reason.

Section 6. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

Section 7. If any provision of this Resolution should be held to be invalid, the invalidity of such provision shall not affect the validity of any other provisions of this Resolution.

Section 8. This Resolution shall become effective immediately upon its adoption.

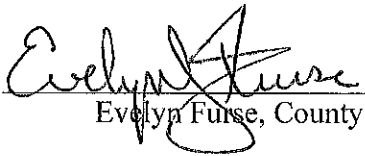
APPROVED AND ADOPTED this June 25, 2025.



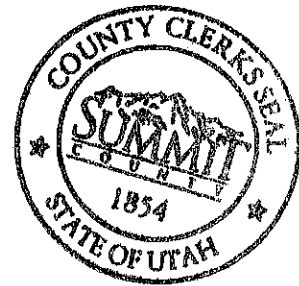
Tonja Hanson, Chair

(SEAL)

Attest and Countersign:



Evelyn Furse, County Clerk




Approved as to form
Summit County Attorney

By 

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

Upon the conclusion of all business on the Agenda, the meeting was adjourned.

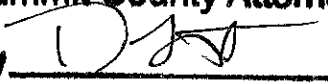
(SEAL)

By: 
Tonja Hanson, Chair

ATTEST:

By: 
Evelyn Furse, County Clerk



Approved as to form
Summit County Attorney
By: 

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

I, Evelyn Furse, the duly appointed and qualified County Clerk of Summit County, Utah (the "County"), do hereby certify according to the records of the County Council (the "Council") of the County in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the County Council held on June 25, 2025, including a resolution (the "Resolution") adopted at said meeting as said minutes and Resolution are officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said County, this June 25, 2025.

(SEAL)

Evelyn Furse
Evelyn Furse, County Clerk



STATE OF UTAH)
 : ss.
COUNTY OF SUMMIT)

I, Andy Garland, the duly appointed and qualified District Clerk of Mountain Regional Water Special Service District, Summit County, Utah (the "District"), do hereby certify that the parameters resolution of the District, dated June 25, 2025 (the "Resolution"), with all exhibits attached, was deposited in my office on June 25, 2025, and pursuant to the Resolution, as it pertains to the Series 2025 Bonds to be issued to pay the costs of the Project, a Notice of Public Hearing and Bonds to be Issued will be posted as a Class A notice under Section 63G-30-102 (i) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (ii) on the District's official website and (iii) in a public location within the District that is reasonably likely to be seen by residents within the geographical boundaries of the District, no less than fourteen (14) days before the public hearing date.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said County, this June 25, 2025.

(SEAL)



Andy Garland, District Clerk

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

Annette Singleton
I, ~~Evelyn Furse~~, the undersigned County Clerk of Summit County, Utah (the "County"), do hereby certify, according to the records of the County in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the June 25, 2025, public meeting held by the County Council of the County (the "County Council") as follows:

(a) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted in a public location within the County that is reasonably likely to be seen by residents of the County at least twenty-four (24) hours prior to the convening of the meeting;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the County's official website at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice, in the form attached hereto as Schedule 1 to be posted on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2025 Annual Meeting Schedule for the County Council (attached hereto as Schedule 2) was given specifying the date, time and place of the regular meetings of the County Council to be held during the year, by causing said Notice to be (i) posted in a public location within the County that is reasonably likely to be seen by residents of the County, (ii) posted on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, and (iii) posted on the County's official website, during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this June 25, 2025.

(SEAL)



Evelyn Furse, County Clerk

Annette Singleton, Executive Asst.

SCHEDULE 1

NOTICE OF MEETING

Utah Public Notice

Documents Updated

- [062525 Amended Agenda and Packet.pdf](#) - 6/23/25 1:35 PM

Summit County Council

County Council Agenda

Notice Date & Time: 6/25/25 2:30 PM -6/25/25 6:30 PM

Description/Agenda:

AMENDED AGENDA
SUMMIT COUNTY COUNCIL
Wednesday, June 25, 2025

NOTICE is hereby given that the Summit County Council will meet in session, on Wednesday, June 25, 2025, electronically, via Zoom, and at the anchor location of the Richins Building, 1885 W. Ute Blvd., Park City, UT 84098
(All times listed are general in nature, and are subject to change by the Council Chair)

To view Council meeting, live, visit the 'Summit County, Utah' Facebook page
OR

To participate in Council meeting: Join Zoom webinar: <https://zoom.us/j/772302472>
OR

To listen by phone only: Dial 1-301-715-8592, Webinar ID: 772 302 472

2:30 PM Closed Session - Personnel (20 min); Property acquisition (50 min)

3:40 PM - Move to auditorium (10 min)

3:50 PM Work Session

1) 3:50 PM - Pledge of Allegiance (5 min)

2) 3:55 PM - Presentation of Charity Plan Report by Intermountain Park City Hospital; Amy Tuddenham and Lori Weston (20 min)

4:15 PM Convene as the Governing Board of the North Summit Fire Service District

1) 4:15 PM - Discussion and possible approval of amendments to Policy Sections 402, 403, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, & 615; Ben Nielson and Nick Jarvis (10 min)

Dismiss as the Governing Board of the North Summit Fire Service District

4:25 PM Consideration of Approval

1) 4:25 PM - Discussion and possible action regarding restrictions on firework activities within the unincorporated areas of Summit County that fall within the boundaries of the North Summit Fire District; Ben Nielson (15 min)

2) 4:40 PM - Discussion and possible approval of tax abatement regarding state assessed mining claims S-1176, S-46, S-190, and S-1155; Chase Black (10 min)

- 3) 4:50 PM - Discussion and possible approval of Resolution No. 2025-16, a Resolution of the Summit County Council Pertaining to the Support of Utah Public Lands (15 min)
- 4) 5:05 PM - Approval of Council Minutes dated May 19, 2025, May 21, 2025, and June 4, 2025 (5 min)
- 5) 5:10 PM - Council and Manager comments (10 min)

5:20 PM Convene as the Governing Board of Mountain Regional Water Service District

- 1) 5:20 PM Discussion and possible adoption of Resolution MRW 2025-13, a Resolution Authorizing the Issuance and Sale of Not More than \$43,000,000 Aggregate Principal Amount of Water Revenue Bonds; and Related Matters; Steve Anderson and Lisa Hoffman (15 min)
- 2) 5:35 PM - Discussion and possible approval of Certification of Liens for the past due fees and charges for 2025 for Mountain Regional Water Special Service District; Steve Anderson and Lisa Hoffman (10 min)

Dismiss as the Governing Board of Mountain Regional Water Service District

5:45 PM Convene as the Governing Board of Snyderville Basin Special Recreation District

- 1) 5:45 PM - Discussion and possible approval of Public Recreation Trail Easement and Access Agreement (Hi Ute Trail Easement); Dana Jones and Matt Wagoner (15 min)

Dismiss as the Governing Board of Snyderville Basin Special Recreation District

6:00 PM Public Input

Public comment is for any matter not on the Agenda and not the subject of a pending land use application. If you would like to submit comments to Council, please email publiccomments@summitcountyutah.gov by 12:00 p.m. on Wednesday, June 25, 2025. If you wish to interact with Council, for public input, please appear in person, or use the 'Raise Hand' button at the bottom of the chat window in Zoom.

6:00 PM Public Hearing

Continued public hearing and possible adoption of Ordinance No. 988, an Ordinance Amending the Snyderville Basin Development Code Sections 10-4-9: Parking Requirements, 10-8 General Regulations, 10-2-10 Use Table and 1011-1 Terms Defined. The purpose of the amendments is to create regulations for Electric Vehicle Parking, Bicycle Parking, and Solar Energy Systems, and to amend the existing gas station regulations. Project #24-179. Ray Milliner, County Planner

Adjourn

Notice of Special Accommodations:

Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify Annette Singleton (435) 336-3025, 615-3025, 783-4351 ext. 3025 prior to the meeting.

Notice of Electronic or telephone participation:

To participate in Council meeting: Join Zoom webinar: <https://zoom.us/j/772302472> OR To listen by phone only: Dial 1-301-715-8592, Webinar ID: 772 302 472

Other information:

Location:

1885 W. Ute Blvd, Park City, 84098

Contact information:

Annette Singleton , asingleton@summitcounty.org, (435)336-3025

SCHEDULE 2
ANNUAL MEETING SCHEDULE



**2025 Annual Notice of Scheduled Meetings
Board of Summit County Council**

Pursuant to Utah Code section 52-4-202, notice is hereby given that the Board of County Council, Summit County, Utah, will hold regular meetings on Wednesday during the 2025 calendar year as follows:

January	8, 15, 22, 29
February	5, 12, 19, 26
March	5, 12, 19, 26
April	2, 9, 16, 23, 30
May	7, 14, 21, 28
June	4, 11, 18, 25
July	2, 9, 16, 23, 30
August	6, 13, 20, 27
September	3, 10, 17, 24
October	1, 8, 15, 22, 29
November	5, 12, 19, 26
December	3, 10, 17, 24, 31

Unless otherwise noticed, all meetings will begin at 2:00 PM and will be held in Council Chambers at the Summit County Courthouse, 60 North Main Street, Coalville, UT 84017.


Eve Furse, Summit County Clerk

Posted: December 26, 2024

EXHIBIT B

FORM OF INDENTURE

SIXTEENTH SUPPLEMENTAL INDENTURE OF TRUST

Dated as of _____, 2025

by and between

MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, AS SUCCESSOR TRUSTEE TO
WELLS FARGO BANK, N.A.,
as Trustee

Supplementing the
General Indenture of Trust

Dated as of June 1, 2001

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EXHIBIT A

(FORM OF SERIES 2025 BOND).....1

EXHIBIT B

COST OF ISSUANCE DISBURSEMENT REQUEST.....1

SIXTEENTH SUPPLEMENTAL INDENTURE OF TRUST

This Sixteenth Supplemental Indenture of Trust, dated as of _____, 2025, by and between Mountain Regional Water Special Service District, Utah, a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah (the "Issuer") and Zions Bancorporation, National Association, as successor trustee to Wells Fargo Bank, N.A., as trustee, a national banking association duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah (the "Trustee");

WITNESSETH:

WHEREAS, the Issuer has entered into a General Indenture of Trust, dated as of June 1, 2001, as heretofore supplemented and amended (the "General Indenture") with the Trustee; and

WHEREAS, the Issuer desires to issue its \$_____ Water Revenue Bonds, Series 2025 (the "Series 2025 Bonds") to (i) finance the optimization and expansion of the Issuer's Signal Hill Water Treatment Plant and all related improvements (collectively, the "Series 2025 Project") and (ii) pay costs of issuance; and

WHEREAS, the Series 2025 Bonds are authorized, issued and secured under the General Indenture, as previously supplemented and amended and as further supplemented by this Sixteenth Supplemental Indenture (the "Sixteenth Supplemental Indenture," and collectively with the General Indenture, and any amendments thereto or hereto, the "Indenture"); and

WHEREAS, pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act"), and the General Indenture which authorizes the issuance of Bonds, the Issuer has the authority to issue bonds for the purposes set forth above; and

WHEREAS, the execution and delivery of the Series 2025 Bonds and of this Sixteenth Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2025 Bonds, when executed by the Issuer and authenticated by the Trustee, the valid and binding legal obligations of the Issuer and to make this Sixteenth Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS SIXTEENTH SUPPLEMENTAL INDENTURE OF TRUST WITNESSETH, that to secure the Series 2025 Bonds, the payment of the principal or redemption price thereof and interest thereon, the rights of the Registered Owners of the Series 2025 Bonds, to secure the Security Instrument Issuers of Security Instruments for any Series 2025 Bonds, and of all Reserve Instrument Providers of Reserve Instruments for any Series 2025 Bonds, and the performance of all of the covenants contained in such Series 2025 Bonds and herein, and for and in consideration of the mutual covenants herein contained and of the purchase of such Bonds by the Registered Owners thereof from time to time and the issuance of Reserve Instruments by the Reserve Instrument Providers, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer has executed and delivered this Sixteenth Supplemental Indenture of Trust, and by these presents does, in confirmation of the General Indenture, as supplemented pursuant to its terms, hereby sell, assign, transfer, set over and pledge unto Zions Bancorporation, National Association, as Trustee, its successors in trusts and its assigns

forever, to the extent provided in the General Indenture, as supplemented, all right, title and interest of the Issuer in and to (i) the Net Revenues (as defined in the General Indenture), (ii) all moneys in funds and accounts held by the Trustee under the General Indenture and hereunder (except the Rebate Fund), and (iii) all other rights granted under the General Indenture and hereinafter granted for the further securing of such Series 2025 Bonds.

TO HAVE AND TO HOLD THE SAME unto the Trustee and its successors in trust hereby created and its and their assigns forever;

IN TRUST, NEVERTHELESS, FIRST, for the equal and ratable benefit and security of all present and future Registered Owners of Series 2025 Bonds and Security Instrument Issuers of Security Instrument for any Series 2025 Bonds without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided), of any one Series 2025 Bond over any other Series 2025 Bond and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distinction as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever.

ARTICLE I SUPPLEMENTAL INDENTURE; DEFINITIONS

Section 1.1. Supplemental Indenture. This Sixteenth Supplemental Indenture is supplemental to and is executed in accordance with and pursuant to Articles II and IX of the General Indenture.

Section 1.2. Definitions. All terms which are defined in the General Indenture, shall have the meanings, respectively, when used herein (including the use thereof in the recitals and the granting clauses thereof) unless expressly given a different meaning or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings therein given to the same unless the context requires otherwise and, in addition, the following terms shall have the meanings specified below:

“Authorized Representative” means the Chair, Chair pro tem, Clerk, Qualified Finance Officer or any other officer of the Issuer so designated in writing by an Authorized Representative of the Issuer to the Trustee.

“Dated Date” means with respect to the Series 2025 Bonds the date of their initial delivery.

“Default Rate” means eighteen percent (18%) per annum.

“Interest Payment Date” means, with respect to the Series 2025 Bonds, each _____ and _____, commencing _____.

“Purchaser” means _____.

“Register” means the record of ownership of the Series 2025 Bonds maintained by the Registrar.

“Series 2025 Bonds” means the Mountain Regional Water Special Service District, Utah Water Revenue Bonds, Series 2025 authorized herein.

“Series 2025 Construction Account” means the account established within the Construction and Acquisition Fund under the General Indenture held in trust by the Trustee, into which a portion of the proceeds of the Series 2025 Bonds shall be deposited as provided herein.

“Series 2025 Debt Service Reserve Requirement” means, with respect to the Series 2025 Bonds, an amount equal to \$0.

“Series 2025 Project” means the optimization and expansion of the Issuer’s Signal Hill Water Treatment Plant and all related improvements.

ARTICLE II ISSUANCE OF THE SERIES 2025 BONDS

Section 2.1. Principal Amount, Designation and Series. The Series 2025 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (i) finance the Series 2025 Project and (ii) pay costs incurred in connection with the Series 2025 Bonds. The Series 2025 Bonds shall be limited to \$_____ in aggregate principal amount, shall be issued in fully registered form, in denominations of \$1,000 or any integral multiple thereof shall be in substantially the form and contain substantially the terms contained in Exhibit A attached hereto and made a part hereof, and shall bear interest at the rates and be payable as to principal or redemption price as specified herein. The Series 2025 Bonds shall be designated as and shall be distinguished from the Bonds of all other series by the title, “Water Revenue Bonds, Series 2025.”

Section 2.2. Date, Maturities and Interest. The Series 2025 Bonds shall be dated as of the Dated Date, shall mature in the years and in the amounts set forth below and shall bear interest from the Interest Payment Date next preceding their date of authentication thereof unless authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from such date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event such Bonds shall bear interest from and including their Dated Date or unless, as shown by the records of the Trustee, interest on the Series 2025 Bonds shall be in default, in which event such Bonds shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on such Bonds, in which event such Series 2025 Bonds shall bear interest from and including their Dated Date, payable on each Interest Payment Date at the rates per annum as set forth below:

Maturity (_____)	<u>Principal Amount</u>	<u>Interest Rate</u>
---------------------	-------------------------	----------------------

Maturity ()	Principal Amount	Interest Rate
-----------------	------------------	---------------

Interest shall be calculated on the basis of a year of 360 days comprised of twelve 30-day months.

Section 2.3. Optional Redemption. The Series 2025 Bonds are subject to redemption prior to maturity on any date, in whole or in part, at the option of the Issuer, in chronological order of maturity, upon not less than thirty (30) nor more than sixty (60) days' prior written notice to the Owner(s) of the Series 2025 Bonds to be redeemed at a redemption price equal to 100% of the principal amount of the Series 2025 Bonds to be redeemed plus accrued interest, including any default interest, thereon to the date of redemption.

Section 2.4. Execution of Bonds. The Chair is hereby authorized to execute by facsimile or manual signature the Series 2025 Bonds and the Clerk to countersign by facsimile or manual signature the Series 2025 Bonds and to have imprinted, engraved, lithographed, stamped or otherwise placed on the Series 2025 Bonds a facsimile of the official seal of the Issuer, and the Trustee shall manually authenticate the Series 2025 Bonds.

Section 2.5. Delivery of Bonds. The Series 2025 Bonds when executed, registered and authenticated as provided herein and by law, shall be delivered by the Issuer to the Purchaser upon payment of the purchase price thereof.

Section 2.6. Designation of Registrar. Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah 84133 is hereby designated as Registrar for the Series 2025 Bonds, acceptance of which appointment shall be evidenced by a written acceptance from the Registrar.

Section 2.7. Designation of Paying Agent. Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah 84133 is hereby designated as Paying Agent for the Series 2025 Bonds, acceptance of which appointment shall be evidenced by a written acceptance from the Registrar.

Section 2.8. Loss of Tax-Exempt Status. In the event that an action or inaction of the Issuer directly causes the interest payable with respect to the Series 2025 Bonds to be includable in gross income of the owners thereof for federal and/or State of Utah income tax purposes pursuant to a final, non-appealable ruling, the Issuer shall make the owners of the Series 2025 Bonds whole by paying interest on the Series 2025 Bonds at a tax-equivalent (i.e. taxable) interest rate to be calculated for the maximum 21% federal and/or a 4.95% State of Utah income tax rate currently applicable to corporations by dividing the existing tax-exempt interest rate on the Series 2025 Bonds by 0.79 if only the federal tax exemption is lost, 0.9505 if only the State of Utah tax exemption is lost, and 0.7405, if both the federal and State of Utah tax exemption are lost.

Section 2.9. Limited Obligation. The Series 2025 Bonds, together with interest thereon, shall be limited obligations of the Issuer payable solely from the Net Revenues (except to the extent paid out of moneys attributable to the Series 2025 Bond proceeds or other funds created hereunder or under the Indenture (excluding the Rebate Fund) or the income from the temporary investment thereof).

Section 2.10. Perfection of Security Interest.

(a) The Indenture creates a valid and binding pledge and assignment of security interest in all of the Net Revenues pledged under the Indenture in favor of the Trustee as security for payment of the Series 2025 Bonds, enforceable by the Trustee in accordance with the terms thereof.

(b) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501, Utah Code Annotated 1953, as amended, and is and shall have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Net Revenues.

Section 2.11. Series 2025 Bonds as Additional Bonds. The Series 2025 Bonds are issued as Additional Bonds under the Indenture. The Issuer hereby certifies that the requirements set forth in Section 2.13 of the General Indenture have been and will be complied with in connection with the issuance of the Series 2025 Bonds, as follows:

(a) No Event of Default has occurred and is continuing under the Indenture on the date of authentication of the Series 2025 Bonds; and

(b) A certificate has been delivered to the Trustee by an Authorized Representative to the effect that the Net Revenues, plus Other Available Funds, for any Year in the twenty-four (24) months immediately preceding the proposed date of issuance of such Additional Bonds were at least equal to one hundred twenty-five percent (125%) of the sum of the Aggregate Annual Debt Service Requirement on all Bonds Outstanding for said Year; and

(c) The Issuer has delivered to the Trustee a certificate from a Qualified Finance Officer (i) setting forth the Estimated Net Revenues as described in Section 2.13(b) of the General Indenture (assuming, if applicable, the completion of the Project, or any portion thereof, financed with proceeds of the Additional Bonds) either: (A) for each of the two Bond Fund Years succeeding the latest estimated date of completion of the Project, or any portion thereof, if proceeds of the Additional Bonds are used to fund interest during the construction period, or (B) if (A) is not the case, for the then current Bond Fund Year and each succeeding Bond Fund Year to and including the second Bond Fund Year succeeding the latest estimated date of completion of the Project, or any portion thereof; and (ii) verifying that the Estimated Net Revenues as shown in (i) above for each of such Bond Fund Years are not less than one hundred twenty-five percent (125%) of the Aggregate Annual Debt Service Requirement for each of such Bond Fund Years with respect to all of the Bonds and Additional Bonds which would then be Outstanding (after taking into account any principal reductions resulting from regularly scheduled principal

or sinking fund redemption payments) and the Additional Bonds so proposed to be issued; and

(d) All payments required by the Indenture to be made into the Bond Fund have been made in full, and there is on deposit in each account of the Debt Service Reserve Fund (taking into account any Reserve Instrument coverage) the full amount required to be accumulated therein at the time of issuance of the Series 2025 Bonds; and

(e) The proceeds of the Series 2025 Bonds will be used to finance a Project (including the funding of necessary reserves and the payment of costs of issuance).

ARTICLE III APPLICATION OF PROCEEDS AND FUNDS AND ACCOUNTS

Section 3.1. Creation of Series 2025 Accounts. There is hereby established with the Trustee a Series 2025 Account within the Construction and Acquisition Fund and a Series 2025 Cost of Issuance Account.

Section 3.2. Application of Proceeds of the Series 2025 Bonds. The Issuer shall deposit with the Trustee the proceeds from the sale of the Series 2025 Bonds representing the principal amount of the Series 2025 Bonds and the Trustee shall deposit such proceeds as follows:

(a) \$_____ into the Series 2025 Construction Account; and

(b) the remaining amount shall be deposited into the Series 2025 Cost of Issuance Account to be held by the Trustee under this Supplemental Indenture and to be used to pay costs of issuance of the Series 2025 Bonds.

Section 3.3. Series 2025 Construction Account. Disbursements of moneys in the Series 2025 Construction Account shall be made in accordance with the terms of Section 5.1 of the General Indenture.

Section 3.4. Cost of Issuance Account. The costs of issuance shall be paid by the Trustee from the Series 2025 Cost of Issuance Account upon receipt from the Issuer of an executed Cost of Issuance Disbursement Request signed by an Authorized Representative of the Issuer in substantially the form of Exhibit B attached hereto. Any unexpended balance remaining in the Series 2025 Cost of Issuance Account ninety (90) days after delivery of the Series 2025 Bonds shall be paid to the Bond Fund.

Section 3.5. No Series 2025 Debt Service Reserve Requirement. There is no Debt Service Reserve Requirement with respect to the Series 2025 Bonds.

ARTICLE IV CONFIRMATION OF GENERAL INDENTURE

As supplemented by this Sixteenth Supplemental Indenture, and except as provided herein, the General Indenture is in all respects ratified and confirmed, and the General Indenture and this Sixteenth Supplemental Indenture shall be read, taken and construed as one and the same

instrument so that all of the rights, remedies, terms, conditions, covenants and agreements of the General Indenture shall apply and remain in full force and effect with respect to this Sixteenth Supplemental Indenture, and to any revenues, receipts and moneys to be derived therefrom.

ARTICLE V MISCELLANEOUS

Section 5.1. Confirmation of Sale of Series 2025 Bonds. The sale of the Series 2025 Bonds to the Purchaser at a price of \$ _____, is hereby ratified, confirmed and approved.

Section 5.2. Limitation on Adjustment of Boundary. So long as the Series 2025 Bonds are outstanding, the District shall not consent to any de-annexation that is determined by an engineer or municipal advisor to adversely impact the repayment of the Series 2025 Bonds or the financial condition of the District.

Section 5.3. Severability. If any provision of this Sixteenth Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections in this Sixteenth Supplemental Indenture contained, shall not affect the remaining portions of this Sixteenth Supplemental Indenture, or any part thereof.

Section 5.4. Counterparts. This Sixteenth Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.5. Applicable Law. THIS SIXTEENTH SUPPLEMENTAL INDENTURE SHALL BE GOVERNED EXCLUSIVELY BY THE APPLICABLE LAWS OF THE STATE OF UTAH.

Section 5.6. Effective Date. This Sixteenth Supplemental Indenture shall become effective immediately upon execution.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Sixteenth Supplemental Indenture of Trust to be executed as of the date first written above.

SUMMIT COUNTY COUNCIL, UTAH
ACTING AS THE GOVERNING BODY
OF THE MOUNTAIN REGIONAL
WATER SPECIAL SERVICE
DISTRICT, UTAH

(SEAL)

By: _____
Tonja Hanson, County Council Chair

COUNTERSIGN:

Evelyn Furse, County Clerk

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Trustee

By: _____
Its: _____

EXHIBIT A

(FORM OF SERIES 2025 BOND)

Registered

Registered

**UNITED STATES OF AMERICA
MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH
WATER REVENUE BONDS
SERIES 2025**

Number R - _____ \$ _____

Interest Rate

Maturity Date

Original Issue Date

_____%

Registered Owner: _____

Principal Amount: _____

Mountain Regional Water Special Service District, Utah ("Issuer"), a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah, for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner named above or registered assigns, out of the special fund hereinbelow designated and not otherwise, the Principal Amount specified above on the Maturity Date specified above with interest thereon until paid at the Interest Rate specified above per annum, payable semiannually on _____ and _____ of each year, commencing _____ (each an "Interest Payment Date"), until said Principal Amount is paid in full. Principal and premium, if any, shall be payable upon surrender of this Bond at the principal corporate offices of Zions Bancorporation, National Association, Salt Lake City, Utah ("Trustee" and "Paying Agent") or its successors. Interest on this Bond shall be payable by check or draft mailed to the Registered Owner hereof at its address as it appears on the registration books of the Paying Agent, who shall also act as the Registrar for the Issuer, or at such other address as is furnished to the Paying Agent in writing by such Registered Owner. Interest hereon shall be deemed to be paid by the Paying Agent when mailed. Both principal and interest shall be payable in lawful money of the United States of America.

This Bond is one of an issue of Bonds of the Issuer designated as the "Water Revenue Bonds, Series 2025" (the "Series 2025 Bonds") in the aggregate principal amount of \$_____ of like tenor and effect, except as to date of maturity and interest rate, numbered R-1 and upwards, issued by the Issuer pursuant to a General Indenture of Trust dated as of June 1, 2001, as previously supplemented and amended and as further supplemented by a

Sixteenth Supplemental Indenture of Trust dated as of _____, 2025 (together, the "Indenture") approved by a vote of the Administrative Control Board of the Issuer on _____ and a resolution of the Summit County Council, acting as the governing body of the Issuer, on _____ (together, the "Bond Resolution"), for the purpose of (i) financing the optimization and expansion of the Issuer's Signal Hill Water Treatment Plant and all related improvements, and (ii) paying certain issuance expenses, all in full conformity with the Constitution and laws of the State of Utah. Both principal of and interest on this Bond and the issue of which it is a part are payable solely from a special fund designated "Mountain Regional Water Special Service District, Utah Water Revenue Bond Fund" (the "Bond Fund"), into which fund, to the extent necessary to assure prompt payment of the principal of and interest on the issue of which this is one and on all series of bonds issued on a lien parity with this Bond shall be paid the Net Revenues (as defined in the Indenture) derived and to be derived from the Issuer's System all as more fully described and provided in the Indenture.

The Series 2025 Bonds shall be payable only from the Net Revenues and other funds created under the Indenture (excluding the Rebate Fund) and the income from the temporary investment thereof and shall not constitute a general indebtedness or pledge of the full faith and credit of the Issuer, within the meaning of any constitutional or statutory provision or limitation of indebtedness.

As provided in the Indenture, additional bonds, notes and other obligations of the Issuer may be issued and secured on an equal lien parity with the Series 2025 Bonds, from time to time in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes and other obligations issued and to be issued under the Indenture is not limited.

Reference is hereby made to the Indenture, copies of which are on file with the Trustee, for the provisions, among others, with respect to the nature and extent of the rights, duties and obligations of the Issuer, the Trustee and the Registered Owners of the Series 2025 Bonds, the terms upon which the Series 2025 Bonds are issued and secured, and upon which the Indenture may be modified and amended, to all of which the Registered Owner of this Bond assents by the acceptance of this Bond.

Except as otherwise provided herein and unless the context indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Indenture.

Interest on the Series 2025 Bonds authenticated prior to the first Interest Payment Date shall accrue from and including the Dated Date specified above. Interest on the Series 2025 Bonds authenticated on or subsequent to the first Interest Payment Date shall accrue from the Interest Payment Date next preceding their date of authentication, or if authenticated on an Interest Payment Date, as of that date; provided, however, that if interest on the Series 2025 Bonds shall be in default, interest shall accrue at the Default Rate from the date to which interest has been paid in full, or unless no interest shall have been paid on the Series 2025 Bonds, in the event such Series 2025 Bonds shall bear interest from and including their Dated Date.

The Series 2025 Bonds are subject to optional redemption prior to maturity as provided in the Indenture.

The Series 2025 Bonds are issued as fully registered Bonds. Subject to the limitations and upon payment of the charges provided in the Indenture, registered Bonds may be exchanged for a like aggregate principal amount of registered Bonds of other authorized denominations of the same series and the same maturity.

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the principal corporate trust offices of Zions Bancorporation, National Association (the "Registrar"), in Salt Lake City, Utah, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Issuer and the Paying Agent may deem and treat the Registered Holder hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and neither Issuer nor Paying Agent shall be affected by any notice to the contrary.

This Bond is issued under and pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and this Bond does not constitute a general obligation indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. The issuance of the Series 2025 Bonds shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

The Issuer covenants and agrees that it will cause to be collected and accounted for sufficient Net Revenues as will at all times be sufficient to pay promptly the principal of and interest on this Bond and the issue of which it forms a part and to make all payments required to be made into the Bond Fund, and to carry out all the requirements of the Indenture.

It is hereby declared and represented that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Bond, together with the issue of which it forms a part, does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Net Revenues of the Issuer have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of the principal of and interest on this Bond and the issue of which it forms a part, as authorized for issue under the Indenture, and that the Net Revenues of the Issuer are not pledged, hypothecated or anticipated in any way other than by the issue of the Series 2025 Bonds of which this Bond is one and all bonds issued on a parity with this Bond.

This Bond shall not be valid or become obligatory for any purpose nor be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by the manual or facsimile signature of its Chair and countersigned by the manual or facsimile signature of its Clerk under its corporate seal or a facsimile thereof.

SUMMIT COUNTY COUNCIL, UTAH
ACTING AS THE GOVERNING BODY OF
MOUNTAIN REGIONAL WATER SPECIAL
SERVICE DISTRICT, UTAH

(SEAL)

(facsimile or manual signature)
Tonja Hanson, County Council Chair

COUNTERSIGN:

(facsimile or manual signature)
Evelyn Furse, County Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Water Revenue Bonds, Series 2025 of Mountain Regional Water Special Service District, Utah.

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Trustee

By: _____ (Manual Signature)
Authorized Officer

Date of Authentication: _____

ASSIGNMENT

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns and transfers unto:

(Social Security or Other Identifying Number of Assignee)

(Please Print or Typewrite Name and Address of Assignee)

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature: _____

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" that is a member of or a participant in a "signature guarantee program" (e.g., the Securities Transfer Agents Medallion Program, the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program).

EXHIBIT B

COST OF ISSUANCE DISBURSEMENT REQUEST

Zions Bancorporation, National Association
One South Main Street, 12th Floor
Salt Lake City, Utah 84133

Pursuant to Section 3.4 of the Sixteenth Supplemental Indenture of Trust dated as of _____, 2025, you are hereby authorized to pay the following costs of issuance from the Series 2025 Cost of Issuance Account:

(See Attached Schedule)

AUTHORIZED REPRESENTATIVE,
MOUNTAIN REGIONAL WATER SPECIAL
SERVICE DISTRICT, UTAH

Costs of Issuance

<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
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EXHIBIT C

FORM OF BOND PURCHASE AGREEMENT

BOND PURCHASE AGREEMENT

\$ _____
MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH
WATER REVENUE BONDS
SERIES 2025

_____, 2025

Mountain Regional Water Special Service District
6421 North Business Park Loop, Suite A
Park City, Utah 84098

The undersigned, _____, its successors and assigns, (collectively, the "Purchaser"), offers to purchase from Mountain Regional Water Special Service District, Utah (the "Issuer"), all (but not less than all) of the \$ _____ Water Revenue Bonds, Series 2025 of the Issuer (the "Bonds") for the par amount thereof with delivery and payment at the offices of Gilmore & Bell, P.C. in Salt Lake City, Utah, based upon the covenants, representations, and warranties set forth below. This offer is made subject to your acceptance of this Bond Purchase Agreement (the "Purchase Agreement") on or before 11:59 p.m., Utah time, on the date hereof.

1. Upon the terms and conditions and upon the basis of the representations set forth herein, the Purchaser hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Purchaser, the Bonds. Exhibit A, which is hereby incorporated by reference into this Purchase Agreement, contains a brief description of the Bonds, the manner of their issuance, the purchase price to be paid, and the expected date of delivery and payment therefor (the "Closing").

2. You represent and covenant to the Purchaser that (a) you have and will have at the Closing the power and authority to: (i) adopt, upon recommendation by the Issuer's Administrative Control Board (the "Board") pursuant to the Board's Resolution dated _____, and the Resolution dated _____ (the "Resolution"), (ii) execute and enter into the General Indenture of Trust dated as of June 1, 2001, as previously amended and supplemented and further supplemented by a Sixteenth Supplemental Indenture of Trust, dated as of _____, 2025, (together the "Indenture"), each between you and Zions Bancorporation, National Association, as successor trustee to Wells Fargo Bank, N.A., as trustee (the "Trustee"), (iii) enter into and perform this Purchase Agreement, dated as of _____, 2025 (the "Purchase Agreement"), and (iv) deliver and sell the Bonds to the Purchaser; (b) this Purchase Agreement, the Indenture, and the Bonds do not and will not conflict with or create a breach or default under the Resolution or any existing law, regulation, order, or agreement to which the Issuer is subject; (c) other than the Resolution, no governmental approval or authorization is required in connection with the execution and delivery of the Indenture, (d) the Resolution and the Bonds are and shall be at the time of the Closing legal, valid, and binding obligations of the Issuer enforceable in accordance with their respective terms, subject only to applicable bankruptcy, insolvency, or other similar laws generally

affecting creditors' rights; and (e) there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer or affecting the corporate existence of the Issuer or the titles of its officers to their respective offices or seeking to prohibit, restrain, or enjoin the sale, issuance, or delivery of the Bonds or in any way contesting or affecting the transactions contemplated hereby or the validity or enforceability of the Bonds, the Indenture, the Resolution, or this Purchase Agreement, or contesting the powers of the Issuer or any authority for the issuance, sale and delivery of the Bonds, or the adoption, execution, and delivery of the Resolution, the Indenture or this Purchase Agreement.

3. As conditions to the Purchaser's obligations hereunder:

(a) From December 31, 2024 to the date of Closing, there shall not have been any (i) material adverse change in the financial condition or general affairs of the Issuer and its System (as defined in the Indenture); (ii) event, court decision, proposed law, or rule which may have the effect of changing the federal income tax incidents of the Bonds or the interest thereon or the contemplated transaction; or (iii) international or national crisis, suspension of stock exchange trading, or banking moratorium materially affecting in an adverse way, in the Purchaser's opinion, the market price of the Bonds.

(b) At the Closing, the Issuer will deliver or make available to the Purchaser:

(i) The Bonds, in definitive form, duly executed and registered;

(ii) The Indenture in final form, duly executed and delivered;

(iii) A certificate from authorized officers of the Issuer, in form and substance acceptable to the Purchaser, to the effect that the representations and information of the Issuer contained in this Purchase Agreement are true and correct when made and as of the Closing as if made as of the time of the Closing;

(iv) The approving opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, satisfactory to the Purchaser dated the date of Closing, relating to the legality and validity of the Bonds and the excludability of interest on the Bonds from gross income of the holders thereof for federal and State of Utah income tax purposes;

(v) The opinion of legal counsel to the Issuer, satisfactory to the Purchaser dated the date of Closing; and

(vi) Such additional certificates, instruments, and other documents as the Purchaser may deem necessary with respect to the issuance and sale of the Bonds, all in form and substance satisfactory to the Purchaser.

4. The Issuer will pay the cost of the fees and disbursements of counsel to the Issuer, and of Bond Counsel, Trustee fees and Municipal Advisor's fees. The Purchaser's counsel fees (up to \$_____) will be paid as a cost of Issuance by the Trustee.

5. This Purchase Agreement is intended to benefit only the parties hereto, and the Issuer's representations and warranties shall survive any investigation made by or for the Purchaser, delivery, and payment for the Bonds, and the termination of this Purchase Agreement.

6. This Purchase Agreement shall be governed by the laws of the State of Utah.

7. This Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This Purchase Agreement shall become effective upon the execution by the parties hereto.

Sincerely,

By: _____

Accepted on behalf of
SUMMIT COUNTY COUNCIL, UTAH
ACTING AS THE GOVERNING BODY
OF MOUNTAIN REGIONAL WATER
SPECIAL SERVICE DISTRICT, UTAH

By: _____
Tonja Hanson, County Council Chair

ATTEST AND COUNTERSIGN:

By: _____
Evelyn Furse, County Clerk

(SEAL)

EXHIBIT A

DESCRIPTION OF BONDS

1. Issue Size: \$ _____
2. Purchase Price: \$ _____
3. Purchaser's Counsel Fee: \$ _____ to be paid as a cost of issuance
4. Accrued Interest: \$-0-
5. Interest Payment Dates: _____ and _____, beginning _____
6. Dated Date: Date of delivery
7. Form: Registered Bonds
8. Closing Date: _____, 2025 or as otherwise agreed upon
9. Redemption: The Bonds are subject to optional redemption as provided in the Indenture.

MATURITY SCHEDULE

Maturity (_____)	<u>Principal Amount</u>	<u>Interest Rate</u>
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EXHIBIT D

FORM OF LOAN AGREEMENT

**UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY**

WIFIA LOAN AGREEMENT

For Up to \$ _____

With

**MOUNTAIN REGIONAL WATER SPECIAL SERVICE
DISTRICT, UTAH**

For the

**[NAME OF PROJECT]
(WIFIA – _____)**

Dated as of [_____] , 2025

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WIFIA LOAN AGREEMENT

THIS WIFIA LOAN AGREEMENT (this “**Agreement**”), dated as of [____], 2025, is by and between **MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH**, a political subdivision of the State of Utah, (the “**District**”), with an address at 6421 Business Park Loop Road, Suite A, Park District, Utah 84098 (the “**Borrower**”), and the **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “**Administrator**”), with an address at 1200 Pennsylvania Avenue NW, Washington, DC 20460 (the “**WIFIA Lender**”).

RECITALS:

WHEREAS, the Congress of the United States of America enacted the Water Infrastructure Finance and Innovation Act, as amended by Section 1445 of the Fixing America’s Surface Transportation Act of 2015, as further amended by Section 5008 of the Water Infrastructure Improvements For the Nation Act of 2016 and by Section 4201 of America’s Water Infrastructure Act of 2018 (collectively, as the same may be amended from time to time, the “**Act**” or “**WIFIA**”), which is codified as 33 U.S.C. §§ 3901-3914;

WHEREAS, the Act authorizes the WIFIA Lender to enter into agreements to provide financial assistance with one or more eligible entities to make secured loans with appropriate security features to finance a portion of the eligible costs of projects eligible for assistance;

WHEREAS, the Borrower has requested that the WIFIA Lender make the WIFIA Loan (as defined herein) in a principal amount not to exceed \$_____ (excluding interest that is capitalized in accordance with the terms hereof) to be used to pay a portion of the Eligible Project Costs (as defined herein) related to the Project (as defined herein) pursuant to the application for WIFIA financial assistance dated _____ (the “**Application**”);

WHEREAS, as of the date hereof, the Administrator has approved WIFIA financial assistance for the Project to be provided in the form of the WIFIA Loan, subject to the terms and conditions contained herein;

WHEREAS, based on the Application and the representations, warranties and covenants set forth herein, the WIFIA Lender proposes to make funding available to the Borrower through the purchase of the WIFIA Bond (as defined herein), upon the terms and conditions set forth herein;

WHEREAS, the Borrower agrees to repay any amount due pursuant to this Agreement and the WIFIA Bond in accordance with the terms and provisions hereof and of the WIFIA Bond; and

WHEREAS, the WIFIA Lender has entered into this Agreement in reliance upon, among other things, the information and representations of the Borrower set forth in the Application and the supporting information provided by the Borrower.

NOW, THEREFORE, the premises being as stated above, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged to be adequate, and intending to be legally bound hereby, it is hereby mutually agreed by and between the Borrower and the WIFIA Lender as follows:

ARTICLE I DEFINITIONS AND INTERPRETATION

Section 1. Definitions.

Unless the context otherwise requires, capitalized terms used in this Agreement shall have the meanings set forth below in this Section 1 or as otherwise defined in this Agreement. Any term used in this Agreement that is defined by reference to any other agreement shall continue to have the meaning specified in such agreement, whether or not such agreement remains in effect.

“Acceptable Credit Rating” means, with respect to any Person, the rating of its unsecured, senior long-term indebtedness (or, if such Person has no such rating, then its issuer rating or corporate credit rating) is no lower than (a) at the time such Person executes, delivers or issues a Qualified Hedge, ‘A+’, ‘A1’ or the equivalent rating from each Nationally Recognized Rating Agency that provides a rating on such Person’s unsecured, senior long-term indebtedness or that provides an issuer rating or corporate credit rating for such Person, as applicable; and (b) at any time thereafter, ‘A’, ‘A2’ or the equivalent rating from each Nationally Recognized Rating Agency that provides a rating on such Person’s unsecured, senior long-term indebtedness or that provides an issuer rating or corporate credit rating for such Person, as applicable.

“Act” means the Act as defined in the recitals hereto.

“Additional Principal Project Contracts” means (a) any contract, agreement, letter of intent, understanding or instrument listed in Part B of **Schedule 12(n)** (*Principal Project Contracts*) and (b) any other contract, agreement, letter of intent, understanding or instrument entered into by (or on behalf of) the Borrower after the Effective Date with respect to the Project, in the case of this clause (b), (i) pursuant to which the Borrower has payment obligations in excess of \$[] in the aggregate or (ii) the termination of which could reasonably be expected to have a Material Adverse Effect, but excluding, in the case of this clause (b), any (A) insurance policies or documents pertaining to the Borrower’s self-insurance program (as applicable), (B) Governmental Approvals and (C) agreements, documents and instruments (1) providing for, governing or evidencing any Permitted Indebtedness and any related Permitted Lien for such Permitted Indebtedness or (2) entered into to consummate any Permitted Investment.

“Additional Bonds” means any Bonds permitted under Section 15(a) (*Negative Covenants – Indebtedness*) and under the Indenture, which Bonds are issued or incurred after the Effective Date.

“Additional Subordinate Obligations” means any Subordinate Obligations permitted under Section 15(a) (*Negative Covenants – Indebtedness*) and under the Indenture, which Subordinate Obligations are issued or incurred after the Effective Date.

“**Administrator**” has the meaning provided in the preamble hereto.

“**Aggregate Debt Service**” has the meaning set forth in the Indenture.

“**Agreement**” has the meaning provided in the preamble hereto.

“**Anticipated WIFIA Loan Disbursement Schedule**” means the schedule set forth in **Exhibit B** (*Anticipated WIFIA Loan Disbursement Schedule*), reflecting the anticipated disbursement of proceeds of the WIFIA Loan, as such schedule may be amended from time to time pursuant to Section 4(c) (*Disbursement Conditions*).

“**Anti-Corruption Laws**” means all laws, rules and regulations of any jurisdiction from time to time concerning or relating to bribery or corruption.

“**Anti-Money Laundering Laws**” means all U.S. and other applicable laws, rules and regulations of any jurisdiction from time to time concerning or related to anti-money laundering, including but not limited to those contained in the Bank Secrecy Act and the Patriot Act.

“**Application**” has the meaning provided in the recitals hereto.

“**Bank Secrecy Act**” means the Bank Secrecy Act of 1970, as amended, and the regulations promulgated thereunder.

“**Bankruptcy Related Event**” means, with respect to the Borrower, (a) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any of its debts, or of a substantial part of the assets thereof, under any Insolvency Laws, or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Borrower or for a substantial part of the assets thereof and, in any case referred to in the foregoing subclauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; (b) the Borrower shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official therefor or for a substantial part of the assets thereof, (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or become unable to pay its debts generally as they become due, (iii) fail to make a payment of WIFIA Debt Service in accordance with the provisions of Section 8 (*Payment of Principal and Interest*) and such failure is not cured within thirty (30) days following notification by the WIFIA Lender of failure to make such payment, (iv) make a general assignment for the benefit of creditors, (v) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, (vi) commence a voluntary proceeding under any Insolvency Law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief, in each case under any Insolvency Law, (vii) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing subclauses (i) through (v), inclusive, of this clause (b), or (viii) take any action for the purpose of effecting any of the foregoing, including seeking approval or legislative enactment by any Governmental Authority to authorize commencement of a voluntary proceeding under any Insolvency Law; (c) (i) any Person shall commence a process pursuant to which all or a substantial part of the Pledged Collateral may be sold or otherwise

disposed of in a public or private sale or disposition pursuant to a foreclosure of the Liens thereon securing the Bonds, or (ii) any Person shall commence a process pursuant to which all or a substantial part of the Pledged Collateral may be sold or otherwise disposed of pursuant to a sale or disposition of such Pledged Collateral in lieu of foreclosure; or (d) any receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official shall transfer, pursuant to directions issued by the Bondholders, funds on deposit in any of the System Accounts upon the occurrence and during the continuation of an Event of Default under this Agreement or an event of default under the Indenture for application to the prepayment or repayment of any principal amount of the Bonds other than in accordance with the provisions of the Indenture.

“Base Case Financial Model” means a financial model prepared by the Borrower forecasting the capital costs of the System (including the Project) and the rates, revenues, operating expenses and major maintenance requirements of the System for time periods through the Final Maturity Date and based upon assumptions and methodology provided by the Borrower and acceptable to the WIFIA Lender as of the Effective Date, which model shall be provided to the WIFIA Lender as a fully functional Microsoft Excel – based financial model or such other format requested by the WIFIA Lender.

“Bond Act” means the Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended, and, to the extent applicable, the Registered Public Obligations Act, Chapter 7 of Title 15, Utah Code Annotated 1953, as amended, and all laws amendatory thereof or supplemental thereto.

“Bond Service Account” means the Bond Service Account in the Principal and Interest Fund established in Section 5.02 of the Indenture.

“Bondholder” means, when used with respect to the WIFIA Bond, the WIFIA Lender (and any subsequent registered holder of the WIFIA Bond) and, when used with respect to any other Bond or Obligation, the registered owner of such Bond or Obligation.

“Bonds” means bonds, notes, commercial paper or other obligations (other than Repayment Obligations) authorized by and at any time Outstanding pursuant to the Indenture, in each case, that rank senior in right of payment and right of security to the Subordinate Obligations, including (a) the Existing Indebtedness, (b) the WIFIA Bond and (c) any Additional Bonds.

“Borrower” has the meaning provided in the preamble hereto.

“Borrower Fiscal Year” means (a) as of the Effective Date, a fiscal year of the Borrower commencing on January 1 of any calendar year and ending on December 31 of the same calendar year or (b) such other fiscal year as the Borrower may hereafter adopt after giving thirty (30) days’ prior written notice to the WIFIA Lender in accordance with Section 15(f) (*Negative Covenants – Fiscal Year*).

“Borrower’s Authorized Representative” means any Person who shall be designated as such pursuant to Section 21 (*Borrower’s Authorized Representative*).

“Business Day” means any day other than a Saturday, a Sunday or a day on which offices of the Government or the State are authorized to be closed or on which commercial banks are

authorized or required by law, regulation or executive order to be closed in New York, New York, or Summit County, Utah.

“Capital Expenditures” means expenditures made or liabilities incurred for the renewal, replacement, expansion or acquisition of any assets of the System, including improvements or replacements thereto, that have a useful life of more than one (1) year and that are capitalized in accordance with GAAP.

“Capitalized Interest Period” means the period from (and including) the Effective Date to (but excluding) the first day of the initial Payment Period, subject to earlier termination as set forth in Section 8(b) (*Payment of Principal and Interest – Capitalized Interest Period*).

“Code” means the Internal Revenue Code of 1986, or any successor tax code, as amended from time to time, and the applicable regulations proposed or promulgated thereunder.

“Congress” means the Congress of the United States of America.

“Construction Fund” means the fund by that name established in Section 5.02 of the Indenture.

“Construction Period” means the period from the Effective Date through the Substantial Completion Date.

“Construction Period Servicing Fee” has the meaning set forth in Section 10(a)(ii) (*Fees and Expenses – Fees*).

“Construction Schedule” means (a) the initial schedule or schedules on which the construction timetables for the Project are set forth, attached as **Schedule II** (*Construction Schedule*), and (b) any updates thereto included in the periodic reports submitted to the WIFIA Lender pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*) most recently approved by the WIFIA Lender.

“Control” means, when used with respect to any particular Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or partnership or other ownership interests, by contract or otherwise, and the terms **“Controlling”** and **“Controlled by”** have meanings correlative to the foregoing.

“Council” means the County Council of Summit County, Utah, acting as the governing body of the District provided for pursuant to law.

“CPI” means the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84=100 (not seasonally adjusted) or its successor, published by the Bureau of Labor Statistics and located at <https://www.bls.gov/news.release/cpi.t01.htm>.

“Debt Service” has the meaning set forth in the Indenture.

“Debt Service Payment Commencement Date” means the earliest to occur of either (a) [fixed date]¹; (b) if the Capitalized Interest Period ends pursuant to Section 8(b) (*Payment of Principal and Interest – Capitalized Interest Period*) due to the occurrence of an Event of Default, the first Payment Date immediately following the end of the Capitalized Interest Period; or (c) the Payment Date falling closest to, but not later than, the fifth anniversary of the Substantial Completion Date.

“Debt Service Reserve Account” means the Debt Service Reserve Account in the Principal and Interest Fund established in Section 5.02 of the Indenture.

“Default” means any event or condition that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“Default Rate” means an interest rate equal to the sum of (a) the WIFIA Interest Rate plus (b) [_____] ² basis points.

“Development Default” means (a) the Borrower abandons work or fails, in the reasonable judgment of the WIFIA Lender, to diligently prosecute the work related to the Project or (b) the Borrower fails to achieve Substantial Completion of the Project by [_____].

“District” means the Mountain Regional Water Special Service District, a political subdivision of the State of Utah.

“Dollars” and **“\$”** means the lawful currency of the United States of America.

“Effective Date” means the date of this Agreement.

“Eligible Project Costs” means amounts in the Project Budget approved by the WIFIA Lender, which are paid by or for the account of the Borrower in connection with the Project (including, as applicable, Project expenditures incurred prior to the receipt of WIFIA credit assistance), which shall arise from the following:

- (a) development-phase activities, including planning, feasibility analysis (including any related analysis necessary to carry out an eligible project), revenue forecasting, environmental review, permitting, preliminary engineering and design work and other preconstruction activities;

- (b) construction, reconstruction, rehabilitation, and replacement activities;

- (c) the acquisition of real property or an interest in real property (including water rights, land relating to the Project and improvements to land), environmental mitigation (including acquisitions pursuant to Section 3905(8) of Title 33 of the United States Code), construction contingencies, and acquisition of equipment; or

¹ In no event later than five (5) years after the Projected Substantial Completion Date as of the Effective Date.

² To be determined by EPA.

(d) capitalized interest (with respect to Obligations other than the WIFIA Loan) necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction;

provided, that Eligible Project Costs must be consistent with all other applicable federal law, including the Act.

“Eligible Project Costs Documentation” has the meaning provided in Section 1 of Exhibit D (Requisition Procedures).

“EMMA” means the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)1 of the Securities Exchange Act of 1934, as amended, and its successors.

“Environmental Laws” has the meaning provided in Section 12(p) (*Representations and Warranties of Borrower – Environmental Matters*).

“EPA” means the United States Environmental Protection Agency.

“Event of Default” has the meaning provided in Section 17(a) (*Events of Default and Remedies*).

“Event of Loss” means any event or series of events that causes any portion of the System to be damaged, destroyed or rendered unfit for normal use for any reason whatsoever, including through a casualty, a failure of title, or any loss of such property through eminent domain.

“Existing Indebtedness” means indebtedness of the Borrower that has been issued or incurred prior to the Effective Date, as listed and described in **Schedule III** (*Existing Indebtedness*).

“Existing Principal Project Contract” means each contract of the Borrower set forth in Part A of **Schedule 12(n)** (*Principal Project Contracts*).

“Federal Fiscal Year” means the fiscal year of the Government, which is the twelve (12) month period that ends on September 30 of the specified calendar year and begins on October 1 of the preceding calendar year.

“Final Disbursement Date” means the earliest of (a) the date on which the WIFIA Loan has been disbursed in full; (b) the last anticipated date of disbursement set forth in the then-current Anticipated WIFIA Loan Disbursement Schedule; (c) the date on which the Borrower has certified to the WIFIA Lender that it will not request any further disbursements under the WIFIA Loan; (d) the date on which the WIFIA Lender terminates its obligations relating to disbursements of any undisbursed amounts of the WIFIA Loan in accordance with Section 17 (*Events of Default and Remedies*); and (e) the date that is one (1) year after the Substantial Completion Date.

“Final Maturity Date” means the earlier of (a) [*fixed date*]³ (or such earlier date as is set forth in an updated **Exhibit F** (*WIFIA Debt Service*) pursuant to Section 8(e) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*)); and (b) the Payment Date immediately preceding the date that is thirty-five (35) years following the Substantial Completion Date.

“Financial Statements” has the meaning provided in Section 12(t) (*Representations and Warranties of Borrower – Financial Statements*).

“Fund” means one of the funds confirmed or established pursuant to Section 5.02, including the Construction Fund, the Principal and Interest Fund, the Renewal and Replacement Fund and the Revenue Fund.

“GAAP” means generally accepted accounting principles for U.S. state and local governments, as established by the Government Accounting Standards Board (or any successor entity with responsibility for establishing accounting rules for governmental entities), in effect from time to time in the United States of America.

“Government” means the United States of America and its departments and agencies.

“Governmental Approvals” means all authorizations, consents, approvals, waivers, exceptions, variances, filings, permits, orders, licenses, exemptions and declarations of or with any Governmental Authority.

“Governmental Authority” means any federal, state, provincial, county, city, town, village, municipal or other government or governmental department, commission, council, court, board, bureau, agency, authority or instrumentality (whether executive, legislative, judicial, administrative or regulatory), of or within the United States of America or its territories or possessions, including the State and its counties and municipalities, and their respective courts, agencies, instrumentalities and regulatory bodies, or any entity that acts “on behalf of” any of the foregoing, whether as an agency or authority of such body.

“Hedging Agreement” means (a) the ISDA Master Agreement(s) and any related credit support annex, schedules and confirmations, to be entered into by the Borrower and a Hedging Bank, (b) any other agreement entered into, or to be entered into, by the Borrower and a Hedging Bank for a Hedging Transaction, and (c) any other documentation directly relating to the foregoing.

“Hedging Bank” means any Qualified Hedge Provider that becomes a party to a Hedging Agreement and its permitted successors (to the extent such successors are also Qualified Hedge Providers).

“Hedging Obligations” means, collectively, the payment of (a) all scheduled amounts payable to the Hedging Banks by the Borrower under the Hedging Agreements (including interest

³ In no event later than the earlier to occur of (i) the 35th anniversary of the Projected Substantial Completion Date and (ii) the estimated expiration of the useful life of the Project, in each case as of the Effective Date, consistent with 33 U.S.C. § 3908(b)(5).

accruing after the date of any filing by the Borrower of any petition in bankruptcy or the commencement of any bankruptcy, insolvency or similar proceeding with respect to the Borrower), net of all scheduled amounts payable to the Borrower by such Hedging Banks, and (b) all other indebtedness, fees, indemnities and other amounts payable by the Borrower to the Hedging Banks under such Hedging Agreements, net of all other indebtedness, fees, indemnities and other amounts payable by the Hedging Banks to the Borrower under such Hedging Agreements; provided, that Hedging Obligations shall not include Hedging Termination Obligations. For the avoidance of doubt, all calculations of such amounts payable under the Hedging Agreements shall be made in accordance with the terms of the applicable Hedging Agreements.

“Hedging Termination Obligations” means the aggregate amount payable to the Hedging Banks by the Borrower upon the early termination of all or a portion of the Hedging Agreements, net of all amounts payable to the Borrower by such Hedging Banks upon such early termination. For the avoidance of doubt, all calculations of such amounts payable under the Hedging Agreements shall be made in accordance with the terms of the applicable Hedging Agreements.

“Hedging Transaction” means any interest rate protection agreement, interest rate swap transaction, interest rate “cap” transaction, interest rate future, interest rate option or other similar interest rate hedging arrangement commonly used in loan transactions to hedge against interest rate increases (and not for any speculative purpose).

“Indemnitee” has the meaning provided in Section 32 (*Indemnification*).

“Indenture” means that certain General Indenture of Trust, dated as of June 1, 2001, between the Borrower and the Trustee, providing for the issuance of Water Revenue Bonds, as from time to time amended or supplemented by Supplemental Indentures.

“Indenture Documents” means the Indenture, each Supplemental Indenture, each resolution adopted by the Council for the purpose of authorizing Bonds or other Obligations and each other agreement, instrument and document executed and delivered pursuant to or in connection with any of the foregoing.

“Insolvency Laws” means the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, as from time to time amended and in effect, and any state bankruptcy, insolvency, receivership, conservatorship or similar law now or hereafter in effect.

“Interest Payment Date” means each _____ and _____, commencing on the Debt Service Payment Commencement Date.

“Investment Grade Rating” means a public rating no lower than ‘BBB-’, ‘Baa3’, ‘bbb-’, ‘BBB (low)’, or higher, from a Nationally Recognized Rating Agency.

“Investment Securities” has the meaning set forth in the Indenture.

“ISDA Master Agreement” means a master agreement, entered into by the Borrower and a Hedging Bank, in the form published by the International Swaps and Derivatives Association, Inc.

“Lien” means any mortgage, pledge, hypothecation, assignment, mandatory deposit arrangement, encumbrance, attachment, lien (statutory or other), charge or other security interest, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including any sale-leaseback arrangement, any conditional sale or other title retention agreement, any financing lease having substantially the same effect as any of the foregoing, and the filing of any financing statement or similar instrument under the UCC or any other applicable law.

“Loan Amortization Schedule” means the Loan Amortization Schedule reflected in the applicable column of **Exhibit F** (*WIFIA Debt Service*), as amended from time to time in accordance with Section 8(e) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*).

“Loss Proceeds” means any proceeds of builders’ risk or casualty insurance (other than any proceeds from any policy of business interruption insurance insuring against loss of revenues upon the occurrence of certain casualties or events covered by such policy of insurance) or proceeds of eminent domain proceedings resulting from any Event of Loss.

“Material Adverse Effect” means, in the opinion of the District, a material adverse effect on (a) the System, the Project or the Revenues, (b) the business, operations, properties, condition (financial or otherwise) or prospects of the Borrower, (c) the legality, validity or enforceability of any material provision of the Indenture or any WIFIA Loan Document, (d) the ability of the Borrower to enter into, perform or comply with any of its material obligations under the Indenture or any WIFIA Loan Document, (e) the validity, enforceability or priority of the Liens provided under the Indenture on the Pledged Collateral in favor of the Secured Parties or (f) the WIFIA Lender’s rights or remedies available under the Indenture or any WIFIA Loan Document.]

“Nationally Recognized Rating Agency” means any nationally recognized statistical rating organization identified as such by the Securities and Exchange Commission.

“NEPA” means the National Environmental Policy Act of 1969, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time.

“NEPA Determination” means the [Finding of No Significant Impact][Categorical Exclusion] [Record of Decision] for the Project issued by EPA on [_____], 20[___] in accordance with NEPA.

“Net Loss Proceeds” means Loss Proceeds after excluding any proceeds of delay-in-start-up insurance and proceeds covering liability of the Borrower to third parties.

“Net Revenues” means, for any period, the Revenues for such period, less Operation and Maintenance Costs for such period.

“Non-Debarment Certificate” means a certificate, signed by the Borrower’s Authorized Representative, as to the absence of debarment, suspension or voluntary exclusion from participation in Government contracts, procurement and non-procurement matters with respect to the Borrower and its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R.

1532.995), substantially in the form attached hereto as **Exhibit C** (*Form of Non-Debarment Certificate*).

“Non-Lobbying Certificate” means a certificate, signed by the Borrower’s Authorized Representative, with respect to the prohibition on the use of appropriated funds for lobbying pursuant to 49 C.F.R. § 20.100(b), substantially in the form attached hereto as **Exhibit E** (*Form of Non-Lobbying Certificate*).

“Obligations” means debt of the Borrower that is secured by a pledge and lien on all or a portion of the Revenues, including the Bonds and Subordinate Obligations.

“OFAC” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“Operating Period Servicing Fee” has the meaning set forth in Section 10(a)(iii) (*Fees and Expenses – Fees*).

“Operation and Maintenance Costs” means, subject to Section 14(h)(ii) (*Affirmative Covenants – System Accounts; Investment Securities*), all actual operation and maintenance costs related to the System incurred by the Borrower in any particular Borrower Fiscal Year or period to which said term is applicable or charges made therefor during such Borrower Fiscal Year or period. Such Operation and Maintenance Costs include, but are not limited to, amounts paid by the Borrower for improvement, repair, replacement or for the acquisition of any item of equipment related to the System; salaries and wages; employees’ health, hospitalization, pension and retirement expenses; fees for services, materials and supplies; rents; administrative and general expenses; insurance expenses; Trustee, Paying Agent, legal, engineering, accounting and financial advisory fees and expenses and costs of other consulting and technical services; training of personnel; taxes, payments in lieu of taxes and other governmental charges (including franchise fees imposed by the Borrower for the use of public streets and rights-of-way); fuel and electricity costs; payments for the purchase of water or the treatment or transmission of water for distribution in the System; payments for the treatment, transmission or disposal of sewage; payments pursuant to any Resource Purchase Agreement; and any other current expenses or obligations required to be paid by the Borrower under the provisions of the Indenture or by law, all to the extent properly allocable to the System. Operation and Maintenance Costs do not include depreciation or obsolescence charges or reserves therefor; amortization of intangibles or other bookkeeping entries of a similar nature; interest charges and charges for the payment of principal, or amortization, of bonded or other indebtedness of the Borrower, or costs or charges made therefor; and losses from the sale, abandonment, reclassification, revaluation or other disposition of any properties.

“Organizational Documents” means: (a) the constitutional and statutory provisions that are the basis for the existence and authority of the Borrower, including any enabling statutes, ordinances or public charters and any other organic laws establishing the Borrower and (b) the resolutions, bylaws, code of regulations, operating procedures or other organizational documents (including any amendments, modifications or supplements thereto) of or adopted by the Borrower by which the Borrower, its powers, operations or procedures or its securities, bonds, notes or other obligations are governed or from which such powers are derived.

“Outstanding” means (a) with respect to Bonds (other than the WIFIA Bond) or Subordinate Obligations, Bonds or Subordinate Obligations that have not been cancelled or legally defeased or discharged within the meaning of the applicable issuing document or resolutions and (b) with respect to the WIFIA Bond, the (i) entire amount available to be drawn under this Agreement (including amounts drawn and amounts that remain available to be drawn), less (ii) any amount that has been irrevocably determined will not be drawn under this Agreement, less (iii) the aggregate principal amount of the WIFIA Bond that has been repaid.

“Outstanding WIFIA Loan Balance” means the sum of (i) the aggregate principal amount of the WIFIA Loan drawn by the Borrower plus (ii) capitalized interest added to the principal balance of the WIFIA Loan minus (iii) the aggregate principal amount of the WIFIA Loan repaid by the Borrower, as determined in accordance with Section 8(e) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*).

“Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended, and all regulations promulgated thereunder.

“Paying Agent” means any bank or trust company designated as paying agent for the Bonds of any Series, and its successor or successors hereinafter appointed in the manner provided in Section 7.02 of the Indenture.

“Payment Date” means each Interest Payment Date and each Principal Payment Date.

“Payment Default” has the meaning provided in Section 17(a)(i) (*Events of Default and Remedies – Payment Default*).

“Payment Period” means the six (6) month period beginning on [] and ending on [], and each succeeding six (6) month period thereafter; provided, that, that if the Debt Service Payment Commencement Date begins earlier than [], the first Payment Period shall be the six (6) month period ending on the date immediately prior to the Debt Service Payment Commencement Date.

“Permitted Hedging Termination” means the early termination, in whole or in part, of any Qualified Hedge (a) at the request of the Borrower as a result of a determination by the Borrower that such (or any part of such) Qualified Hedge is no longer necessary or required under the terms of this Agreement, (b) pursuant to the terms of any Hedging Agreement evidencing such Qualified Hedge that provides for the notional amount of such Qualified Hedge to amortize or otherwise be reduced from time to time or (c) as may be required pursuant to Section 14(k)(iii) (*Affirmative Covenants – Variable Rate Bonds*).

“Permitted Indebtedness” means:

- (a) Existing Indebtedness;
- (b) the WIFIA Loan;

(c) Additional Bonds that satisfy the requirements of Section 15(a)(ii) (*Negative Covenants – Indebtedness*) and the Indenture;

(d) Repayment Obligations in respect of Additional Bonds that satisfy the requirements of Section 15(a)(ii) (*Negative Covenants – Indebtedness*) and the Indenture;

(e) Additional Subordinate Obligations that satisfy the requirements of Section 15(a)(iv) (*Negative Covenants – Indebtedness*) and the Indenture; and

(f) indebtedness incurred in respect of Qualified Hedges.

“Permitted Liens” means:

(a) Liens imposed pursuant to the WIFIA Loan Documents;

(b) Liens imposed pursuant to the Indenture Documents with respect to the Permitted Indebtedness;

(c) Liens imposed by law, including Liens for taxes that are not yet due or are being contested in compliance with Section 14(j) (*Affirmative Covenants – Material Obligations*);

(d) carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than thirty (30) days or are being contested in compliance with Section 14(j) (*Affirmative Covenants – Material Obligations*);

(e) pledges and deposits made in the ordinary course of business in compliance with workers’ compensation, unemployment insurance, and other social security laws or regulations;

(f) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(g) judgment Liens in respect of judgments that do not constitute an Event of Default under Section 17(a)(vi) (*Events of Default and Remedies – Material Adverse Judgment*); and

(h) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that, in any case, do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Borrower.

“Person” means and includes an individual, a general or limited partnership, a joint venture, a corporation, a limited liability company, a trust, an unincorporated organization and any Governmental Authority.

“Pledged Collateral” means all of the interests of the Borrower in (a) the proceeds of sale of the Bonds, (b) the Net Revenues, and (c) the Construction Fund, Principal and Interest Fund, Renewal and Replacement Fund, Revenue Fund and any other Funds established or confirmed by the Indenture (except for any Rebate Fund) and pledged for the payment of Principal, Redemption Price and interest on the Bonds and of Repayment Obligations, including the investments, if any, thereof, subject to any required rebate of all or a portion of the earnings on such investments to the United States of America pursuant to the requirements of Section 148(f) of the Code.

“Principal” has the meaning set forth in the Indenture.

“Principal and Interest Fund” means the Principal and Interest Fund established in Section 5.02 of the Indenture.

“Principal Payment Date” means each _____, commencing _____.

“Principal Project Contracts” means the Existing Principal Project Contracts and the Additional Principal Project Contracts.

“Principal Project Party” means any Person (other than the Borrower) party to a Principal Project Contract.

“Project” means (a) the optimization and expansion of the Signal Hill Water Treatment Plant and all related improvements (the “Series 2025 Project”), and (b) the costs of issuance of the WIFIA Bond.⁴

“Project Budget” means the budget for the Project attached to this Agreement as *Schedule I (Project Budget)* showing a summary of Total Project Costs with a breakdown of all Eligible Project Costs and the estimated sources and uses of funds for the Project.

“Projected Substantial Completion Date” means *[insert date]*, as such date may be adjusted in accordance with Section 16(d) (*Reporting Requirements – Construction Reporting*).

“Public Benefits Report” has the meaning provided in Section 16(e) (*Reporting Requirements – Public Benefits Report*).

“Qualified Hedge” means, to the extent from time to time permitted by law, with respect to Permitted Indebtedness any Hedging Transaction entered into with a Qualified Hedge Provider and meeting the requirements of Section 14(k) (*Affirmative Covenants – Variable Rate Bonds*).

“Qualified Hedge Provider” means any bank or trust company, or an affiliate thereof, authorized to engage in the banking business that is organized under or licensed as a branch or agency under the laws of the United States of America or any state thereof, that has an Acceptable Credit Rating.

“Rate Covenant Requirement” shall mean an amount equal to at least (1) 125% of the Aggregate Debt Service excluding amounts payable on Repayment Obligations for the Fiscal Year,

(2) 100% of the Repayment Obligations, if any, which will be due and payable during the forthcoming Borrower Fiscal Year and (3) 100% of the amounts, if any, then required by the Indenture to be deposited into the Debt Service Reserve Account during the forthcoming Borrower Fiscal Year.

“Redemption Price” has the meaning set forth in the Indenture.

“Related Documents” means the Indenture Documents, the WIFIA Loan Documents and the Principal Project Contracts.

“Renewal and Replacement Fund” means the Renewal and Replacement Fund established in Section 5.02 of the Indenture.

“Repayment Obligations” has the meaning set forth in the Indenture.

“Requisition” has the meaning provided in Section 4(a) (*Disbursement Conditions*).

“Reserve Instrument Issuer” has the meaning set forth in the Indenture.

“Resource Purchase Agreement” has the meaning set forth in the Indenture.

“Revenue Fund” means the Revenue Fund established in Section 5.02 of the Indenture.

“Revenues” means all revenues, connection fees, income, rents and receipts derived by the Borrower from or attributable to the System, including the proceeds of any insurance covering business interruption loss. “Revenues” also includes all interest, profits or other income derived from the investment of any moneys held pursuant to the Indenture and required to be paid into the Revenue Fund and the proceeds of any interest subsidy with respect to the Bonds paid for or for the account of the Borrower by any governmental body or agency. Revenues shall not include: (a) proceeds received on insurance resulting from casualty damage to assets of the System; or (b) the proceeds of sale of Bonds, notes or other obligations issued for System purposes.

“Sanctioned Country” means, at any time, a country or territory which is itself the subject or target of any Sanctions.

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country, or (c) any Person owned or Controlled by any such Person or Persons.

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered, or enforced from time to time by the Government, including those administered by OFAC or the U.S. Department of State.

“Secured Parties” means the WIFIA Lender, any other Bondholders, any Reserve Instrument Issuers and any Security Instrument Issuers.

“Security Instrument Issuer” has the meaning set forth in the Indenture.

“Series” means all of the Bonds designated as being of the same Series authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor pursuant to Article III or Section 4.04 or Section 8.06 of the Indenture.

“Series Subaccount” has the meaning set forth in the Indenture.

“Servicer” means such entity or entities as the WIFIA Lender shall designate from time to time to perform, or assist the WIFIA Lender in performing, certain duties hereunder.

“Servicing Fee” means the Servicing Set-Up Fee and any Construction Period Servicing Fee or Operating Period Servicing Fee.

“Servicing Set-Up Fee” has the meaning set forth in Section 10(a)(i) (*Fees and Expenses – Fees*).

“State” has the meaning provided in the preamble hereto.

“Subordinate Obligations” means any Obligation that is fully subordinated to the WIFIA Loan and the WIFIA Bond in priority of payment (as to both principal and interest), voting and priority of security interest in the Pledged Collateral, including with respect to payment from revenues and reserves and payment upon default or acceleration of any such Obligations.

“Substantial Completion” means, with respect to the Project, the stage at which the Project is able to perform the functions for which the Project is designed.

“Substantial Completion Date” means the date on which the Borrower certifies to the WIFIA Lender, with evidence satisfactory to the WIFIA Lender, that Substantial Completion has occurred.

“Summit County” means Summit County, Utah.

“Supplemental Indenture” means any indenture supplemental to the Indenture or amendatory thereof that is in full force and effect and has been duly executed and delivered by the Borrower and the Trustee in accordance with the provisions of the Indenture, including, without limitation, the WIFIA Supplemental Indenture.

“System” means the complete combined waterworks plant and system, sewerage collection, treatment and disposal plant and system, stormwater system and street lighting system of the Borrower, including all improvements, extensions, and additions thereto which may be made while any of the Bonds remain Outstanding, and including all property, real, personal and mixed, of every nature now or hereafter owned by the Borrower and used or useful in the operation of its waterworks, sewerage, stormwater or street lighting properties. The Borrower may, without the

consent of Bond Holders, further amend the definition of System by adding additional systems, properties and improvements and the revenues therefrom by Supplemental Indenture.⁵

“System Accounts” means all funds, accounts or subaccounts established pursuant to the Indenture or holding Revenues, including the Revenue Fund, the Renewal and Replacement Fund, the Principal and Interest Fund (and within the Principal and Interest Fund, the Bond Service Account, and the subaccounts therein including the WIFIA Debt Service Account, and the Debt Service Reserve Account, and the subaccounts therein) and such additional funds, accounts or subaccounts that may be established in connection with the System for Revenues.

“Technical and Rate Consultant” means a single individual or firm, or a combination of one or more individuals or firms, not related to the Borrower and considered independent with respect to the Borrower (i.e. not an employee of the Borrower or any affiliate of the Borrower) authorized to do business in and qualified to practice in the areas required to provide the services required of the Technical and Rate Consultant, that together have expertise in the technical requirements for operation and maintenance of systems similar in size and scope to the System and delivering the services provided by the System, and establishing rates and charges for governmental water, wastewater, stormwater or street lighting systems similar in size and scope to the System, selected by the Borrower and reasonably acceptable to the WIFIA Lender.

“Total Project Costs” means (a) the costs paid or incurred or to be paid or incurred by the Borrower in connection with or incidental to the acquisition, design, construction and equipping of the Project, including legal, administrative, engineering, planning, design, insurance and financing (including costs of issuance); (b) amounts, if any, required by the Indenture Documents or the WIFIA Loan Documents to be paid into any fund or account upon the incurrence of the WIFIA Loan, any Bonds or any Subordinate Obligations, in each case in respect of the Project; (c) payments when due (whether at the maturity of principal, the due date of interest, or upon optional or mandatory prepayment) during the Construction Period in respect of any indebtedness of the Borrower, in each case in connection with the Project (other than the WIFIA Loan); and (d) costs of equipment and supplies and initial working capital and reserves required by the Borrower for the commencement of operation of the Project, including general administrative expenses and overhead of the Borrower.

“Trustee” means U.S. Bank Trust Company, National Association appointed by the Borrower pursuant to Section 7.01 of the Indenture, its successors and assigns, and any other corporation or association which may at any time be substituted in its place as provided in the Indenture.

“Uncontrollable Force” means any cause beyond the control of the Borrower, including: (a) a hurricane, tornado, flood or similar occurrence, landslide, earthquake, fire or other casualty, strike or labor disturbance, freight embargo, act of a public enemy, explosion, war, blockade, terrorist act, insurrection, riot, general arrest or restraint of government and people, civil disturbance or similar occurrence, sabotage, or act of God (provided, that the Borrower shall not be required to settle any strike or labor disturbance in which it may be involved) or (b) the order

⁵ Note: The last sentence of the definition of “System” is still under review by EPA and, at a minimum, EPA would like to ensure continued compliance with the Rate Covenant Requirement at the time of and taking into consideration such proposed additions to the System.

or judgment of any federal, state or local court, administrative agency or governmental officer or body, if it is not also the result of willful or negligent action or a lack of reasonable diligence of the Borrower and the Borrower does not control the administrative agency or governmental officer or body; provided, that the diligent contest in good faith of any such order or judgment shall not constitute or be construed as a willful or negligent action or a lack of reasonable diligence of the Borrower.

“Uniform Commercial Code” or **“UCC”** means the Uniform Commercial Code, as in effect from time to time in the State.

“Updated Financial Model” means the Base Case Financial Model, updated in accordance with Section 16(a) (*Reporting Requirements – Updated Financial Model*).

“Variable Interest Rate” means a rate of interest on Bonds for any future period of time which is expressed to be calculated at a rate which is not susceptible of a precise determination.

“Variable Rate Bonds” means, as of any date of calculation, Bonds the terms of which on such date of calculation are such that interest thereon for any future period of time is expressed to be calculated at a rate which is not susceptible of a precise determination.

“WIFIA” has the meaning provided in the recitals hereto.

“WIFIA Bond” means the Bond delivered by the Borrower in substantially the form of **Exhibit A** (*Form of WIFIA Bond*).

“WIFIA Debt Service” means with respect to any Payment Date occurring on or after the Debt Service Payment Commencement Date, the principal portion of the Outstanding WIFIA Loan Balance and any interest payable thereon (including interest accruing after the date of any filing by the Borrower of any petition in bankruptcy or the commencement of any bankruptcy, insolvency or similar proceeding with respect to the Borrower), in each case, (a) as set forth on **Exhibit F** (*WIFIA Debt Service*) and (b) due and payable on such Payment Date in accordance with the provisions of Section 8(a) (*Payment of Principal and Interest – Payment of WIFIA Debt Service*).

“WIFIA Debt Service Account” means the Series Subaccount in the Bond Service Account established for the benefit of the WIFIA Lender in accordance with the terms of the WIFIA Supplemental Indenture.

“WIFIA Interest Rate” has the meaning provided in Section 6 (*Interest Rate*).

“WIFIA Lender” has the meaning provided in the preamble hereto.

“WIFIA Lender’s Authorized Representative” means the Administrator and any other Person who shall be designated as such pursuant to Section 22 (*WIFIA Lender’s Authorized Representative*).

“WIFIA Loan” means the secured loan made by the WIFIA Lender to the Borrower on the terms and conditions set forth herein, pursuant to the Act, in a principal amount not to exceed

\$_____ (excluding capitalized interest), to be used in respect of Eligible Project Costs paid or incurred by the Borrower.

“WIFIA Loan Documents” means this Agreement, the WIFIA Bond, the WIFIA Supplemental Indenture and the WIFIA Loan Authorizing Proceedings.

“WIFIA Loan Authorizing Proceedings” means, collectively, (i) Resolution No. [____], adopted by the Council on _____, and (ii) the public hearing held by the Council on _____.

“WIFIA Supplemental Indenture” means the Sixteenth Supplemental Indenture, dated as of _____ 1, 2025, by and between the Borrower and the Trustee, relating to the WIFIA Loan.

Section 2. Interpretation.

(a) Unless the context shall otherwise require, the words “hereto,” “herein,” “hereof” and other words of similar import refer to this Agreement as a whole.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and vice versa.

(c) Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise require.

(d) The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.”

(e) Whenever the Borrower’s knowledge is implicated in this Agreement or the phrase “to the Borrower’s knowledge” or a similar phrase is used in this Agreement, the Borrower’s knowledge or such phrase(s) shall be interpreted to mean to the best of the Borrower’s knowledge after reasonable and diligent inquiry. Unless the context shall otherwise require, references to any Person shall be deemed to include such Person’s successors and permitted assigns.

(f) Unless the context shall otherwise require, references to preambles, recitals, sections, subsections, clauses, schedules, exhibits, appendices and provisions are to the applicable preambles, recitals, sections, subsections, clauses, schedules, exhibits, appendices and provisions of this Agreement.

(g) The schedules and exhibits to this Agreement, and the appendices and schedules to such exhibits, are hereby incorporated by reference and made an integral part of this Agreement.

(h) The headings or titles of this Agreement and its sections, schedules or exhibits, as well as any table of contents, are for convenience of reference only and shall not define or limit its provisions.

(i) Unless the context shall otherwise require, all references to any resolution, contract, agreement, lease or other document shall be deemed to include any amendments or supplements

to, or modifications or restatements or replacements of, such documents that are approved from time to time in accordance with the terms thereof and hereof.

(j) Every request, order, demand, application, appointment, notice, statement, certificate, consent or similar communication or action hereunder by any party shall, unless otherwise specifically provided, be delivered in writing in accordance with Section 31 (*Notices*) and signed by a duly authorized representative of such party.

(k) References to “disbursements of WIFIA Loan proceeds” or similar phrasing shall be construed as meaning the same thing as “paying the purchase price of the WIFIA Bond”.

(l) Whenever this Agreement requires a change in principal amount, interest rate or amortization schedule of the WIFIA Loan, it is intended that such change be reflected in the WIFIA Bond. Whenever there is a mandatory or optional prepayment of the WIFIA Loan, it is intended that such prepayment be implemented through a prepayment of the WIFIA Bond.

ARTICLE II THE WIFIA LOAN

Section 3. WIFIA Loan Amount. The principal amount of the WIFIA Loan shall not exceed \$_____ (excluding any interest that is capitalized in accordance with the terms hereof). WIFIA Loan proceeds available to be drawn shall be disbursed from time to time in accordance with Section 4 (*Disbursement Conditions*) and Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*).

Section 4. Disbursement Conditions.

(a) WIFIA Loan proceeds shall be disbursed solely in respect of Eligible Project Costs paid or incurred and approved for payment by or on behalf of the Borrower in connection with the Project. If the Borrower intends to utilize the WIFIA Loan proceeds to make progress payments for Project construction work performed under the Principal Project Contracts, the Borrower shall demonstrate to the satisfaction of the WIFIA Lender that such progress payments are commensurate with the value of the work that has been completed. Each disbursement of the WIFIA Loan shall be made pursuant to a requisition and certification (a “**Requisition**”) in the form set forth in **Appendix One** (*Form of Requisition*) to **Exhibit D** (*Requisition Procedures*), along with all documentation and other information required thereby, submitted by the Borrower to, and approved by, the WIFIA Lender, all in accordance with the procedures of **Exhibit D** (*Requisition Procedures*) and subject to the requirements of this Section 4 and the conditions set forth in Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*); provided, that no disbursements of WIFIA Loan proceeds shall be made after the Final Disbursement Date.

(b) The Borrower shall deliver copies of each Requisition to the WIFIA Lender on or before the first (1st) Business Day of each month for which a disbursement is requested. If the WIFIA Lender shall expressly approve a Requisition or shall not expressly deny a Requisition, disbursements of funds shall be made on the fifteenth (15th) day of the month for which a disbursement has been requested, or on the next succeeding Business Day if such fifteenth (15th)

day is not a Business Day. Express WIFIA Lender approval or denial shall be substantially in the form annexed hereto as **Appendix Two** (*[Approval/Disapproval] of the WIFIA Lender*) to **Exhibit D** (*Requisition Procedures*). In no event shall disbursements be made more than once each month.

(c) At the time of any disbursement, the sum of all prior disbursements of WIFIA Loan proceeds and the disbursement then to be made shall not exceed the cumulative disbursements through the end of the then-current Federal Fiscal Year set forth in the Anticipated WIFIA Loan Disbursement Schedule, as the same may be amended from time to time in accordance with the terms of this Agreement. Subject to this Section 4, any scheduled disbursement (as reflected in the Anticipated WIFIA Loan Disbursement Schedule) that remains undrawn at the end of any Federal Fiscal Year shall automatically roll forward to be available in the succeeding Federal Fiscal Year, having the effect of automatically updating the Anticipated WIFIA Loan Disbursement Schedule without need for the WIFIA Lender's approval. The Borrower may also amend the Anticipated WIFIA Loan Disbursement Schedule by submitting a revised version thereof to the WIFIA Lender no later than thirty (30) days prior to the proposed effective date of such amendment, together with a detailed explanation of the reasons for such revisions. Such revised Anticipated WIFIA Loan Disbursement Schedule shall become effective upon the WIFIA Lender's approval thereof, which approval shall be granted or withheld in the WIFIA Lender's sole discretion.

Section 5. Term. The term of the WIFIA Loan shall extend from the Effective Date to the Final Maturity Date or to such earlier date as all amounts due or to become due to the WIFIA Lender hereunder have been irrevocably paid in full in immediately available funds.

Section 6. Interest Rate. The interest rate with respect to the Outstanding WIFIA Loan Balance (the "**WIFIA Interest Rate**") shall be [] percent ([]%) per annum. Interest will accrue and be computed on the Outstanding WIFIA Loan Balance (as well as on any past due interest) from time to time on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months; provided, that, upon the occurrence of an Event of Default, the Borrower shall pay interest on the Outstanding WIFIA Loan Balance at the Default Rate, (a) in the case of any Payment Default, from (and including) its due date to (but excluding) the date of actual payment and (b) in the case of any other Event of Default, from (and including) the date of such occurrence to (but excluding) the earlier of the date on which (i) such Event of Default has been cured (if applicable) in accordance with the terms of this Agreement or (ii) the Outstanding WIFIA Loan Balance has been irrevocably paid in full in immediately available funds. For the avoidance of doubt, interest on the WIFIA Loan (and the corresponding WIFIA Bond) shall accrue and be payable only on those amounts for which a Requisition has been submitted and funds (or such portion of funds as have been approved by WIFIA Lender) have been made available to the Borrower for use on the Project in accordance with Section 4 (*Disbursement Conditions*).

Section 7. Security and Priority; Flow of Funds.

(a) As security for the WIFIA Loan, and concurrently with the issuance and delivery of this Agreement, the Borrower shall pledge, assign and grant to the WIFIA Lender for its benefit, Liens on the Pledged Collateral in accordance with the provisions of the Indenture and shall deliver to the WIFIA Lender, as the registered owner, the WIFIA Bond. The WIFIA Loan

shall be secured by the Liens on the Pledged Collateral on a parity with the Bonds and any Repayment Obligations and senior to all Subordinate Obligations. The WIFIA Bond shall be a Bond under the Indenture, entitled to all of the benefits of a Bond under the Indenture.

(b) Except (i) for Permitted Liens, or (ii) to the extent otherwise provided in Section 7(a), the Pledged Collateral will be free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto, of equal rank with or senior to the pledge of the Borrower created under the Indenture, and all organizational, regulatory or other necessary action on the part of the Borrower with respect to the foregoing has been duly and validly taken.

(c) The Borrower shall not use Revenues to make any payments or satisfy any obligations other than in accordance with the provisions of this Section 7 and the Indenture and shall not apply any portion of the Revenues in contravention of this Agreement or the Indenture.

(d) The Indenture provides that all Revenues shall be deposited into the Revenue Fund and applied in accordance with the requirements specified in Section 5.05, Section 5.06, Section 5.07 and Section 5.08 of the Indenture, which requirements are hereby incorporated herein and a copy of such section, as of the Effective Date, is attached hereto as **Schedule V (Flow of Funds)**. For avoidance of doubt, amounts remaining in the Revenue Fund at the end of each month after payment of the amounts required by Section 5.05(a) of the Indenture may be applied by the Borrower, free and clear of the lien of the Indenture, to any other lawful purpose of the Borrower. Further, for avoidance of doubt, amounts remaining in the Revenue Fund at the end of each month not required to make any of the payments required by Section 5.05(a) of the Indenture or expended by the Borrower at any time as permitted by Section 5.05(b) shall remain in the Revenue Fund and remain subject to the pledge and lien provided in Section 7(a).

(e) Pursuant to the WIFIA Supplemental Indenture, the Borrower shall establish the WIFIA Debt Service Account as a Series Subaccount of the Bond Service Account for the payment of all WIFIA Debt Service. The Borrower shall maintain the WIFIA Debt Service Account throughout the term of the WIFIA Loan.

Section 8. Payment of Principal and Interest.

(a) Payment of WIFIA Debt Service.

(i) On each Payment Date occurring on or after the Debt Service Payment Commencement Date, the Borrower shall pay WIFIA Debt Service by making (A) semi-annual payments of interest, on each Interest Payment Date, (B) annual payments of principal, on each Principal Payment Date, and (C) payments of any other amounts on each other date on which payment thereof is required to be made hereunder (including the Final Maturity Date and any date on which payment is due by reason of the [mandatory redemption or prepayment] or otherwise); provided, that if any such date is not a Business Day, payment shall be made on the next Business Day following such date. Payments of WIFIA Debt Service shall be made in the amounts and on the Payment Dates as set forth in **Exhibit F (WIFIA Debt Service)**, as the same may be revised pursuant to Section 8(e) (*Payment of Principal and Interest – Adjustments to Loan Amortization Schedule*), and

shall be calculated by the WIFIA Lender in such manner that [each of such payments shall be approximately equal in amount], in order for the Outstanding WIFIA Loan Balance to be reduced to \$0 on the Final Maturity Date.

(ii) Notwithstanding anything herein to the contrary, the Outstanding WIFIA Loan Balance and any accrued interest thereon shall be due and payable in full on the Final Maturity Date (or on any earlier date on which the WIFIA Loan and corresponding WIFIA Bond are subject to [mandatory redemption or prepayment prior to maturity thereof]).

(b) Capitalized Interest Period. No payment of the principal of or interest on the WIFIA Loan is required to be made during the Capitalized Interest Period. Interest on amounts capitalized pursuant to this Section 8(b) shall commence on the date such interest is added to the principal balance of the WIFIA Loan (and corresponding WIFIA Bond) during the Capitalized Interest Period. On each _____ and _____ occurring during the Capitalized Interest Period, interest accrued on the WIFIA Loan in the six (6) month period ending immediately prior to such date shall be capitalized and added to the Outstanding WIFIA Loan Balance. Within thirty (30) days after the end of the Capitalized Interest Period, the WIFIA Lender shall give written notice to the Borrower stating the Outstanding WIFIA Loan Balance as of the close of business on the last day of the Capitalized Interest Period, which statement thereof shall be deemed conclusive absent manifest error; provided, however, that no failure to give or delay in giving such notice shall affect any of the obligations of the Borrower hereunder or under any of the other WIFIA Loan Documents. Notwithstanding the foregoing, the Capitalized Interest Period shall end immediately upon written notification to the Borrower by the WIFIA Lender that an Event of Default has occurred, in which case the provisions of this Section 8(b) shall no longer apply and payments of principal and interest shall be currently due and payable in accordance with the terms hereof and interest shall no longer be capitalized. For purposes of this subsection, an Event of Default under Section 17(a)(v) (*Events of Default and Remedies – Cross Default with Other Financing Documents*) shall be deemed to have occurred upon the occurrence of any nonpayment of principal of, interest on or redemption price of Obligations when due, regardless of whether the holders of the applicable Obligations or the Trustee for the applicable obligations, or any legal order, has waived, permitted deferral of, or forgiven any such payment.

(c) WIFIA Bond. As evidence of the Borrower's obligation to repay the WIFIA Loan, the Borrower shall issue and deliver to the WIFIA Lender, on or prior to the Effective Date, the WIFIA Bond substantially in the form of **Exhibit A** (*Form of WIFIA Bond*), having a maximum principal amount (excluding capitalized interest) of \$ _____, bearing interest at the WIFIA Interest Rate and having principal and interest payable on the same dates set forth herein. Any payment in respect of the WIFIA Bond shall be treated as a payment in respect of the WIFIA Loan and any prepayment of principal in respect of the WIFIA Loan shall be treated as a redemption in respect of the WIFIA Bond.

(d) Manner of Payment. Payments under this Agreement (and the WIFIA Bond, which payments shall not be duplicative) shall be made by wire transfer on or before each Payment Date in Dollars and in immediately available funds (without counterclaim, offset or deduction) in accordance with the payment instructions set forth in **Schedule IV** (*WIFIA Payment Instructions*), as may be modified in writing from time to time by the WIFIA Lender. The

Borrower may make any such payment or portion thereof (or direct the Trustee to make such payment) with funds then on deposit in the WIFIA Debt Service Account.

(e) Adjustments to Loan Amortization Schedule. (i) The Outstanding WIFIA Loan Balance will be (A) increased on each occasion on which the WIFIA Lender disburses loan proceeds hereunder, by the amount of such disbursement of loan proceeds; (B) increased on each occasion on which interest on the WIFIA Loan is capitalized pursuant to the provisions of Section 8(b) (*Payment of Principal and Interest – Capitalized Interest Period*), by the amount of interest so capitalized; and (C) decreased upon each payment or prepayment of the Outstanding WIFIA Loan Balance, by the amount of principal so paid. The WIFIA Lender may in its discretion at any time and from time to time, or when so requested by the Borrower, advise the Borrower by written notice of the amount of the Outstanding WIFIA Loan Balance as of the date of such notice, and its determination of such amount in any such notice shall be deemed conclusive absent manifest error.

(ii) The WIFIA Lender is hereby authorized to modify the Loan Amortization Schedule included in **Exhibit F** (*WIFIA Debt Service*) from time to time, in accordance with the principles set forth below in this Section 8(e), to reflect (A) any change to the Outstanding WIFIA Loan Balance, (B) any change to the date and amount of any principal or interest due and payable or to become due and payable by the Borrower under this Agreement, and (C) such other information as the WIFIA Lender may determine is necessary for administering the WIFIA Loan and this Agreement. Any calculations described above shall be rounded up to the nearest whole cent. Any adjustments or revisions to the Loan Amortization Schedule as a result of changes in the Outstanding WIFIA Loan Balance shall be applied to the WIFIA Bond in inverse order of maturity, other than prepayments which shall be applied in accordance with Section 9(d) (*Prepayment – General Prepayment Instructions*). Absent manifest error, the WIFIA Lender's determination of such matters as set forth on **Exhibit F** (*WIFIA Debt Service*) shall be conclusive evidence thereof; provided, however, that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower's obligations hereunder or under any other WIFIA Loan Document. The WIFIA Lender shall provide the Borrower with a copy of **Exhibit F** (*WIFIA Debt Service*) as revised, but no failure to provide or delay in providing the Borrower with such copy shall affect any of the obligations of the Borrower under this Agreement or the other WIFIA Loan Documents.

Section 9. Prepayment.

(a) [Based upon discussions and agreement of the parties, occurrence of a Bankruptcy Related Event will result in an increase in interest rate to 400 basis points over Treasury; WIFIA and WIFIA counsel to propose language.] Optional Prepayments. The Borrower may prepay the WIFIA Loan in whole or in part (and, if in part, the amounts thereof to be prepaid shall be determined by the Borrower; provided, however, that such prepayments shall be in principal amounts of \$1,000,000 or any integral multiple of \$1.00 in excess thereof), from time to time, but not more than annually, without penalty or premium, by paying to the WIFIA Lender such principal amount of the WIFIA Loan to be prepaid, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment, which shall be a Payment Date unless otherwise agreed by the WIFIA Lender, and shall further include payment of all other

Obligations in respect of the WIFIA Loan, including fees and expenses, then due and payable. Each prepayment of the WIFIA Loan pursuant to this Section 9(b) shall be made on such Payment Date and in such principal amount as shall be specified by the Borrower in a written notice delivered to the WIFIA Lender not less than ten (10) days or more than thirty (30) days prior to the date set for prepayment, unless otherwise agreed by the WIFIA Lender. At any time between delivery of such written notice and the applicable optional prepayment, the Borrower may, without penalty or premium, rescind its announced optional prepayment by further written notice to the WIFIA Lender. Anything in this Section 9(b) to the contrary notwithstanding, the failure by the Borrower to make any optional prepayment shall not constitute a breach or default under this Agreement.

(b) Borrower's Certificate. Each prepayment pursuant to this Section 9 shall be effected pursuant to the WIFIA Bond and accompanied by a certificate signed by the Borrower's Authorized Representative identifying the provision of this Agreement pursuant to which such prepayment is being made and containing a calculation in reasonable detail of the amount of such prepayment.

(c) General Prepayment Instructions. Upon the WIFIA Lender's receipt of confirmation that payment in full in immediately available funds of the entire Outstanding WIFIA Loan Balance and any unpaid interest, fees and expenses with respect thereto has occurred as a result of a mandatory or optional prepayment, the WIFIA Lender shall surrender the WIFIA Bond to the Borrower or its representative at the principal office of the WIFIA Lender. If the Borrower prepays only part of the unpaid balance of principal of the WIFIA Loan, the WIFIA Lender may make a notation on **Exhibit F (WIFIA Debt Service)** indicating the amount of principal of and interest on the WIFIA Loan then being prepaid. Absent manifest error, the WIFIA Lender's determination of such matters as set forth on **Exhibit F (WIFIA Debt Service)** shall be conclusive evidence thereof; provided, however, that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower's obligations hereunder or under any other WIFIA Loan Document. All such partial prepayments of principal shall be applied to the WIFIA Loan in inverse order of maturity. If such funds have not been so paid on the prepayment date, such principal amount of the WIFIA Loan shall continue to bear interest until payment thereof at the rate provided for in Section 6 (*Interest Rate*).

Section 10. Fees and Expenses.

(a) Fees. The Borrower shall pay to the WIFIA Lender:

(i) a servicing set-up fee equal to \$_____ (the "**Servicing Set-Up Fee**"), which shall be due and payable within thirty (30) days after receipt of an invoice from the WIFIA Lender with respect thereto (or, if earlier, the first disbursement date of the WIFIA Loan);

(ii) an annual construction period servicing fee equal to \$_____ (the "**Construction Period Servicing Fee**"), which shall accrue on the first Business Day of the then-current Federal Fiscal Year and shall be due and payable on or prior to each _____ during the Construction Period (including the Federal Fiscal Year during which the Substantial Completion Date occurs); provided, that the initial Construction

Period Servicing Fee shall be due and payable within thirty (30) days after receipt of an invoice from the WIFIA Lender with respect thereto (or, if earlier, the first disbursement date of the WIFIA Loan), in a pro-rated amount equal to \$ _____; and

(iii) an annual operating period servicing fee equal to \$ _____ (the "**Operating Period Servicing Fee**"), which shall accrue on the first Business Day of the then-current Federal Fiscal Year and shall be due and payable on or prior to each _____, beginning with the first _____ following the end of the Federal Fiscal Year during which the Substantial Completion Date occurs, until (and including) the Final Maturity Date; provided, that the Operating Period Servicing Fee due and payable with respect to the Federal Fiscal Year during which the Final Maturity Date occurs shall be equal to the pro-rata monthly portion of the then applicable Operating Period Servicing Fee multiplied by the number of partial or whole months remaining between _____ and the Final Maturity Date.

(b) The amount of each Construction Period Servicing Fee (other than the initial Construction Period Servicing Fee) and each Operating Period Servicing Fee shall be adjusted in proportion to the percentage change in CPI for the calendar year immediately preceding the calendar year during which such fee is due. The WIFIA Lender shall notify the Borrower of the amount of each such fee at least thirty (30) days before payment is due, which determination shall be conclusive absent manifest error.

(c) Expenses. The Borrower agrees, whether or not the transactions hereby contemplated shall be consummated, to reimburse the WIFIA Lender on demand from time to time, within thirty (30) days after receipt of any invoice from the WIFIA Lender, for any and all fees, costs, charges, and expenses incurred by it (including the fees, costs, and expenses of its legal counsel, financial advisors, auditors and other consultants and advisors) in connection with the negotiation, preparation, execution, delivery, and performance of this Agreement and the other WIFIA Loan Documents and the transactions hereby and thereby contemplated, including attorneys', and engineers' fees and professional costs, including all such fees, costs, and expenses incurred as a result of or in connection with (i) the enforcement of or attempt to enforce, or the protection or preservation of any right or claim under, the Pledged Collateral or any provision of this Agreement or any of the other WIFIA Loan Documents or the rights of the WIFIA Lender thereunder; (ii) any amendment, modification, waiver, or consent with respect to this Agreement or any other Related Document; and (iii) any work-out, restructuring, or similar arrangement of the obligations of the Borrower under this Agreement or the other WIFIA Loan Documents, including during the pendency of any Event of Default.

(d) The obligations of the Borrower under this Section 10 shall survive the payment or prepayment in full or transfer of the WIFIA Bond, the enforcement of any provision of this Agreement or the other WIFIA Loan Documents, any such amendments, waivers or consents, any Event of Default, and any such workout, restructuring, or similar arrangement.

ARTICLE III CONDITIONS PRECEDENT

Section 11. Conditions Precedent.

(a) Conditions Precedent to Effectiveness. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not become effective until each of the following conditions precedent has been satisfied or waived in writing by the WIFIA Lender in its sole discretion:

(i) The Borrower shall have duly executed and delivered to the WIFIA Lender this Agreement, the WIFIA Bond, and the WIFIA Supplemental Indenture, each in form and substance satisfactory to the WIFIA Lender.

(ii) The Borrower shall have delivered to the WIFIA Lender complete and fully executed copies of the Indenture, each Supplemental Indenture (including the WIFIA Supplemental Indenture) and any other Indenture Document authorizing Obligations in respect of the Project that has been entered into on or prior to the Effective Date, together with any amendments, waivers or modifications thereto, along with a certification in the Closing Certificate that each such document is complete, fully executed and in full force and effect, and that all conditions contained in such documents that are necessary to the closing of the WIFIA transactions contemplated hereby have been fulfilled.

(iii) The Borrower shall have delivered to the WIFIA Lender complete and fully executed copies of each Existing Principal Project Contract, together with any amendments, waivers or modifications thereto, along with a certification in the Closing Certificate that each such document is complete, fully executed and in full force and effect.

(iv) The Borrower shall have delivered to the WIFIA Lender (A) a copy of its Organizational Documents, as in effect on the Effective Date (and certified by the appropriate official of the State, to the extent applicable), along with a certification in the Closing Certificate that such Organizational Documents are in full force and effect, and (B) other than the WIFIA Supplemental Indenture, all further instruments and documents (including any resolutions, ordinances, and supplements) as are necessary for the Borrower to execute and deliver, and to perform its obligations under, the WIFIA Loan Documents to which it is a party and to consummate and implement the transactions contemplated by the WIFIA Loan Documents.

(v) Counsel to the Borrower shall have rendered to the WIFIA Lender legal opinions satisfactory to the WIFIA Lender in its sole discretion (including those opinions set forth on **Exhibit G-1** (*Opinions Required from Counsel to Borrower*)) and bond counsel to the Borrower shall have rendered to the WIFIA Lender legal opinions satisfactory to the WIFIA Lender in its sole discretion (including those opinions set forth on **Exhibit G-2** (*Opinions Required from Bond Counsel*)).

(vi) The Borrower shall have delivered to the WIFIA Lender the Non-Debarment Certificate.

(vii) The Borrower shall have delivered to the WIFIA Lender the Non-Lobbying Certificate and the Preaward Compliance Review Report for All Applicants and Recipients Requesting EPA Financial Assistance on EPA FORM 4700-4.

(viii) The Borrower shall have delivered to the WIFIA Lender a certificate, signed by the Borrower's Authorized Representative, substantially in the form attached hereto as **Exhibit I** (*Form of Closing Certificate*) (the "**Closing Certificate**") (A) designating the Borrower's Authorized Representative, (B) confirming such person's position and incumbency, and (C) certifying as to the satisfaction of the following conditions precedent:

(1) the aggregate of all funds committed to the development and construction of the Project as set forth in the Base Case Financial Model and in the Project Budget are sufficient to carry out the Project, pay all Total Project Costs anticipated for the Project and achieve Substantial Completion by the Projected Substantial Completion Date;

(2) the Borrower has obtained all Governmental Approvals necessary (x) as of the Effective Date in connection with the Project and (y) to execute and deliver, and perform its obligations under the WIFIA Loan Documents, and all such Governmental Approvals are final, non-appealable, and in full force and effect (and are not subject to any notice of violation, breach, or revocation);

(3) as of the Effective Date, (x) the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), together with the amount of any other credit assistance provided under the Act to the Borrower, does not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs and (y) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs;

(4) the Borrower is in compliance with NEPA and any applicable federal, state or local environmental review and approval requirements with respect to the Project, and, if requested by the WIFIA Lender, has provided evidence satisfactory to the WIFIA Lender of such compliance;

(5) the Borrower has developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project during its useful life;

(6) the Borrower has (A) obtained a Federal Employer Identification Number, (B) obtained a Data Universal Numbering System number, and (C) registered with, and obtained confirmation of active registration status from, the federal System for Award Management (www.SAM.gov);

(7) the Borrower has obtained a CUSIP number for the WIFIA Loan for purposes of monitoring through EMMA;

(8) the representations and warranties of the Borrower set forth in the WIFIA Loan Agreement and in each other Related Document to which the Borrower is a party are true and correct on and as of the date hereof, except to the extent that such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct as of such earlier date; and

(9) no Material Adverse Effect, or any event or condition that could reasonably be expected to have a Material Adverse Effect, has occurred or arisen since _____.

(ix) The Borrower shall have delivered to the WIFIA Lender a duly executed certificate from the Trustee in the form attached hereto as **Exhibit H** (*Form of Certificate of Trustee*).

(x) The Borrower shall have provided evidence to the WIFIA Lender's satisfaction, no more than thirty (30) days prior to the Effective Date, of the assignment by at least two (2) Nationally Recognized Rating Agencies of a public Investment Grade Rating to the Bonds then Outstanding and any Bonds proposed to be issued for the Project (including the WIFIA Loan), along with a certification in the Closing Certificate that no such rating has been reduced, withdrawn or suspended as of the Effective Date.

(xi) The Borrower shall have delivered to the WIFIA Lender a Base Case Financial Model in form and substance acceptable to the WIFIA Lender, along with a certification in the Closing Certificate that such Base Case Financial Model (A) demonstrates that projected Net Revenues are sufficient to meet the Loan Amortization Schedule, (B) demonstrates compliance with the Rate Covenant Requirement for each Borrower Fiscal Year through the Final Maturity Date; (C) reflects principal amortization and interest payment schedules acceptable to the WIFIA Lender and (D) demonstrates that the Borrower has developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project over the useful life of the Project.

(xii) The Borrower shall have delivered to the WIFIA Lender (A) (1) certificates of insurance or (2) if the Borrower is self-insured, a certificate of the Borrower's risk management department pertaining to the Borrower's self-insurance program, in each case reflecting the WIFIA Lender as an additional insured to the extent of its insurable interest, along with a certification in the Closing Certificate that such insurance certificate is true and correct and demonstrates compliance with the requirements

of Section 14(f) (*Affirmative Covenants – Insurance*) and (B) at the WIFIA Lender's request, copies of such insurance policies and/or, if applicable, documents pertaining to the Borrower's self-insurance program and documents pertaining to the Borrower's self-insurance program.

(xiii) No later than thirty (30) days after the Effective Date, the Borrower shall have delivered to the WIFIA Lender the Public Benefits Report.

(xiv) The Borrower shall have provided the WIFIA Lender records of any Eligible Project Costs incurred prior to the Effective Date, in form and substance satisfactory to the WIFIA Lender.

(xv) The Borrower shall have paid in full all invoices delivered by the WIFIA Lender to the Borrower as of the Effective Date for the fees and expenses of the WIFIA Lender's counsel and financial advisors and any auditors or other consultants retained by the WIFIA Lender for the purposes hereof.

(xvi) The Borrower shall have delivered such other agreements, documents, instruments, opinions and other items required by the WIFIA Lender, all in form and substance satisfactory to the WIFIA Lender.

(b) Conditions Precedent to Disbursements. Notwithstanding anything in this Agreement to the contrary, the WIFIA Lender shall have no obligation to make any disbursement of loan proceeds to the Borrower (including the initial disbursement hereunder) until each of the following conditions precedent has been satisfied or waived in writing by the WIFIA Lender in its sole discretion:

(i) The Borrower shall have provided to the WIFIA Lender evidence satisfactory to the WIFIA Lender that (A) the aggregate amount of all disbursements of the WIFIA Loan (including the requested disbursement but excluding any interest that is capitalized in accordance with the terms hereof) shall not exceed (1) \$_____, (2) the amount of Eligible Project Costs paid or incurred by the Borrower, and (3) the cumulative disbursements through the end of the current Federal Fiscal Year as set forth in the Anticipated WIFIA Loan Disbursement Schedule; (B) the Borrower has sufficient available funds committed to the Project, which together with funds that remain available and not yet drawn under the WIFIA Loan, will be sufficient to pay the reasonably anticipated remaining Total Project Costs; and (C) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs.

(ii) The Borrower shall have provided an Updated Financial Model in compliance with the requirements of Section 16(a) (*Reporting Requirements – Updated Financial Model*).

(iii) The Borrower shall have delivered to the WIFIA Lender a Requisition that complies with the provisions of Section 4 (*Disbursement Conditions*) (including satisfactory Eligible Project Costs Documentation relating to such Requisition),

and the WIFIA Lender shall have approved (or be deemed to have approved in accordance with Section 4(b) (*Disbursement Conditions*)) such Requisition. The Borrower's Authorized Representative shall also certify in such Requisition that:

(A) all Governmental Approvals necessary as of the time of such disbursement for the development, construction, operation and maintenance of the Project have been issued and are in full force and effect (and are not subject to any notice of violation, breach or revocation);

(B) each of the insurance policies obtained by the Borrower and by any applicable Principal Project Party in satisfaction of the conditions in Section 14(f) (*Affirmative Covenants – Insurance*) is in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider;

(C) at the time of, and immediately after giving effect to, any disbursement of WIFIA Loan proceeds then currently requested, (1) no Default or Event of Default hereunder shall have occurred and be continuing; (2) no event of default or default that, with the giving of notice or the passage of time or both, would constitute an event of default, in each case, under any other Related Document, shall have occurred and be continuing; and (3) no Material Adverse Effect, or any event or condition that could reasonably be expected to result in a Material Adverse Effect, shall have occurred since _____;

(D) (1) the Borrower, and each of its contractors and subcontractors at all tiers with respect to the Project, has complied with all applicable laws, rules, regulations and requirements, including without limitation 40 U.S.C. §§ 3141–3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto) and 33 U.S.C. § 3914 (relating to American iron and steel products); and (2) supporting documentation, such as certified payroll records and certifications for all iron and steel products used for the Project, are being maintained and are available for review upon request by the WIFIA Lender; and

(E) the representations and warranties of the Borrower set forth in this Agreement (including Section 12 (*Representations and Warranties of Borrower*)) and in each other Related Document shall be true and correct as of each date on which any disbursement of the WIFIA Loan is made, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true and correct as of such earlier date).

(iv) No Material Adverse Effect, or any event or condition that could reasonably be expected to result in a Material Adverse Effect, shall have occurred since _____.

(v) To the extent not previously delivered to the WIFIA Lender, the Borrower shall have delivered to the WIFIA Lender copies of any Indenture Document (including any amendment, waiver, modification or supplement thereto) entered into after

the Effective Date, along with a certification in the Requisition that each such document is complete, fully executed and in full force and effect.

(vi) To the extent not previously delivered to the WIFIA Lender, the Borrower shall have provided copies of any Principal Project Contracts (including any amendment, modification or supplement thereto) entered into after the Effective Date, along with a certification in the Requisition that each such document is complete, fully executed and in full force and effect.

(vii) The Borrower shall have paid in full (A) any outstanding Servicing Fees due and payable under Section 10 (*Fees and Expenses*) and (B) all invoices received from the WIFIA Lender as of the date of disbursement of the WIFIA Loan and delivered by the WIFIA Lender to the Borrower, for the fees and expenses of the WIFIA Lender's counsel and financial advisors and any auditors or other consultants retained by the WIFIA Lender for the purposes hereof.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

Section 12. Representations and Warranties of Borrower. The Borrower hereby represents and warrants that, as of the Effective Date and, as to each of the representations and warranties below other than those contained in Section 12(b) (*Representations and Warranties of Borrower – Officers' Authorization*), the first sentence of Section 12(f) (*Representations and Warranties of Borrower – Litigation*), Section 12(k) (*Representations and Warranties of Borrower – Credit Ratings*), and the first sentence of Section 12(n) (*Representations and Warranties of Borrower – Principal Project Contracts*), as of each date on which any disbursement of the WIFIA Loan is requested or made:

(a) Organization; Power and Authority. The Borrower is a political subdivision of the State duly organized and validly existing under its Organizational Documents and the laws of the State, has full legal right, power and authority to do business in the State and to enter into the Related Documents then in existence, to execute and deliver this Agreement and the WIFIA Bond, and to carry out and consummate all transactions contemplated hereby and thereby and has duly authorized the execution, delivery and performance of this Agreement, the WIFIA Bond, and all other Related Documents.

(b) Officers' Authorization. As of the Effective Date, the officers of the Borrower executing (or that previously executed) the Related Documents, and any certifications or instruments related thereto, to which the Borrower is a party are (or were at the time of such execution) duly and properly in office and fully authorized to execute the same.

(c) Due Execution; Enforceability. Each of the Related Documents in effect as of any date on which this representation and warranty is made, and to which the Borrower is a party has been duly authorized, executed and delivered by the Borrower and constitutes the legal, valid and binding agreement of the Borrower enforceable against the Borrower in accordance with its terms, except as such enforceability (i) may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and (ii) is

subject to general principles of equity (regardless of whether enforceability is considered in equity or at law).

(d) Non-Contravention. The execution and delivery of the Related Documents to which the Borrower is a party, the consummation of the transactions contemplated by the Related Documents, and the fulfillment of or compliance with the terms and conditions of all of the Related Documents, will not (i) conflict with the Borrower's Organizational Documents, (ii) conflict in any material respect with, or constitute a material violation, breach or default (whether immediately or after notice or the passage of time or both) by the Borrower of or under, any applicable law, administrative rule or regulation, any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which the Borrower is a party or by which it or its properties or assets are otherwise subject or bound, or (iii) result in the creation or imposition of any prohibited Lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower.

(e) Consents and Approvals. No consent or approval of any trustee, holder of any indebtedness of the Borrower or any other Person, and no consent, permission, authorization, order or license of, or filing or registration with, any Governmental Authority is necessary in connection with (i) the execution and delivery by the Borrower of the Related Documents, except as have been obtained or made and as are in full force and effect, or (ii) (A) the consummation of any transaction contemplated by any Related Documents or (B) the fulfillment of or compliance by the Borrower with the terms and conditions of any of the Related Documents, except as have been obtained or made and as are in full force and effect or as are ministerial in nature and can reasonably be expected to be obtained or made in the ordinary course on commercially reasonable terms and conditions when needed.

(f) Litigation. [Except as set forth in **Schedule 12(f)**, a][A]s of the Effective Date, there is no action suit, proceeding or, to the knowledge of the Borrower, any inquiry or investigation, in any case before or by any State or federal court in the State or other Governmental Authority pending or, to the knowledge of the Borrower, threatened against or affecting the System (including the Project) or the ability of the Borrower to execute, deliver and perform its obligations under the Related Documents. As of the Effective Date and as of each other date on which the representations and warranties herein are made or confirmed, there is no action, suit, proceeding or, to the knowledge of the Borrower, any inquiry or investigation before or by any court or other Governmental Authority pending, or to the knowledge of the Borrower, threatened against or affecting the System (including the Project), the Borrower or the assets, properties or operations of the Borrower, that in any case could reasonably be expected to result in a Material Adverse Effect. To the Borrower's knowledge, there are no actions of the type described above pending or, threatened against or affecting any of the Principal Project Parties, except for matters arising after the Effective Date that could not reasonably be expected to (i) result in a Material Adverse Effect or (ii) adversely affect the Borrower's ability to receive Revenues in amounts sufficient to meet the financial projections contained in the Base Case Financial Model (or any Updated Financial Model, to the extent any Updated Financial Model has been approved by the WIFIA Lender). The Borrower is not in default (and no event has occurred and is continuing that, with the giving of notice or the passage of time or both, could constitute a default) with respect to any Governmental Approval, which default could reasonably be expected to result in a Material Adverse Effect.

(g) Security Interests. (i) The Indenture and the Bond Act establish, and (ii) the Borrower has taken all necessary action to pledge, assign, and grant, in each case to secure the Bonds (including the WIFIA Bond), legal, valid, binding and enforceable Liens on the Pledged Collateral purported to be created, pledged, assigned, and granted pursuant to and in accordance with the Indenture, irrespective of whether any Person has notice of the pledge and without the need for any physical delivery, recordation, filing, or further act, and the security interests created in the Pledged Collateral have been duly perfected under applicable State law. Such Liens are in full force and effect and are not subordinate or junior to any other Liens in respect of the Pledged Collateral except for the Permitted Liens arising by operation of law, and not *pari passu* with any obligations other than Bonds. The Borrower is not in breach of any covenants set forth in Section 14(b) (*Affirmative Covenants – Securing Liens*) or in the Indenture with respect to the matters described in Section 14(b) (*Affirmative Covenants – Securing Liens*). As of the Effective Date and as of each other date this representation and warranty is made, (A) all documents and instruments have been recorded or filed for record in such manner and in such places as are required and all other action as is necessary or desirable has been taken to establish a legal, valid, binding, and enforceable and perfected Lien on the Pledged Collateral in favor of the Trustee (for the benefit of the Secured Parties) to the extent contemplated by the Indenture and the WIFIA Loan Documents, and (B) all taxes and filing fees that are due and payable in connection with the execution, delivery or recordation of any documents related to the Indenture or any instruments, certificates or financing statements in connection with the foregoing, have been paid. Neither the attachment, perfection, validity, enforceability nor priority of the security interest in the Pledged Collateral granted pursuant to the Indenture is governed by Article 9 of the UCC.

(h) No Debarment. The Borrower has fully complied with its verification obligations under 2 C.F.R. § 180.320 and confirms, based on such verification, that, to its knowledge, neither the Borrower nor any of its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R. § 1532.995) is debarred, suspended or voluntarily excluded from participation in Government contracts, procurement or non-procurement matters or delinquent on a Government debt as more fully set forth in the certificate delivered pursuant to Section 11(a)(vi) (*Conditions Precedent – Conditions Precedent to Effectiveness*).

(i) Accuracy of Representations and Warranties. The representations, warranties and certifications of the Borrower set forth in this Agreement and all other Related Documents are true, correct, and complete, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true, correct, and complete as of such earlier date).

(j) Compliance with Laws.

(i) The Borrower, and each of its contractors and subcontractors at all tiers with respect to the Project, has complied with all applicable laws, rules, regulations and requirements, including without limitation 40 U.S.C. §§ 3141–3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto) and 33 U.S.C. § 3914 (relating to American iron and steel products).

(ii) To ensure such compliance, the Borrower has included in all contracts with respect to the Project (A) the contract clauses relating to the Davis-Bacon

Act requirements that are set forth in the Code of Federal Regulations, Title 29 Part 5.5 and (B) requirements that its contractor(s) (1) shall comply with all applicable laws, rules, regulations, and requirements set forth in this Section 12(j) and follow applicable federal guidance and (2) incorporate in all subcontracts (and cause all subcontractors to include in lower tier subcontracts) such terms and conditions as are required to be incorporated therein by any applicable laws, rules, regulations and requirements set forth in this Section 12(j) (including without limitation with respect to the Davis-Bacon Act requirements).

(iii) No notices of violation of any applicable law have been issued, entered or received by the Borrower or, to the Borrower's knowledge and solely in respect of the Project or any Principal Project Contract, any Principal Project Party, other than, in each case, notices of violations that are immaterial.

(iv) None of the Borrower nor, to the knowledge of the Borrower, any Principal Project Party, is (A) a Sanctioned Person or (B) in violation of or, since the date that is five (5) years prior to the Effective Date, has violated: (1) any applicable Anti-Money Laundering Laws; (2) any applicable Sanctions; (3) any applicable Anti-Corruption Laws; or (4) any applicable anti-drug trafficking, anti-terrorism, or anti-corruption laws, civil or criminal. There are no pending or, to the knowledge of the Borrower, threatened claims or investigations by any Governmental Authority against, or any internal investigations conducted by, the Borrower or any Principal Project Party, with respect to any possible or alleged violations of any Sanctions, Anti-Money Laundering Laws, Anti-Corruption Laws, or any anti-drug trafficking or anti-terrorism laws. No use of proceeds of the WIFIA Loan or any other transaction contemplated by this Agreement or any other Related Document will violate any applicable Sanctions, Anti-Money Laundering Laws, or Anti-Corruption Laws, or any applicable anti-drug trafficking or anti-terrorism laws.

(k) Credit Ratings. The WIFIA Bond and the Bonds then Outstanding have received a public Investment Grade Rating from at least two (2) Nationally Recognized Rating Agencies, written evidence of such ratings has been provided to the WIFIA Lender prior to the Effective Date, and no such rating has been reduced, withdrawn or suspended as of the Effective Date.

(l) No Defaults. No Default or Event of Default, and no default or event of default by the Borrower under any Related Document (excluding Principal Project Contracts), has occurred and is continuing.

(m) Governmental Approvals. All Governmental Approvals required as of the Effective Date and any subsequent date on which this representation is made (or deemed made) for the undertaking and completion by the Borrower of the Project, and for the operation and management thereof, have been obtained or effected and are in full force and effect and there is no basis for, nor proceeding that is pending or threatened that could reasonably be expected to result in, the revocation of any such Governmental Approval.

(n) Principal Project Contracts. Attached as **Schedule 12(n)** (*Principal Project Contracts*) is a list of the Existing Principal Project Contracts and all Additional Principal Project Contracts that are expected to be entered into. With respect to each Principal Project Contract

executed as of any date on which this representation and warranty is made, (x) it is in full force and effect, (y) all conditions precedent to the obligations of the respective parties under each such Principal Project Contract have been satisfied and (z) the Borrower has delivered to the WIFIA Lender a fully executed, complete and correct copy of each such Principal Project Contract, including any amendments or modifications thereto and any related credit support instruments or side letters. No event has occurred that gives the Borrower or, to the Borrower's knowledge, any Principal Project Party, the right to terminate any such Principal Project Contract. The Borrower is not in breach of any material term in or in default under any of such Principal Project Contracts, and to the knowledge of the Borrower no party to any of such agreements or contracts is in breach of any material term therein or in default thereunder.

(o) Information. The information furnished by, or on behalf of, the Borrower to the WIFIA Lender, when taken as a whole, is true and correct in all material respects (other than for projections and other forward-looking statements contained in the Base Case Financial Model and any Updated Financial Model which have been made in good faith and based on reasonable assumptions) and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained therein not misleading as of the date made or furnished.

(p) Environmental Matters. [Except as set forth in **Schedule 12(p)** (*Environmental Matters*), e][E]ach of the Borrower and, to the Borrower's knowledge, each Principal Project Party, is in compliance with all laws applicable to the System (including the Project) relating to (i) air emissions, (ii) discharges to surface water or ground water, (iii) noise emissions, (iv) solid or liquid waste disposal, (v) the use, generation, storage, transportation or disposal of toxic or hazardous substances or wastes, (vi) biological resources (such as threatened and endangered species), and (vii) other environmental, health or safety matters, including all laws applicable to the System (including the Project) (collectively, the "**Environmental Laws**"). All Governmental Approvals for the Project relating to Environmental Laws have been, or, when required, will be, obtained and are (or, as applicable, will be) in full force and effect. [Except as set forth in **Schedule 12(p)** (*Environmental Matters*), t][T]he Borrower has not received any written communication or notice, whether from a Governmental Authority, employee, citizens group, or any other Person, that alleges that the Borrower is not in full compliance with all Environmental Laws and Governmental Approvals relating thereto in connection with the Project and, to the Borrower's knowledge, there are no circumstances that may prevent or interfere with full compliance in the future by the Borrower with any such Environmental Law or Governmental Approval. The Borrower has provided to the WIFIA Lender all material assessments, reports, results of investigations or audits, and other material information in the possession of or reasonably available to the Borrower regarding the Borrower's or the Project's compliance with (A) Environmental Laws and (B) Governmental Approvals that are required for the Project and relate to Environmental Laws.

(q) Sufficient Rights. The Borrower possesses either valid legal and beneficial title to, leasehold title in, or other valid legal rights with respect to the real property relating to the System (including the Project), in each case as is necessary and sufficient as of the date this representation is made for the construction, operation, maintenance and repair of the System (including the Project). As of any date on which this representation and warranty is made, the Principal Project Contracts then in effect and the Governmental Approvals that have been obtained

and are then in full force and effect create rights in the Borrower sufficient to enable the Borrower to own, construct, operate, maintain and repair the System (including the Project) and to perform its obligations under the Principal Project Contracts to which it is a party.

(r) Insurance. The Borrower is in compliance with all insurance obligations required under each Principal Project Contract and the other Related Documents as of the date on which this representation and warranty is made. To the extent the Borrower self-insures, the Borrower's self-insurance program is actuarially sound and the Borrower has received an opinion from an accredited actuary within the last twelve (12) months, which opinion confirms that the Borrower's self-insurance program is actuarially sound.

(s) No Liens. Except for Permitted Liens, the Borrower has not created, and is not under any obligation to create, and has not entered into any transaction or agreement that would result in the imposition of, any Lien on the Pledged Collateral, the System, the Project, the Revenues, or the properties or assets in relation to the Project.

(t) Financial Statements. Each income statement, balance sheet and statement of operations and cash flows (collectively, "**Financial Statements**") delivered to the WIFIA Lender pursuant to Section 16(b) (*Reporting Requirements – Annual Financial Statements*) has been prepared in accordance with GAAP and presents fairly, in all material respects, the financial condition of the Borrower as of the respective dates of the balance sheets included therein and the results of operations of the Borrower for the respective periods covered by the statements of income included therein. Except as reflected in such Financial Statements, there are no liabilities or obligations of the Borrower of any nature whatsoever for the period to which such Financial Statements relate that are required to be disclosed in accordance with GAAP.

(u) Securities Laws. Under existing law, the WIFIA Bond may be issued and sold without registration under the Securities Act of 1933, as amended, and any state blue sky laws, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(v) Taxes. The Borrower is not required to file tax returns with any Governmental Authority.

(w) Sufficient Funds. The amount of the WIFIA Loan, when combined with all other funds committed for the development and construction of the Project as set forth under the various sources of funds in the Base Case Financial Model and the Project Budget will be sufficient to carry out the Project, pay all Total Project Costs anticipated for the development and construction of the Project and achieve Substantial Completion by the Projected Substantial Completion Date.

(x) Sovereign Immunity. The Borrower has no immunity from the jurisdiction of any court of competent jurisdiction or from any legal process therein which could be asserted in any action to enforce the obligations of the Borrower under any of the Related Documents to which it is a party or the transactions contemplated hereby or thereby, including the obligations of the Borrower hereunder and thereunder.

(y) Patriot Act. The Borrower is not required to establish an anti-money laundering compliance program pursuant to the Patriot Act.⁶

(z) No Federal Debt. The Borrower has no delinquent federal debt (including tax liabilities but excluding any delinquencies that have been resolved with the appropriate federal agency in accordance with the standards of the Debt Collection Improvement Act of 1996).

Section 13. Representations and Warranties of WIFIA Lender. The WIFIA Lender represents and warrants that:

(a) Power and Authority. The WIFIA Lender has all requisite power and authority to make the WIFIA Loan and to perform all transactions contemplated by the Related Documents to which it is a party.

(b) Due Execution; Enforceability. The Related Documents to which it is a party have been duly authorized, executed and delivered by the WIFIA Lender, and are legally valid and binding agreements of the WIFIA Lender, enforceable in accordance with their terms.

(c) Officers' Authorization. The officers of the WIFIA Lender executing each of the Related Documents to which the WIFIA Lender is a party are duly and properly in office and fully authorized to execute the same on behalf of the WIFIA Lender.

ARTICLE V COVENANTS

Section 14. Affirmative Covenants. The Borrower covenants and agrees as follows until the date the WIFIA Bond and the obligations of the Borrower under this Agreement (other than contingent indemnity obligations) are irrevocably paid in full in immediately available funds, unless the WIFIA Lender waives compliance in writing:

(a) Rate Covenant.

(i) The Borrower shall fix, establish, maintain and collect rates, fees, rents and charges for services of the System during each Borrower Fiscal Year which comply with the requirements specified in Section 6.13 of the Indenture, which requirements are hereby incorporated herein and a copy of such section, as of the Effective Date, is attached hereto as **Schedule VI** (*Rate Covenant*).

(ii) If the forecast furnished by the Borrower in the most recent Updated Financial Model delivered by the Borrower pursuant to Section 16(a) (*Reporting Requirements – Updated Financial Model*) demonstrates that projected Net Revenues may be inadequate to satisfy the Rate Covenant Requirement for any Borrower Fiscal Year covered by the Updated Financial Model, or if the Borrower fails to satisfy the Rate Covenant Requirement for the most recently ended Borrower Fiscal Year, the Borrower shall (A) within thirty (30) days after request by the WIFIA Lender, engage the Technical

⁶ Borrower to confirm.

and Rate Consultant to review and analyze the operations of the System and recommend actions regarding revising the rates or changing the methods of operations, or any other actions to increase the Net Revenues so as to satisfy the Rate Covenant Requirement, (B) cause the Technical and Rate Consultant to issue its report, including any such recommended actions, no later than ninety (90) days following such engagement, and (C) either, within thirty (30) days, (1) implement the Technical and Rate Consultant's recommendation or (2) undertake an alternative course of action after demonstrating to the WIFIA Lender's satisfaction that an alternative plan will generate an equivalent or greater increase to the Net Revenues so as to satisfy the Rate Covenant Requirement.

(b) Securing Liens. The Borrower shall at any and all times, to the extent permitted by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable in connection with assuring, conveying, granting, assigning, securing and confirming the Liens on the Pledged Collateral (whether now existing or hereafter arising) granted to the WIFIA Lender for its benefit pursuant to the Indenture, or intended so to be granted pursuant to the Indenture, or which the Borrower may become bound to grant, and the Borrower shall at all times maintain the Pledged Collateral free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto that has priority over, or equal rank with, the Liens created by the Indenture, other than as permitted by this Agreement, and all organizational, regulatory or other necessary action on the part of the Borrower to that end shall be duly and validly taken at all times. The Borrower shall at all times, to the extent permitted by law, defend, preserve and protect the Liens on the Pledged Collateral granted pursuant to the Indenture and for the benefit of the WIFIA Lender under the Indenture against all claims and demands of all Persons whomsoever, subject to Permitted Liens.

(c) Use of Proceeds. The Borrower shall use the proceeds of the WIFIA Loan for purposes permitted by applicable law and as otherwise permitted under this Agreement and the other Related Documents.

(d) Prosecution of Work; Verification Requirements.

(i) The Borrower shall diligently prosecute the work relating to the Project and complete the Project in accordance with the Construction Schedule, the Governmental Approvals in connection with the Project, and the highest standards of the Borrower's industry.

(ii) The Borrower shall ensure that each Principal Project Party complies with all applicable laws and legal or contractual requirements with respect to any performance security instrument delivered by such Principal Project Party to the Borrower and shall ensure that any letter of credit provided pursuant to any Principal Project Contract meets the requirements therefor set forth in such Principal Project Contract.

(iii) The Borrower shall comply with Subpart C of 2 C.F.R. Part 180, as supplemented by Subpart C of 2 C.F.R. Part 1532 (relating to debarment), including the verification requirements set forth in 2 C.F.R. §§ 180.300 and 180.320, and shall include in its contracts with respect to the Project similar terms or requirements for compliance.

(e) Operations and Maintenance. The Borrower shall (i) operate and maintain the System (including, but not limited to, the Project) (A) in a reasonable and prudent manner and (B) substantially in accordance with the Updated Financial Model most recently approved by the WIFIA Lender (except as necessary to prevent or mitigate immediate threats to human health and safety or to prevent or mitigate physical damage to material portions of the System (including the Project) and (ii) maintain the System (including the Project) in good repair, working order and condition and in accordance with the requirements of all applicable laws and each applicable Related Document. The Borrower shall at all times do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect the Governmental Approvals and any other rights, licenses, franchises, and authorizations material to the conduct of its business.

(f) Insurance.

(i) The Borrower shall at all times procure and maintain or cause to be maintained insurance on the System and the construction of the Project, with responsible insurers, or as part of a reasonable system of self-insurance that is adequately funded, in such amounts and against such risks (including damage to or destruction of the System) as are customarily maintained with respect to works and properties of like character against accident to, loss of, or damage to such works or properties. All policies of insurance required to be maintained herein shall, to the extent reasonably obtainable, provide that the WIFIA Lender shall be given thirty (30) days written notice of any intended cancellation thereof or reduction of coverage provided thereby. The Borrower shall cause each Principal Project Party to obtain and maintain builders risk and casualty and liability insurance in accordance with the requirements of the applicable Principal Project Contract.

(ii) The Borrower shall (by self-insuring or maintaining with responsible insurers or by a combination thereof) provide for workers' compensation insurance for Borrower's workers and insurance against public liability and property damage to the System (including the Project) to the extent reasonably necessary to protect the Borrower and the WIFIA Lender.

(iii) The Borrower shall cause all liability insurance policies that it maintains (and, during the Construction Period, that are maintained by any Principal Project Party), other than workers' compensation insurance and other than self-insurance, to reflect the WIFIA Lender as an additional insured to the extent of its insurable interest.

(iv) Promptly upon request by the WIFIA Lender, the Borrower shall deliver to the WIFIA Lender copies of any underlying insurance policies obtained by or on behalf of the Borrower in respect of the Project. All such policies shall be available at all reasonable times for inspection by the WIFIA Lender, its agents and representatives.

(v) The Borrower shall comply with the insurance requirements of the Indenture and shall deliver to the WIFIA Lender within thirty (30) days after receipt thereof any certifications or opinions provided to the Borrower pursuant to the Indenture with respect to the Borrower's program of insurance or self-insurance.

(g) Maintain Legal Structure. The Borrower shall maintain its existence as a political subdivision of the State organized and existing under its Organizational Documents and the laws of the State.

(h) System Accounts; Investment Securities.

(i) The Borrower shall maintain the Revenue Fund and all other System Accounts in accordance with the terms hereof and the Indenture. All Revenues received shall be deposited into the Revenue Fund when and as received in trust for the benefit of the holders of the Obligations, subject to the application of Revenues to Operation and Maintenance Costs of the System.

(ii) The Borrower shall use Revenues to pay for Capital Expenditures, including any costs of capital improvements to the System, solely following deposit in the Renewal and Replacement Fund in accordance with Section 5.08 of the Indenture or as otherwise specified in Section 5.05(b) of the Indenture. The Borrower shall not otherwise pay or treat any Capital Expenditure as an Operation and Maintenance Cost.

(iii) Amounts on deposit in the System Accounts shall be held uninvested or invested in Investment Securities. Investment Securities must mature or be redeemable at the election of the holder at such times as may be necessary to ensure that funds will be available within the applicable account to be applied towards the purpose for which the applicable account has been established.

(i) Compliance with Laws.

(i) The Borrower shall, and shall require its contractors and subcontractors at all tiers with respect to the Project, to comply with all applicable laws, rules, regulations and requirements, including without limitation 40 U.S.C. §§3141-3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto) and 33 U.S.C. §3914 (relating to American iron and steel products).

(ii) To ensure such compliance, the Borrower shall include in all contracts with respect to the Project (A) the contract clauses relating to the Davis-Bacon Act requirements that are set forth in the Code of Federal Regulations, Title 29 Part 5.5 and (B) requirements that its contractor(s) (1) shall comply with all applicable laws, rules, regulations, and requirements set forth in this Section 14(i) and follow applicable federal guidance and (2) incorporate in all subcontracts (and cause all subcontractors to include in lower tier subcontracts) such terms and conditions as are required to be incorporated therein by any applicable laws, rules, regulations and requirements set forth in this Section 14(i) (including without limitation with respect to the Davis-Bacon Act requirements).

(j) Material Obligations. The Borrower shall pay its material obligations promptly and in accordance with their terms and pay and discharge promptly all taxes, assessments and governmental charges or levies imposed upon it or upon the Revenues or other assets of the System, before the same shall become delinquent or in default, as well as all lawful and material claims for labor, materials and supplies or other claims which, if unpaid, might give rise to a Lien upon such properties or any part thereof or on the Revenues or the Pledged Collateral; provided,

however, that such payment and discharge shall not be required with respect to any such tax, assessment, charge, levy, claim or Lien so long as the validity or amount thereof shall be contested by the Borrower in good faith by appropriate proceedings and so long as the Borrower shall have set aside adequate reserves with respect thereto in accordance with and to the extent required by GAAP, applied on a consistent basis.

(k) Variable Rate Bonds.

(i) As a condition to the issuance of any Bonds that are to bear interest at a Variable Interest Rate, to the extent that such issuance would cause the principal amount of all Outstanding Variable Rate Bonds to exceed twenty-five percent (25%) of the principal amount of all Outstanding Bonds, the Borrower shall enter into a Qualified Hedge with respect to such Bonds, with an aggregate stated notional amount of at least ninety-eight percent (98%) and not more than one hundred two percent (102%) of the aggregate principal amount of such Bonds projected to be Outstanding, and shall maintain such Qualified Hedge in place until (and such Qualified Hedge shall not have a stated maturity or termination date earlier than) the earliest to occur of (i) the date on which such Bonds no longer bear interest at a Variable Interest Rate, (ii) the date on which the aggregate principal amount of all Outstanding Variable Rate Bonds no longer exceeds twenty-five percent (25%) of the aggregate principal amount of all Outstanding Bonds, (iii) the date such Bonds have been repaid in full in cash and (iv) the Final Maturity Date. Each such Qualified Hedge shall have a payment profile that is reasonably consistent with the expected draw and repayment schedule of such Bonds.

(ii) Each Qualified Hedge required under this Section 14(k) shall provide for a fixed interest rate resulting in fixed payment amounts payable by the Borrower to the Qualified Hedge Provider. The Borrower's obligations to pay any Hedging Obligations shall be payable pursuant to Section 5.05 of the Indenture with the priority specified for, or on a basis subordinate to the priority specified for, the Obligations with respect to which such Hedging Transaction is entered into. The Borrower's obligations to pay any Hedging Termination Obligations shall be payable pursuant to Section 5.05 of the Indenture at the payment priority specified in Section 5.05(b) of the Indenture. The Borrower shall ensure that, as of the date following the termination date of any Qualified Hedge required under this Section 14(k) that for any reason terminates before the earliest to occur of (i) the maturity date of the Variable Rate Bonds subject to such Qualified Hedge, (ii) the date on which the aggregate principal amount of all Outstanding Variable Rate Bonds no longer exceeds twenty-five percent (25%) of the aggregate principal amount of all Outstanding Bonds and (iii) the Final Maturity Date, then (A) a new Qualified Hedge is in full force and effect commencing no later than the termination date of the Qualified Hedge that is terminating or (B) the Variable Rate Bonds have been converted to a fixed rate, in each case in accordance with this Agreement and the Indenture.

(iii) The Borrower shall neither terminate (other than Permitted Hedging Terminations), transfer, nor consent to any transfer (other than to a Qualified Hedge Provider) of any existing Qualified Hedge without the WIFIA Lender's prior written consent as long as the Borrower is required to maintain a Qualified Hedge pursuant to this Agreement.

(iv) With respect to any Qualified Hedge required under this Section 14(k), if at any time a Hedging Bank no longer satisfies the requirements for a Qualified Hedge Provider, the Borrower shall, within ten (10) days (or such lesser number of days required by the applicable Hedging Agreement, including any credit support annex thereto) of the date on which such Hedging Bank failed to qualify as a Qualified Hedge Provider, either (A) cash collateralize the mark-to-market value of the Hedging Termination Obligations (in accordance with the credit support annex or similar requirements of the applicable Hedging Agreement) or provide a guarantee for such amount from an entity with an Acceptable Credit Rating, or (B) cause such disqualified Hedging Bank to be replaced by a Qualified Hedge Provider, whether by means of a transfer of the disqualified Hedging Bank's Hedging Agreement to a Qualified Hedge Provider or by means of a termination of such disqualified Hedging Bank's Hedging Agreement and replacement thereof by a Hedging Agreement with a Qualified Hedge Provider on terms and conditions that satisfy the requirements of this Section 14(k); provided, that if the disqualified Hedging Bank's highest credit rating from any Nationally Recognized Rating Agency is less than 'A-', 'A3' or the equivalent, clause (A) shall not apply and the Borrower shall be required to cause such disqualified Hedging Bank to be replaced by a Qualified Hedge Provider pursuant to clause (B).]

(l) SAM Registration. The Borrower shall (i) obtain and maintain through the Final Disbursement Date an active registration status with the federal System for Award Management (www.SAM.gov) (or any successor system or registry) prior to the Effective Date and provide such registration information to the WIFIA Lender and (ii) within sixty (60) days prior to each anniversary of the Effective Date until the Final Disbursement Date, provide to the WIFIA Lender evidence of such active registration status with no active exclusions reflected in such registration.

(m) DUNS Number. The Borrower shall (i) obtain and maintain from Dun & Bradstreet (or a successor entity) a Data Universal Numbering System Number (a "**DUNS Number**") prior to the Effective Date and provide such number to the WIFIA Lender and (ii) within sixty (60) days prior to each anniversary of the Effective Date, provide to the WIFIA Lender evidence of the continuing effectiveness of such DUNS Number, in each case until the Final Maturity Date or to such earlier date as all amounts due or to become due to the WIFIA Lender under this Agreement have been irrevocably paid in full in immediately available funds.

(n) Events of Loss; Loss Proceeds. If an Event of Loss shall occur with respect to the System (including the Project) or any part thereof, the Borrower shall (i) diligently pursue all of its rights to compensation against all relevant insurers, reinsurers and Governmental Authorities, as applicable, in respect of such Event of Loss and (ii) apply all Net Loss Proceeds in respect of such Event of Loss to repair, reconstruct, and/or replace the portion of the System in respect of which the applicable Loss Proceeds were received. The Borrower shall begin such repair, reconstruction or replacement promptly after such damage or destruction shall occur, and shall continue and properly complete such repair, reconstruction or replacement as expeditiously as possible, and shall pay out of such Loss Proceeds all costs and expenses in connection with such repair, reconstruction or replacement so that the same shall be completed and the System shall be free and clear of all claims and Liens. If such Net Loss Proceeds exceed the costs of such repair, reconstruction or replacement, then the excess Net Loss Proceeds shall be deposited in the Revenue

Fund and be available for other proper uses of funds deposited in the Revenue Fund. If such Net Loss Proceeds are insufficient to enable the Borrower to restore or replace the damaged portions of the System, the Borrower shall provide additional funds for that purpose.

(o) Immunity. The parties do not believe that the Borrower would be able to assert protections of immunity of a governmental entity from lawsuits, other actions and claims, and any judgments with respect to the enforcement of any of the obligations of the Borrower under this Agreement or any other WIFIA Loan Document.

(p) Accounting and Audit Procedures.

(i) The Borrower shall establish fiscal controls and accounting procedures sufficient to assure proper accounting for all (A) Revenues, operating expenses, capital expenses, depreciation, reserves, debt issued and Outstanding and debt payments and (B) Project-related costs, WIFIA Loan requisitions submitted, WIFIA Loan proceeds received, payments made by the Borrower with regard to the Project, other sources of funding for the Project (including amounts paid from such sources for Project costs so that audits may be performed to ensure compliance with and enforcement of this Agreement). The Borrower shall use accounting, audit and fiscal procedures conforming to GAAP, including, with respect to the WIFIA Loan, accounting of principal and interest payments, disbursements, prepayments and calculation of interest and principal amounts Outstanding.

(ii) The Borrower shall have a single or program-specific audit conducted in accordance with 2 C.F.R. Part 200 Subpart F and 31 U.S.C. § 7502 for 2025 and annually thereafter, except to the extent biennial audits are permitted for the Borrower pursuant to 2 C.F.R. § 200.504 and 31 U.S.C. § 7502(b). Upon reasonable notice, the Borrower shall cooperate fully in the conduct of any periodic or compliance audits conducted by the WIFIA Lender, or designees thereof, pursuant to 40 C.F.R. Part 35, 31 U.S.C. § 7503(b), or 31 U.S.C. § 6503(h) and shall provide full access to any books, documents, papers or other records that are pertinent to the Project or the WIFIA Loan, to the WIFIA Lender, or the designee thereof, for any such project or programmatic audit.

(q) Access; Records.

(i) So long as the WIFIA Loan or any portion thereof shall remain Outstanding and until five (5) years after the WIFIA Loan shall have been paid in full, the WIFIA Lender shall have the right, upon reasonable prior notice, to visit and inspect any portion of the Project, to examine books of account and records of the Borrower relating to the Project, to make copies and extracts therefrom at the Borrower's expense, and to discuss the Borrower's affairs, finances and accounts relating to the Project with, and to be advised as to the same by, its officers and employees and its independent public accountants (and by this provision the Borrower irrevocably authorizes its independent public accountants to discuss with the WIFIA Lender the affairs, finances and accounts of the Borrower, whether or not any representative of the Borrower is present, it being understood that nothing contained in this Section 14(q) is intended to confer any right to exclude any such representative from such discussions), all at such reasonable times and intervals as the WIFIA Lender may request. The Borrower agrees to pay all out-of-pocket

expenses incurred by the WIFIA Lender in connection with the WIFIA Lender's exercise of its rights under this Section 14(q) at any time when an Event of Default shall have occurred and be continuing.

(ii) The Borrower shall maintain and retain all files relating to the Project and the WIFIA Loan until five (5) years after the later of the date on which (i) all rights and duties under this Agreement and under the WIFIA Bond (including payments) have been fulfilled and any required audits have been performed and (ii) any litigation relating to the Project, the WIFIA Loan or this Agreement is finally resolved or, if the WIFIA Lender has reasonable cause to extend such date, a date to be mutually agreed upon by the WIFIA Lender and the Borrower. The Borrower shall provide to the WIFIA Lender in a timely manner copies (paper or electronic) of all records and documentation relating to the Project that the WIFIA Lender may reasonably request from time to time.

Section 15. Negative Covenants. The Borrower covenants and agrees as follows until the date the WIFIA Bond and the obligations of the Borrower under this Agreement (other than contingent indemnity obligations) are irrevocably paid in full in immediately available funds, unless the WIFIA Lender waives compliance in writing:

(a) Indebtedness.

(i) Except for Permitted Indebtedness, the Borrower shall not without the prior written consent of the WIFIA Lender issue or incur any Obligation or indebtedness of any kind payable from, secured or supported by the Pledged Collateral; provided, that the Borrower shall not incur any Obligation or indebtedness of any kind payable from, secured or supported by the Pledged Collateral, including Permitted Indebtedness, without the prior written consent of the WIFIA Lender, while an Event of Default has occurred and is continuing.

(ii) The Borrower may not create, incur or suffer to exist (A) any Obligations the payments of which are senior or prior in right to the payment by the Borrower of the Bonds, (B) any Obligations the payments of which are *pari passu* in right of payment by the Borrower of the Bonds or (C) any indebtedness of any kind incurred in respect of the Project that are secured by a Lien on any assets or property of the Borrower other than the Pledged Collateral.

(iii) [The Borrower shall not issue or incur any Additional Bonds except in accordance with all requirements and conditions set forth in Section 2.02, Section 2.03, Section 2.04, Section 2.05 and Section 2.06 of the Indenture, which requirements and conditions are hereby incorporated herein and a copy of each such section, as of the Effective Date, is attached hereto as **Schedule VII** (*Additional Bonds Test*). Notwithstanding the foregoing or the provisions of Section 2.03(d)(2) of the Indenture, the Borrower shall not issue or incur any Additional Bonds pursuant to or in reliance on Section 2.03(d)(2) of the Indenture without satisfaction of the provisions of Section 2.03(c)(3) of the Indenture except after the prior written consent of the WIFIA Lender.]

(iv) The Borrower shall not create, incur or suffer to exist any Obligation that is subordinate to the WIFIA Bond or other Bonds without the prior written consent of the WIFIA Lender, unless such indebtedness satisfies the requirements under the definition of "Subordinate Obligations" hereunder; provided that no issuing document or resolution pursuant to which such Subordinate Obligation is issued or incurred shall contain a right to accelerate without the consent of all of the Bondholders of the Bonds.

(v) Upon the incurrence of any Additional Bonds or Subordinate Obligations, the Borrower shall provide to the WIFIA Lender a certificate signed by the Borrower's Authorized Representative, (A) specifying the closing date with respect to such proposed Additional Bonds or Subordinate Obligations, as applicable, and (B) confirming that the incurrence of such proposed Additional Bonds or Subordinate Obligations, as applicable, is authorized pursuant to, and satisfies the conditions in, this Section 15(a) and satisfies the applicable requirements under the Indenture Documents.

(b) No Lien Extinguishment or Adverse Amendments. The Borrower shall not, and shall not permit any Person to, without the prior written consent of the WIFIA Lender, (i) extinguish or lower the Rate Covenant Requirement; (ii) extinguish or impair the Liens on the Pledged Collateral or any dedicated source of repayment of the WIFIA Loan or any other Obligations (the proceeds of which are applied to fund Total Project Costs), in each case granted pursuant to the Indenture, (iii) amend, modify, replace or supplement any Related Document or permit a waiver of any provision thereof in a manner that could adversely affect the WIFIA Lender or could reasonably be expected to result in a Material Adverse Effect, or (iv) terminate, assign or replace any Related Document (other than the replacement of any Principal Project Contract permitted under Section 17(a)(xi) (*Events of Default and Remedies – Default Under Principal Project Contracts*)) in a manner that could adversely affect the WIFIA Lender or could reasonably be expected to have a Material Adverse Effect.

(c) No Prohibited Liens. Except for Permitted Liens, the Borrower shall not create, incur, assume or permit to exist any Lien on the Project, the Pledged Collateral, the Revenues, or the Borrower's respective rights therein.

(d) Restricted Payments and Transfers. The Borrower shall not permit Revenues or other assets of the System, or any funds in any accounts held under the Indenture or in any other fund or account held by or on behalf of the Borrower, to be paid or transferred or otherwise applied for purposes other than ownership, operation or maintenance of the System.

(e) No Prohibited Sale, Lease or Assignment. The Borrower shall not sell, lease or assign its rights in and to the System, a substantial portion of the assets included in the System, or its rights and obligations under any Principal Project Contract, in each case unless such sale, lease or assignment (i) could not reasonably be expected to have a Material Adverse Effect and (ii) is made by the Borrower in the ordinary course of business.

(f) Borrower Fiscal Year. The Borrower shall not at any time adopt any fiscal year other than the Borrower Fiscal Year, except with thirty (30) days' prior written notice to the WIFIA Lender.

(g) Mergers and Acquisitions. The Borrower shall not, and shall not agree to, reorganize, consolidate with or merge into another Person unless (i) such reorganization, merger or consolidation is with or into another entity established by State law and such reorganization, merger or consolidation is mandated by State law, and in each case, does not adversely affect or impair to any extent or in any manner (A) the Revenues or other elements of the Pledged Collateral or (B) the availability of the Revenues for the payment and security of the obligations of the Borrower under this Agreement; and (ii) the Borrower provides to the WIFIA Lender, no later than sixty (60) days prior to the date of reorganization, consolidation or merger, prior written notice of such reorganization, consolidation or merger and the agreements and documents authorizing the reorganization, consolidation or merger, satisfactory in form and substance to the WIFIA Lender. In addition, the Borrower shall provide all information concerning such reorganization, consolidation or merger as shall have been reasonably requested by the WIFIA Lender.

(h) No Defeasance. Notwithstanding anything to the contrary in the Indenture or document related thereto, the WIFIA Loan shall not be subject to defeasance and no amounts in respect of the WIFIA Loan shall be considered or deemed to have been paid until the WIFIA Lender shall have received irrevocable payment in immediately available funds in accordance with the requirements for payment set forth in this Agreement.

(i) Hedging. The Borrower shall not enter into any Hedging Transaction with respect to or payable from the Revenues for any speculative purpose. The Borrower shall not create, incur, assume or permit to exist any Lien on the Pledged Collateral securing payment of any Hedging Obligations except a Lien on the Revenues on a parity with or on a basis subordinate in all respects to the pledge of and lien thereon securing the Obligations with respect to which such Hedging Transaction is entered into. The Borrower shall not create, incur, assume or permit to exist any Lien on the Pledged Collateral securing payment of any Hedging Termination Obligations except a Lien on the Revenues on a basis subordinate in all respects to all other Obligations and payable at the payment priority specified in Section 5.05(b) of the Indenture.

Section 16. Reporting Requirements.

(a) Updated Financial Model.

(i) The Borrower shall provide to the WIFIA Lender as soon as available, but no later than thirty (30) days after delivery of the annual audited financial statements required under Section 16(b) (*Reporting Requirements — Annual Financial Statements*), an updated Base Case Financial Model reflecting the then-current and projected conditions for a period not less than the lesser of (A) the duration of the Borrower's then-current adopted five-year capital improvement plan period for the System and (B) the remaining term of the WIFIA Loan.

(ii) The Updated Financial Model shall demonstrate to the satisfaction of the WIFIA Lender that the Borrower has developed and identified adequate revenues to implement a plan for operating, maintaining and repairing the Project over its useful life, and shall include: (A) the Borrower's capital improvement plan, major maintenance plan, projected rates and charges, projected debt outstanding and annual debt service, projected operation and maintenance costs of the System; (B) evidence of compliance with the Rate

Covenant Requirement for the most recent Borrower Fiscal Year and the projected Rate Covenant Requirement coverages through the period covered by the Updated Financial Model in accordance with this Section 16(a); (C) a written narrative identifying any material changes to the underlying assumptions from the previous Updated Financial Model and (D) a certificate signed by the Borrower's Authorized Representative, certifying that (1) the Updated Financial Model, including the assumptions and supporting documentation, as of its date, is accurate and reasonable to the best of the Borrower's knowledge and belief, (2) the annual projected Net Revenues will be sufficient to meet the Loan Amortization Schedule and to satisfy the Rate Covenant Requirement through the period covered by the Updated Financial Model in accordance with this Section 16(a), and (3) the Borrower is in compliance with its obligations in respect of the Rate Covenant Requirement pursuant to Section 14(a) (*Affirmative Covenants – Rate Covenant*).

(iii) The Borrower represents and warrants that the Updated Financial Model reflects the Borrower's reasonable expectations, using assumptions that the Borrower believes to be reasonable, of the System's expected operations, including capital costs, capital spending schedule, rates and revenues or charges (if applicable), Revenues, operating and maintenance expenses, major maintenance costs, financing structure and other scheduling, cost and financing elements required to be included in the Base Case Financial Model. The Updated Financial Model shall independently model the Project (as well as the System) addressing each of the foregoing as it may apply to the Project.

(b) Annual Financial Statements. The Borrower shall deliver to the WIFIA Lender, as soon as available, but no later than one hundred eighty (180) days after the end of each Borrower Fiscal Year:

(i) a copy of the audited income statement and balance sheet of the Borrower as of the end of such Borrower Fiscal Year and the related audited statements of operations and of cash flow of the Borrower for such Borrower Fiscal Year, (A) setting forth in each case in comparative form the figures for the previous fiscal year, (B) certified without qualification or exception, or qualification as to the scope of the audit, by an independent public accounting firm selected by the Borrower and (C) which shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein (except, with respect to the annual financial statements, for changes approved or required by the independent public accountants certifying such statements and disclosed therein); and

(ii) together with each delivery of such annual audited financial statements, a certificate signed by the chief executive officer or chief financial officer of the Borrower or the Borrower's Authorized Representative, stating whether or not, to the Borrower's knowledge, during the annual period covered by such financial statements, there occurred any Default or Event of Default and, if any such Default or Event of Default shall have occurred during such period, the nature of such Default or Event of Default and the actions that the Borrower has taken or intends to take in respect thereof;

provided, that the failure of the Borrower to deliver to the WIFIA Lender the annual audited financial statements required under this Section 16(b) during the period that is one hundred eighty (180) days after the end of the applicable Borrower Fiscal Year shall not constitute a Default or an Event of Default, so long as the Borrower provides such annual audited financial statements within thirty (30) days after the end of such period.

(c) Final Design Specifications. The Borrower shall deliver to the WIFIA Lender, no later than thirty (30) days prior to (i) any bid advertisement related to the Project, a copy of the final specifications relating to the development and construction of the Project, and (ii) any notice to proceed for the Project, a copy of the executed construction contract related to such notice to proceed and the final Project specifications.

(d) Construction Reporting. The WIFIA Lender shall have the right in its sole discretion to monitor (or direct its agents to monitor) the development of the Project, including environmental compliance, design, and construction of the Project. The Borrower shall be responsible for administering construction oversight of the Project in accordance with applicable federal, state and local governmental requirements. The Borrower agrees to cooperate in good faith with the WIFIA Lender in the conduct of such monitoring by promptly providing the WIFIA Lender with such reports, documentation or other information as shall be requested by the WIFIA Lender or its agents, including any independent engineer reports, documentation or information. During the period through Substantial Completion of the Project, the Borrower shall furnish to the WIFIA Lender, on a quarterly basis, a report on the status of the Project, substantially in the form of **Exhibit K** (*Form of Quarterly Report*). The report shall be executed by the Borrower's Authorized Representative and, for any quarter, shall be delivered to the WIFIA Lender within thirty (30) days of the following quarter (or if such day is not a Business Day, on the next following Business Day). If the then-current projection for the Substantial Completion Date is a date later than the Projected Substantial Completion Date, the Borrower shall provide in such report a description in reasonable detail to the reasonable satisfaction of the WIFIA Lender of the reasons for such projected delay, an estimate of the impact of such delay on the capital and operating costs of the System (if any), and that the new date could not reasonably be expected to result in a Material Adverse Effect. The Projected Substantial Completion Date shall automatically be adjusted to the date specified by the Borrower in its report unless the WIFIA Lender objects to the adjustment in writing to the Borrower within sixty (60) days following receipt of the Borrower's report on the basis that the Borrower's report does not demonstrate the matters specified in this Section 16(d).

(e) Public Benefits Report. The Borrower shall deliver to the WIFIA Lender a report, in the form of **Exhibit L** (*Form of Public Benefits Report*) (the "**Public Benefits Report**"), (i) no later than thirty (30) days prior to the Effective Date, (ii) within ninety (90) days following the Substantial Completion Date and (iii) within ninety (90) days following the fifth (5th) anniversary of the Substantial Completion Date. The Borrower agrees that information described under this Section 16(e) may be made publicly available by the WIFIA Lender at its discretion.

(f) Modifications to Total Project Costs. For the period through the Substantial Completion Date, the Borrower shall provide the WIFIA Lender with written notification at least thirty (30) days prior to instituting any increase or decrease to the aggregate Total Project Costs in an amount equal to or greater than five percent (5%), which notification shall set forth the nature of the proposed increase or decrease and an estimate of the impact of such increase or decrease on

the capital costs and operating costs of the System. The Borrower's notice shall demonstrate that the proposed increase or decrease is consistent with the provisions of this Agreement, is necessary or beneficial to the Project, does not materially impair the WIFIA Lender's security or the Borrower's ability to comply with its obligations under the Related Documents (including any financial ratios or covenants included therein), and could not reasonably be expected to result in a Material Adverse Effect.

(g) Operations and Maintenance. The WIFIA Lender shall have the right, in its sole discretion, to monitor (or direct its agents to monitor) the Project's operations and, as the WIFIA Lender may request from time to time, to receive reporting on the operation and management of the Project, and copies of any contracts relating to the operation and maintenance of the Project. The Borrower agrees to cooperate in good faith with the WIFIA Lender in the conduct of such monitoring by promptly providing the WIFIA Lender with such reports, documentation, or other information requested by the WIFIA Lender. The WIFIA Lender has the right, in its sole discretion, to retain such consultants or advisors, to carry out the provisions of this Section 16(g). On or prior to the Substantial Completion Date, the Borrower shall deliver to the WIFIA Lender an operations and maintenance manual with respect to the Project, in form and substance reasonably acceptable to the WIFIA Lender.

(h) Notices.

(i) The Borrower shall, within fifteen (15) days after the Borrower learns of the occurrence, give the WIFIA Lender notice of any of the following events or receipt of any of the following notices, as applicable, setting forth details of such event:

(A) Substantial Completion: the occurrence of Substantial Completion, such notice to be provided in the form set forth in **Exhibit J** (*Form of Certificate of Substantial Completion*);

(B) Defaults; Events of Default: any Default or Event of Default;

(C) Litigation: (1) the filing of any litigation, suit or action, or the commencement of any proceeding, against the Borrower before any arbitrator, Governmental Authority, alternative dispute resolution body, or other neutral third-party, or the receipt by the Borrower in writing of any threat of litigation, suit, action, or proceeding, or of any written claim against the Borrower that, in each case, could reasonably be expected to have a Material Adverse Effect, and any material changes in the status of such litigation, suit, action or claim, and (2) any judgments against the Borrower with award amounts in excess of \$[_____], either individually or in the aggregate;

(D) Delayed Governmental Approvals: any failure to receive or delay in receiving any Governmental Approval or making any required filing, notice, recordation or other demonstration to or with a Governmental Authority, in each case to the extent such failure or delay will or could reasonably be expected to result in a delay to any major milestone date (including the Projected Substantial Completion Date) set forth in the Construction Schedule, together with a written explanation of the reasons for such failure or delay and the Borrower's plans to remedy or mitigate the effects of such failure or delay;

(E) Environmental Notices: any material notice of violation or material change in finding under any Environmental Law related to the Project or any material changes to the NEPA Determination;

(F) Amendments: any material amendment of any Related Document, subject to Section 16(j) (*Reporting Requirements – Amendments*); provided, that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA;

(G) Related Document Defaults: any material breach or default or event of default on the part of the Borrower or any other party under any Related Document; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA;

(H) Uncontrollable Force: the occurrence of any Uncontrollable Force that could reasonably be expected to materially and adversely affect the Project;

(I) Ratings Changes: any change in the rating assigned to the Bonds, the WIFIA Loan or any Subordinate Obligations, in each case by any Nationally Recognized Rating Agency that has provided a public rating on such indebtedness, and any notices, reports or other written materials (other than those that are ministerial in nature) received from any such rating agencies; provided, that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA;

(J) 2 C.F.R. § 180.350 Notices: any notification required pursuant to 2 C.F.R. § 180.350, whether attributable to a failure by the Borrower to disclose information previously required to have been disclosed or due to the Borrower or any of its principals meeting any of the criteria set forth in 2 C.F.R. § 180.335;

(K) Additional Principal Project Contracts: the execution of any Additional Principal Project Contract, which notice shall include copies of any such contracts (together with any related contracts, side letters or other understandings);

(L) Issuance of Obligations: the issuance or incurrence of any Obligation, which notice shall include copies of any final issuing instrument (together with any continuing disclosure documents, ordinances, official statement, certifications or cash flow projections in connection therewith), prepared in connection with the issuance or incurrence of any such Obligation; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA;

(M) Postings on EMMA: the posting of any document on EMMA in accordance with the requirements of any Continuing Disclosure Agreement with respect to any Outstanding Obligations relating to annual financial information and operating data and the reporting of significant events; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant document on EMMA;

(N) Other Adverse Events: the occurrence of any other event or condition, including without limitation any notice of breach from a contract counterparty or any

holder of any Obligations, that could reasonably be expected to result in a Material Adverse Effect or have a material and adverse effect on the Project;

(O) Draws on Debt Service Reserve Account: the occurrence of any draws on the Debt Service Reserve Account to fund payments of interest on or principal of any Bonds or Repayment Obligations when due; and

(P) Approval of Rate Increases. any failure of the Administrative Control Board of the Borrower to approve or consider annual rate increases contemplated by or necessary to satisfy the Rate Covenant Requirement prior to the beginning of the Borrower Fiscal Year for which such annual rate increases are applicable.

(ii) Within thirty (30) calendar days after the Borrower learns of the occurrence of an event specified in clause (i) above (other than sub-clauses (A) (*Substantial Completion*), (F) (*Amendments*) or (I) (*Ratings Changes*) (in the case of a ratings upgrade), (K) (*Additional Principal Project Contracts*), (L) (*Issuance of Obligations*), and (M) (*Postings on EMMA*)), the Borrower's Authorized Representative shall provide a statement to the WIFIA Lender setting forth the actions the Borrower proposes to take with respect thereto. The Borrower shall also provide the WIFIA Lender with any further information reasonably requested by the WIFIA Lender from time to time concerning the matters described in clause (i) above.]

(i) Requested Information. The Borrower shall, at any time while the WIFIA Loan remains Outstanding, promptly deliver to the WIFIA Lender such additional information regarding the business, financial, legal or organizational affairs of the Borrower or regarding the Project or the Revenues as the WIFIA Lender may from time to time reasonably request.

(j) Amendments. The Borrower shall furnish to the WIFIA Lender, except as otherwise agreed by the WIFIA Lender in writing, copies of (1) any proposed amendments to the provisions or definitions of the Indenture included in **Schedule V** (*Flow of Funds*), **Schedule VI** (*Rate Covenant*) and **Schedule VII** (*Additional Bonds Test*) or referenced in Section 1 (*Definitions*) at least thirty (30) days prior to the effective date thereof and (2) copies of fully executed amendments of any Related Document within ten (10) days following execution thereof.

ARTICLE VI EVENTS OF DEFAULT

Section 17. Events of Default and Remedies.

(a) An "Event of Default" shall exist under this Agreement if any of the following occurs:

(i) Payment Default. The Borrower shall fail to (i) pay when due any part of the principal amount of or interest on the WIFIA Loan (including WIFIA Debt Service required to have been paid pursuant to the provisions of Section 8 (*Payment of Principal and Interest*) or (ii) make any mandatory prepayment required pursuant to the provisions of Section 9 (*Prepayment*), in each case when and as the payment thereof shall

be required under this Agreement or the WIFIA Bond or on the Final Maturity Date (each such failure, a “**Payment Default**”).

(ii) Covenant Default. The Borrower shall fail to observe or perform any covenant, agreement or obligation of the Borrower under this Agreement, the WIFIA Bond or any other WIFIA Loan Document (other than in the case of any Payment Default, any Development Default or any failure to comply with the Rate Covenant Requirement), and such failure shall not be cured within thirty (30) days after the earlier to occur of (A) receipt by the Borrower from the WIFIA Lender of written notice thereof or (B) the Borrower’s knowledge of such failure; provided, however, that if such failure is capable of cure but cannot reasonably be cured within such thirty (30) day cure period, then no Event of Default shall be deemed to have occurred or be continuing under this Section 17(a)(ii), and such thirty (30) day cure period shall be extended by up to one hundred fifty (150) additional days, if and so long as (x) within such thirty (30) day cure period the Borrower shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions until such failure is cured and (y) such failure is cured within one hundred eighty (180) days of the date specified in either (A) or (B) above, as applicable.

(iii) Misrepresentation Default. Any of the representations, warranties or certifications of the Borrower made in or delivered pursuant to the WIFIA Loan Documents (or in any certificates delivered by the Borrower in connection with the WIFIA Loan Documents) shall prove to have been false or misleading in any material respect when made or deemed made (or any representation and warranty that is subject to a materiality qualifier shall prove to have been false or misleading in any respect); provided, that no Event of Default shall be deemed to have occurred under this Section 17(a)(iii) if and so long as (A) such misrepresentation is not intentional, (B) such misrepresentation is not a misrepresentation in respect of Section 12(h) (*Representations and Warranties of Borrower – No Debarment*), Section 12(j) (*Representations and Warranties of Borrower – Compliance with Laws*), or Section 12(y) (*Representations and Warranties of Borrower – Patriot Act*), (C) in the reasonable determination of the WIFIA Lender, such misrepresentation has not had, and would not reasonably be expected to result in, a Material Adverse Effect, (D) in the reasonable determination of the WIFIA Lender, the underlying issue giving rise to the misrepresentation is capable of being cured and (E) the underlying issue giving rise to the misrepresentation is cured by the Borrower within thirty (30) days from the date on which the Borrower first became aware (or reasonably should have become aware) of such misrepresentation.

(iv) Acceleration of Bonds. Any acceleration shall occur of the maturity of any Bond, or any such Bond shall not be paid in full upon the final maturity thereof.

(v) Cross Default with Other Financing Documents. Any default shall occur in respect of the performance of any covenant, agreement or obligation of the Borrower under the Related Documents (other than the Principal Project Contracts), and such default shall be continuing after the giving of any applicable notice and the expiration of any applicable grace period specified in the Related Documents (other than the Principal Project Contracts) (as the case may be) with respect to such default, and the Borrower shall

have failed to cure such default or to obtain an effective written waiver thereof in accordance with the terms thereof.

(vi) Material Adverse Judgment. Any final, non-appealable judgment related to the Revenues, the System or the Project shall be entered against the Borrower which has a Material Adverse Effect.

(vii) Occurrence of a Bankruptcy Related Event. A Bankruptcy Related Event shall occur with respect to the Borrower.

(viii) Invalidity of WIFIA Loan Documents. (A) Any WIFIA Loan Document ceases to be in full force and effect (other than as a result of the termination thereof in accordance with its terms) or becomes void, voidable, illegal or unenforceable, contests in any manner the validity or enforceability of any WIFIA Loan Document to which it is a party or denies it has any further liability under any WIFIA Loan Document to which it is a party, or purports to revoke, terminate or rescind any WIFIA Loan Document to which it is a party; (B) the Indenture ceases (other than as expressly permitted thereunder) to be effective or to grant a valid and binding security interest on any material portion of the Pledged Collateral other than as a result of actions or a failure to act by, and within the control of, the Trustee or any Secured Party, and with the priority purported to be created thereby; or (C) any event occurs that results in the material impairment in the perfection or priority of the WIFIA Lender's security interest in the Pledged Collateral or in the value of such Pledged Collateral.

(ix) Failure to Satisfy Rate Covenant. The Borrower fails to satisfy the Rate Covenant Requirement for two (2) consecutive Borrower Fiscal Years.

(x) Development Default. A Development Default shall occur.

(xi) Default Under Principal Project Contracts. The Borrower shall default in the timely performance of any covenant, agreement or obligation under any Principal Project Contract or any Principal Project Contract shall be terminated prior to its scheduled expiration (unless in any case such default or termination could not reasonably be expected to have a Material Adverse Effect), and the Borrower shall have failed to cure such default or to obtain an effective written waiver or revocation thereof prior to the expiration of the applicable grace period specified in any such Principal Project Contract, or to obtain an effective revocation of such termination (as the case may be); provided, however, that no Event of Default shall be deemed to have occurred or be continuing under this Section 17(a)(xi) if, in the case of any termination of a Principal Project Contract, the Borrower replaces such Principal Project Contract with a replacement agreement (A) entered into with another counterparty that (1) is of similar or greater creditworthiness (including credit support), technical capability and relevant experience as the counterparty being replaced was at the time the applicable Principal Project Contract was originally executed (or otherwise reasonably acceptable to the WIFIA Lender), (2) is not, at the time of such replacement, suspended or debarred or subject to a proceeding to suspend or debar from bidding, proposing or contracting with any federal or state department or agency, and (3) is not, at the time of such replacement, in violation of any applicable laws; (B) on

substantially the same terms and conditions as the Principal Project Contract being replaced (or otherwise reasonably acceptable to the WIFIA Lender) and (C) effective as of the date of termination of the Principal Project Contract being replaced.

(xii) Cessation of System Operations. Following the Substantial Completion Date, operation of the System shall cease for a continuous period of not less than one hundred eighty (180) days unless (A) such cessation of operations shall occur by reason of an Uncontrollable Force that is not due to the fault of the Borrower (and which the Borrower could not reasonably have avoided or mitigated) or (B) the Borrower shall either be self-insured in an amount sufficient to cover, or shall have in force an insurance policy or policies under which the Borrower is entitled to recover amounts sufficient to pay (and may use such amounts to pay), Debt Service for all Bonds (including WIFIA Debt Service) and costs and expenses of the Borrower during such cessation of operations.

(b) [WIFIA and WIFIA Counsel to propose language relating to an increase in interest rate to 400 basis points above Treasury for a Bankruptcy Related Event]

(c) Upon the occurrence of any Event of Default, the WIFIA Lender, by written notice to the Borrower, may exercise any or all of the following remedies:

(i) the WIFIA Lender may suspend or terminate all of its obligations hereunder with respect to the disbursement of any undisbursed amounts of the WIFIA Loan;

(ii) the WIFIA Lender may cease permitting interest on the WIFIA Loan to be capitalized;

(iii) the WIFIA Lender may apply the Default Rate provisions of Section 6 (*Interest Rate*);

(iv) the WIFIA Lender may suspend or debar the Borrower from further participation in any Government program administered by the WIFIA Lender and to notify other departments and agencies of such default; and/or

(v) the WIFIA Lender shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of any sums due and unpaid hereunder or under the WIFIA Bond or the other WIFIA Loan Documents, and may prosecute any such judgment or final decree against the Borrower and collect in the manner provided by law out of the property of the Borrower the moneys adjudged or decreed to be payable, and the WIFIA Lender shall have all of the rights and remedies of a creditor, and may take such other actions at law or in equity as may appear necessary or desirable to collect all amounts payable by Borrower under this Agreement, the WIFIA Bond or the other WIFIA Loan Documents then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under this Agreement, the WIFIA Bond or the other WIFIA Loan Documents.

(d) No action taken pursuant to this Section 17 shall relieve Borrower from its obligations pursuant to this Agreement, the WIFIA Bond or the other WIFIA Loan Documents, all of which shall survive any such action.

ARTICLE VII MISCELLANEOUS

Section 18. Disclaimer of Warranty. The WIFIA Lender makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for a particular purpose or fitness for use of the Project or any portion thereof or any other warranty with respect thereto. In no event shall the WIFIA Lender be liable for any incidental, indirect, special or consequential damages incidental to or arising out of this Agreement or the System (including the Project) or the existence, furnishing, functioning or use of the Project or any item or products or services provided for in this Agreement.

Section 19. No Personal Recourse. No official, employee or agent of the WIFIA Lender or the Borrower or any Person executing this Agreement or any of the other WIFIA Loan Documents shall be personally liable on this Agreement or such other WIFIA Loan Documents by reason of the issuance, delivery or execution hereof or thereof.

Section 20. No Third Party Rights. The parties hereby agree that this Agreement creates no third party rights against the Borrower, the Government, or the WIFIA Lender, solely by virtue of the WIFIA Loan, and the Borrower agrees to indemnify and hold the WIFIA Lender, the Servicer (if any), the Administrator, and the Government harmless, to the extent permitted by law and in accordance with Section 32 (*Indemnification*), from any lawsuit or claim arising in law or equity solely by reason of the WIFIA Loan, and that no third party creditor of the Borrower shall have any right against the WIFIA Lender with respect to the WIFIA Loan made pursuant to this Agreement.

Section 21. Borrower's Authorized Representative. The Borrower shall at all times have appointed a Borrower's Authorized Representative by designating such Person or Persons from time to time to act on the Borrower's behalf pursuant to a written certificate furnished to the WIFIA Lender and the Servicer, if any, containing the specimen signature or signatures of such Person or Persons and signed by the Borrower.

Section 22. WIFIA Lender's Authorized Representative. The WIFIA Lender hereby appoints the Director of the WIFIA Program, whose notice details are set forth below in Section 31 (*Notices*), to serve as the WIFIA Lender's Authorized Representative under this Agreement until such time as a successor or successors shall have been appointed. Thereafter, the successor in office shall serve as the WIFIA Lender's Authorized Representative. The WIFIA Lender shall provide notice to the Borrower within a reasonable time period following the succession.

Section 23. Servicer. The WIFIA Lender may from time to time designate another entity or entities to perform, or assist the WIFIA Lender in performing, the duties of the Servicer or specified duties of the WIFIA Lender under this Agreement and the WIFIA Bond. The WIFIA Lender shall give the Borrower written notice of the appointment of any successor or additional Servicer and shall enumerate the duties or any change in duties to be performed by any Servicer.

Any references in this Agreement to the WIFIA Lender shall be deemed to be a reference to the Servicer with respect to any duties which the WIFIA Lender shall have delegated to such Servicer. The WIFIA Lender may at any time assume the duties of any Servicer under this Agreement and the WIFIA Bond. The Borrower shall cooperate and respond to any reasonable request of the Servicer for information, documentation or other items reasonably necessary for the performance by the Servicer of its duties hereunder.

Section 24. Amendments and Waivers. No amendment, modification, termination, or waiver of any provision of this Agreement shall in any event be effective without the written consent of each of the parties hereto.

Section 25. Governing Law. This Agreement shall be governed by the federal laws of the United States of America if and to the extent such federal laws are applicable and the internal laws of the State, if and to the extent such federal laws are not applicable.

Section 26. Severability. In case any provision in or obligation under this Agreement shall be invalid, illegal, or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

Section 27. Successors and Assigns. This Agreement shall be binding upon the parties hereto and their respective permitted successors and assigns and shall inure to the benefit of the parties hereto and their permitted successors and assigns. Neither the Borrower's rights or obligations hereunder nor any interest therein may be assigned or delegated by the Borrower without the prior written consent of the WIFIA Lender.

Section 28. Remedies Not Exclusive. No remedy conferred herein or reserved to the WIFIA Lender is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 29. Delay or Omission Not Waiver. No delay or omission of the WIFIA Lender to exercise any right or remedy provided hereunder upon a default of the Borrower (except a delay or omission pursuant to a written waiver) shall impair any such right or remedy or constitute a waiver of any such default or acquiescence therein. Every right and remedy given by this Agreement or by law to the WIFIA Lender may be exercised from time to time, and as often as may be deemed expedient by the WIFIA Lender.

Section 30. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. Pursuant to the Uniform Electronic Transactions Act, Title 46, Chapter 4 of the Utah Code Annotated 1953, as amended, the WIFIA Lender and the Borrower hereby agree and consent to the use of electronic signatures and electronic records in connection with the this Agreement

and the transactions contemplated hereby; provided, however, that such consent and agreement only permits the use of, but does not require, electronic signatures or electronic records, including on documents delivered in counterparts.

Section 31. Notices. Notices hereunder shall be (a) in writing, (b) effective as provided below and (c) given by (i) nationally recognized courier service, (ii) hand delivery, or (iii) email, in each case to:

If to WIFIA Lender: Environmental Protection Agency
WJC-W 6201A
1200 Pennsylvania Avenue NW
Washington, D.C. 20460
Attention: WIFIA Director
Email: WIFIA_Portfolio@epa.gov

If to Borrower: _____

Attention: _____
Email: [_____]

If to Trustee: _____

Unless otherwise instructed by the WIFIA Lender's Authorized Representative, all notices to the WIFIA Lender should be made by email to the email address noted above for the WIFIA Lender. Notices required to be provided herein shall be provided to such different addresses or to such further parties as may be designated from time to time by a Borrower's Authorized Representative, with respect to notices to the Borrower, or by the WIFIA Lender's Authorized Representative, with respect to notices to the WIFIA Lender or the Servicer. Each such notice, request or communication shall be effective (x) if delivered by hand or by nationally recognized courier service, when delivered at the address specified in this Section 31 (or in accordance with the latest unrevoked written direction from the receiving party) and (y) if given by email, when such email is delivered to the address specified in this Section 31 (or in accordance with the latest unrevoked written direction from the receiving party); provided, that notices received on a day that is not a Business Day or after 5:00 p.m. Eastern Time on a Business Day will be deemed to be effective on the next Business Day.

Section 32. Indemnification. The Borrower shall, to the extent permitted by law, indemnify the WIFIA Lender and any official, employee, agent or representative of the WIFIA Lender (each such Person being herein referred to as an "**Indemnatee**") against, and hold each Indemnatee harmless from, any and all losses, claims, damages, liabilities, fines, penalties, costs and expenses (including the fees, charges and disbursements of any counsel for any Indemnatee and the costs of environmental remediation), whether known, unknown, contingent or otherwise,

incurred by or asserted against any Indemnatee arising out of, in connection with, or as a result of (a) the execution, delivery and performance of this Agreement, the WIFIA Bond or any of the other Related Documents, (b) the WIFIA Loan or the use of the proceeds thereof, or (c) the violation of any law, rule, regulation, order, decree, judgment or administrative decision relating to the environment, the preservation or reclamation of natural resources, the management, release or threatened release of any hazardous material or to health and safety matters; in each case arising out of or in direct relation to the Project; provided, that such indemnity shall not, as to any Indemnatee, be available to the extent that such losses, claims, damages, liabilities, fines, penalties, costs or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnatee. In case any action or proceeding is brought against an Indemnatee by reason of any claim with respect to which such Indemnatee is entitled to indemnification hereunder, the Borrower shall be entitled, at its expense, to participate in the defense thereof; provided, that such Indemnatee has the right to retain its own counsel, at the Borrower's expense, and such participation by the Borrower in the defense thereof shall not release the Borrower of any liability that it may have to such Indemnatee. Any Indemnatee against whom any indemnity claim contemplated in this Section 32 is made shall be entitled, after consultation with the Borrower and upon consultation with legal counsel wherein such Indemnatee is advised that such indemnity claim is meritorious, to compromise or settle any such indemnity claim. Any such compromise or settlement shall be binding upon the Borrower for purposes of this Section 32. Nothing herein shall be construed as a waiver of any legal immunity that may be available to any Indemnatee. To the extent permitted by applicable law, neither the Borrower nor the WIFIA Lender shall assert, and each of the Borrower and the WIFIA Lender hereby waives, any claim against any Indemnatee or the Borrower, respectively, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any of the other Related Documents, the other transactions contemplated hereby and thereby, the WIFIA Loan or the use of the proceeds thereof, provided, that nothing in this sentence shall limit the Borrower's indemnity obligations to the extent such damages are included in any third party claim in connection with which an Indemnatee is entitled to indemnification hereunder. All amounts due to any Indemnatee under this Section 32 shall be payable promptly upon demand therefor. The obligations of the Borrower under this Section 32 shall survive the payment or prepayment in full or transfer of the WIFIA Bond, the enforcement of any provision of this Agreement or the other Related Documents, any amendments, waivers (other than amendments or waivers in writing with respect to this Section 32) or consents in respect hereof or thereof, any Event of Default, and any workout, restructuring or similar arrangement of the obligations of the Borrower hereunder or thereunder.

Section 33. Sale of WIFIA Loan. The WIFIA Lender shall not sell the WIFIA Loan at any time prior to the Substantial Completion Date. After such date, the WIFIA Lender may sell the WIFIA Loan to another entity or reoffer the WIFIA Loan into the capital markets only in accordance with the provisions of this Section 33. Such sale or reoffering shall be on such terms as the WIFIA Lender shall deem advisable. However, in making such sale or reoffering the WIFIA Lender shall not change the terms and conditions of the WIFIA Loan without the prior written consent of the Borrower in accordance with Section 24 (*Amendments and Waivers*). The WIFIA Lender shall provide, at least sixty (60) days prior to any sale or reoffering of the WIFIA Loan, written notice to the Borrower of the WIFIA Lender's intention to consummate such a sale or reoffering; provided, however, that no such notice shall be required during the continuation of any

Event of Default. The provision of any notice pursuant to this Section 33 shall not (x) obligate the WIFIA Lender to sell nor (y) provide the Borrower with any rights or remedies in the event the WIFIA Lender, for any reason, does not sell the WIFIA Loan.

Section 34. Effectiveness. This Agreement shall be effective on the Effective Date.

Section 35. Termination. This Agreement shall terminate upon the irrevocable payment in full in immediately available funds by the Borrower of the Outstanding WIFIA Loan Balance, together with all accrued interest, fees and expenses with respect thereto; provided, however, that the indemnification requirements of Section 32 (*Indemnification*), the reporting and record keeping requirements of Section 14(q) (*Affirmative Covenants – Access; Records*) and the payment requirements of Section 10 (*Fees and Expenses*) shall survive the termination of this Agreement as provided in such Sections.

Section 36. Integration. This Agreement constitutes the entire contract between the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

MOUNTAIN REGIONAL WATER
SPECIAL SERVICE DISTRICT, UTAH,
by its authorized representative

By: _____
Name: Andy Garland
Title: General Manager

[Signature page to [Name of Project] – WIFIA Loan Agreement]

**UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY**, acting by and
through the Administrator of the
Environmental Protection Agency

By: _____
Name: Andrew R. Wheeler
Title: Administrator

[Signature page to [Name of Project] – WIFIA Loan Agreement]

SCHEDULE I
PROJECT BUDGET⁷

SOURCES OF FUNDS	AMOUNT (\$ USD)	PERCENTAGE (%)
[]		
Total Sources of Funds		
USES OF FUNDS	AMOUNT (\$ USD)	PERCENTAGE (%)
[]		
Total Uses of Funds		
Total Eligible Project Costs		
Total Project Costs		

⁷ To be completed by Borrower.

SCHEDULE II
CONSTRUCTION SCHEDULE

*[To be provided by Borrower]*⁸

⁸ The schedule should clearly specify the projected substantial completion date, which should match up with the WLA's definition of "Projected Substantial Completion Date" and also be reflected accordingly in the Base Case Financial Model.

SCHEDULE III
EXISTING INDEBTEDNESS⁹

A. Bonds

	Agreement/Series	Outstanding Principal ¹⁰
1.	Series [] Bonds, issued pursuant to the [] Supplemental Indenture, dated [], maturing on []	
2.		
3.		
4.		
5.		

B. Subordinate Obligations

	Agreement/Series	Outstanding Principal ¹¹
1.	[]	
2.		
3.		
4.		
5.		

C. Unsecured Obligations

	Agreement/Series	Outstanding Principal ¹²
1.	[]	
2.		
3.		
4.		
5.		

⁹ To be completed by Borrower.

¹⁰ As of Effective Date

¹¹ As of Effective Date

¹² As of Effective Date

SCHEDULE IV

WIFIA PAYMENT INSTRUCTIONS

Acceptable Methods for WIFIA Payments to EPA

Option 1 PAY.GOV

Use of Pay.gov to make payments to EPA is the preferred electronic payment method. In Pay.gov, users can track their payments to EPA and schedule recurring or automatic payments. Although it is not mandatory to register for a user id to access and use Pay.Gov, registration is recommended to have access to all Pay.gov system functionality.

1. Access the Pay.gov system by going to <https://www.pay.gov> and search for WIFIA or click on the following hyperlink to directly launch the WIFIA Loan Collection & Fees Form.
2. Provide the following information on your payment to ensure proper credit:
 - Remitter's contact phone number
 - Company/Organization Name as it appears on EPA document
 - Complete address, including city, state, zip code
 - Project Name
 - Loan Number: this is EPA WIFIA Loan number, NOT the remitter's number
 - From the "Payment Type" drop down menu select the type from the Fee Notice letter
 - Other Description: please note the reference number from the Fee Notice letter
3. Follow the remaining on-screen instructions to successfully process the payment to EPA.
4. Send an email to OCFO-OC-ACAD-WIFIA@epa.gov and wifia_portfolio@epa.gov informing that a payment has been made.

Option 2 FEDWIRE

Wire transfers made through FedWire are an alternative electronic wire transfer initiated between the borrower and its organization's financial institution (bank) and EPA. FedWire is typically used to initiate financial institution (bank) generated "same day" electronic payments.

Borrowers must work within the processing guidelines established by their bank, which may include processing cutoffs, transaction fees, and other bank requirements.

Banks that do not maintain an account at a Federal Reserve Bank (FRB) must use the services of correspondent banks that do have an FRB account. To process a payment using FedWire please:

1. Send FedWire deposits as early as possible and no later than 5 p.m. ET on the desired EPA receipt date
2. Review the FedWire form Instructions provided in Attachment 1 and complete the form. It is very important that all relevant details identified in the instructions are accurate.
3. Send an email to OCFO-OC-ACAD-WIFIA@epa.gov and wifia_portfolio@epa.gov informing that a payment has been made.

Option 3 CHECK PAYMENTS (Not allowed for payment of Principal or Interest)

1. Send checks to:

USPS Mailing Address

Laura Collier
USEPA Headquarters
William Jefferson Clinton Building
1200 Pennsylvania Avenue, N. W.
Mail Code: 2733R
Washington, DC 20460

Courier Address (e.g., FEDEX, UPS)

Courier Address
Laura Collier
Ronald Reagan Building
1300 Pennsylvania Ave., N.W.
Rm # 81164
Washington, DC 20004


2. Provide the following information on your check payment to ensure proper credit please:
 - Company/remitter's name (borrower name as it appears on EPA document)
 - Complete address, including city, state, zip

- Remitter's point of contact person and phone number
 - EPA WIFIA Loan # (NOT the remitter's number)
 - Payment Type/Reason for payment from the Fee Notice letter
 - Reference number from the Fee Notice letter.
3. Send an email to OCFO-OC-ACAD-WIFIA@epa.gov and wifia_portfolio@epa.gov informing that a payment has been submitted.

NOTES:

1. When checks are provided as payment, you authorize the EPA to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When the EPA uses information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.
2. As of the Effective Date, EPA is temporarily unable to accept paper checks due to the COVID-19 response. Prior to sending any paper check, contact EPA to determine whether paper checks are acceptable for payment at the time.

Attachment 1 – FedWire Payment Form and Instructions

		U.S. Environmental Protection Agency FUNDS TRANSFER DEPOSIT		
PC TO 021030004	TYPE 10	INSTRUCTIONS: Explicit completion and routing instructions are located on the reverse of this form. It is requested that prudent care be taken to ensure that all information is provided in the requested format. Failure to provide the information in the requested format may cause a delay in the notification of the funds transfer to EPA.		
FROM	CL	REF	AMOUNT \$	
SENDER				
RECEIVER TREAS NYC/(68010099)EPA				
THIRD PARTY INFORMATION				

The above FedWire form presented to your bank (who will initiate and transmit the FedWire payment) **MUST** contain all details below: *

TO (ABA)	021030004
TYPE	10
RECEIVER	TREAS NYC/(68010099)EPA
THIRD PARTY INFORMATION	<p>To ensure proper credit please include the following information on your payment:</p> <ul style="list-style-type: none"> • Company/remitter's name (borrower name as it appears on EPA document) • Complete address, including city, state, zip code • Remitter's point of contact person and phone number • EPA WIFIA Loan # (NOT the remitter's number) • Payment Type/Reason for payment from the Fee Notice letter • Reference number from the Fee Notice letter
Shaded Areas	Those items that are shaded on the Form are to be entered by the bank on the funds transfer message. (Depending on the Federal Reserve District, some items may not be required.)
<p>*Important: Failure to initiate the FedWire electronic wire transaction properly with the above fields included, will result in untimely or non-receipt of funds at EPA.</p>	

For questions about payments to EPA please contact EPA's Office of the Controller:

Phone: 202-564-7593. Voicemails can be left when calling outside business hours

Email: OCFO-OC-ACAD-WIFIA@epa.gov

For questions about the WIFIA program:

Email: wifia@epa.gov

SCHEDULE V

FLOW OF FUNDS

All terms used in this Schedule V shall have the meaning assigned to such terms as provided in the Indenture. All section references used in this Schedule V shall be references to the appropriate section in the Indenture. All references to this Indenture in this Schedule V shall be references to the Indenture.

Section 5.05. Flow of Funds. (a) On or before the fourth Business Day prior to the end of each month, after payment of unpaid Operation and Maintenance Costs then due, the District shall transfer from the Revenue Fund, to the extent of moneys available therein, and deposit, in the following order:

- (1) [Reserved], and
- (2) into the following Funds and Accounts, the amounts set forth below:

(A) Into the Principal and Interest Fund:

(i) for credit to the Bond Service Account, the amount, if any, required so that the balance in each of the Series Subaccounts in the Bond Service Account shall equal the Accrued Debt Service on the Series of Bonds and, to the extent required by the Supplemental Indenture creating such Series Subaccount, on any Security Instrument Obligations for which such Series Subaccount was established; provided that if there are not sufficient moneys to satisfy the requirements of this subsection (A) with respect to all Series Subaccounts in the Bond Service Account, all moneys available for distribution among such Series Subaccounts shall be deposited into the Bond Service Account and distributed on a pro rata basis to the deficient Series Subaccounts in the Bond Service Account, such distribution to be determined by multiplying the amount available for distribution by the proportion that the deficiency for each Series Subaccount bears to the total deficiency for all Series Subaccounts; and provided further, that in the event and to the extent moneys have been deposited in any Project Account pursuant to Section 2.03(b)(2), such moneys shall be transferred from the appropriate Project Account and deposited into the appropriate Series Subaccount in the Bond Service Account in an amount sufficient to cause the balance in such Series Subaccount to equal the interest component of Accrued Debt Service on the Series of Bonds; and

(ii) for credit to the Debt Service Reserve Account, without priority or preference as between subsections (A) or (B):

(A) if, after the issuance of a Series of Bonds, an amount equal to the Debt Service Reserve Requirement is not on deposit in the Series Subaccount established in the Debt Service Reserve Account for such Series of Bonds because sufficient moneys for that purpose were not required by a Supplemental Indenture to be deposited into the Debt Service Reserve Account

pursuant to the provisions of Section 2.02(a)(10), such amount as shall be required by the Supplemental Indenture authorizing such Series of Bonds, in not to exceed sixty (60) approximately equal monthly installments commencing no later than the business day immediately preceding the first interest payment date of such Series of Bonds, computed as of the contemplated date of issuance of such Series of Bonds, necessary to cause the balance in such Series Subaccount to equal the Debt Service Reserve Requirement;

(B) if moneys shall ever have been paid out of any Series Subaccount in the Debt Service Reserve Account for the purpose specified in Section 5.07(b) or if for any other reason moneys in any Series Subaccount in the Debt Service Reserve Account shall have been removed and in either case if such moneys shall not have been replaced from any source, such amount as shall be necessary to cause either the amount so paid out of or removed from such Series Subaccount in the Debt Service Reserve Account to be replaced, or the amount to be on deposit in such Series Subaccount to be equal to the Debt Service Reserve Requirement attributable to the corresponding Series of Bonds, whichever is less; and

(C) with respect to a Series of Bonds for which a Debt Service Reserve Requirement has been established pursuant to a Supplemental Indenture and for which the Debt Service Reserve Requirement has been increased because of a decline in the amount by which Net Revenues exceeded Aggregate Debt Service, such amount, in monthly installments, as shall be required by the Supplemental Indenture authorizing such Series of Bonds to cause the balance in such Series Subaccount to equal the Debt Service Reserve Requirement then existing for such Series of Bonds;

provided that if there are not sufficient moneys in the Revenue Fund to satisfy the requirements of this subsection (ii), all moneys available for distribution among the Series Subaccounts in the Debt Service Reserve Account shall be deposited into the Debt Service Reserve Account and distributed pro rata based on the amount of the deficiencies to the deficient Series Subaccounts in the Debt Service Reserve Account.

(B) Into the Renewal and Replacement Fund:

(i) if the Renewal and Replacement Fund Reserve Requirement shall ever be increased in accordance with the provisions of paragraph (d) of Section 5.08, the amount specified in a Written Certificate of the District identifying a schedule of sixty (60) approximately equal monthly deposits into the Renewal and Replacement Fund sufficient to cause the balance in the Renewal and Replacement Fund to equal the increased Renewal and Replacement Fund Reserve Requirement as required in paragraph (d) of Section 5.08; and

(ii) if moneys shall ever have been paid out of the Renewal and Replacement Fund and shall not have been replaced from any source, the amount of money necessary, in not to exceed one hundred twenty (120) approximately equal monthly installments, to cause the amount so paid out of the Renewal and Replacement Fund to be replaced, or to cause to be on deposit in the Renewal and Replacement Fund an amount equal to the Renewal and Replacement Fund Reserve Requirement, whichever is less;

provided, however, that so long as there shall be held in the Principal and Interest Fund, excluding any Reserve Instrument Coverage, an amount sufficient to pay in full all Outstanding Bonds and all outstanding Repayment Obligations in accordance with their terms (including Principal or applicable sinking fund Redemption Price and interest thereon), no deposits shall be required to be made into the Principal and Interest Fund.

(b) Amounts remaining in the Revenue Fund at the end of each month after payment of the amounts required by subsection (a) of this Section may be applied by the District, free and clear of the lien of the Indenture, to any one or more of the following, to the extent permitted by law: (1) the purchase or redemption of any Bonds and payment of expenses in connection therewith; (2) payments of principal or redemption price of and interest on any bonds, including general obligation or junior lien revenue bonds of the District, issued to acquire improvements or extensions to the System; (3) payments into any Project Account or Accounts established in the Construction Fund for application to the purposes of such Accounts; (4) payment of the costs of capital improvements to the System; and (5) any other lawful purpose of the District.

(c) Upon any purchase or redemption, pursuant to subsection (b) of this Section, of Bonds of any Series and maturity for which Sinking Fund Installments shall have been established, the principal amount of such Bonds shall be credited toward such Sinking Fund Installments in such order of their due dates as directed by the District, unless the District shall elect to have the Sinking Fund Installments next due credited as provided in Section 5.06(c).

Section 5.06. Principal and Interest Fund - Bond Service Account. (a) Each Supplemental Indenture providing for the issuance of a Series of Bonds shall establish a separate Series Subaccount in the Bond Service Account for each such Series of Bonds issued *provided, however, that such a separate Series Subaccount need not be established in the Principal and Interest Fund for a Series of Bonds if such Series of Bonds is secured by Series Subaccount in the Debt Service Reserve Account that also secures one or more other Series of Bonds as contemplated by Section 5.07(a) (in which case the Supplemental Indenture may provide for the payment of principal and interest on such Series of Bonds from the same Series Subaccount in the Principal and Interest Fund as the principal and interest on such other Series of Bonds are payable from).* There shall be deposited into each Series Subaccount the amounts required to be so deposited pursuant to Section 5.05(a)(A)(i). Any payments made by a Security Instrument Issuer with respect to a Series of Bon shall be deposited into the Series Subaccount in the Bond Service Account relating to such Series of Bonds, subject to the provisions of the Supplemental Indenture authorizing the issuance of such Series of Bonds.

(b) The Trustee shall pay out of the appropriate Series Subaccount in the Bond Service Account to the respective Paying Agent (1) on or before each interest payment date for each Series of Bonds, the amount required for the interest payable on such date; (2) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and (3) on or before any redemption date for each Series of Bonds, the amount required for the payment of Redemption Price of and accrued interest on such Bonds then to be redeemed. Such amounts shall be applied by the Paying Agents to pay Principal Installments and Redemption Price of, and interest on the related Series of Bonds. The Trustee shall pay out of the appropriate Series Subaccount in the Bond Service Account to the Security Instrument Issuer, if any, that has issued a Security Instrument with respect to such Series of Bonds an amount equal to any Security Instrument Repayment Obligation then due and payable to such Security Instrument Issuer. If payment is so made on Pledged Bonds held for the benefit of the Security Instrument Issuer, a corresponding payment on the Security Instrument Repayment Obligation shall be deemed to have been made (without requiring an additional payment by the District) and the Trustee shall keep its records accordingly.

(c) Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, amounts accumulated in any Series Subaccount in the Bond Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) shall, if so directed by the District in a Written Request not less than 30 days before the due date of such Sinking Fund Installment, be applied by the Trustee to (1) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, (2) the redemption at the applicable sinking fund Redemption Price of such Bonds, if then redeemable by their terms, or (3) any combination of (1) and (2). All purchases of any Bonds pursuant to this subsection (c) shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest, and such purchases shall be made in such manner as the District shall direct the Trustee. The applicable sinking fund Redemption Price (or Principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Service Account until such Sinking Fund Installment date for the purpose of calculating the amount of such Account. As soon as practicable after the 60th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption on such due date, by giving notice as required by the Indenture, Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the appropriate Series Subaccount in the Bond Service Account to the appropriate Paying Agents, on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Bonds shall be paid by the District as an Operation and Maintenance Cost.

Section 5.07 Principal and Interest Fund - Debt Service Reserve Account. (a) Each Supplemental Indenture providing for the issuance of a Series of Bonds may establish in the Debt Service Reserve Account a separate Series Subaccount for each such Series of Bonds issued and, if established, shall specify the Debt Service Reserve Requirement to be on deposit in such Series Subaccount.

(b) If on the third Business Day prior to the end of any month, after the deposit of moneys required by Section 5.05(a)(A)(i) the amount in any Series Subaccount in the Bond Service Account shall

be less than the amount required to be in such Series Subaccount, the Trustee shall (1) apply amounts from the corresponding Series Subaccount, if any, in the Debt Service Reserve Account to the extent necessary to make good the deficiency; and (2) to the extent that moneys and investments available in the corresponding Series Subaccount, if any, in the Debt Service Reserve Account are not sufficient to eliminate the deficiency in the Series Subaccount in the Bond Service Account and Reserve Instruments are in effect for the corresponding Series of Bonds, immediately make a demand for payment on all such Reserve Instruments, to the maximum extent authorized by such Reserve Instruments, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof in the appropriate Series Subaccount in the Bond Service Account.

(c) Whenever the moneys on deposit in a Series Subaccount in the Debt Service Reserve Account, including investment earnings and Reserve Instrument Coverage with respect thereto, shall exceed the Debt Service Reserve Requirement for such Series Subaccount, such excess shall be transferred by the Trustee to the corresponding Series Subaccount in the Bond Service Account and shall be used to pay Debt Service on the related Bonds, subject to any limitations contained in the Tax Certificate relating to such Bonds.

(d) Whenever the amount in a Series Subaccount in the Debt Service Reserve Account, excluding any Reserve Instrument Coverage, together with the amount in the corresponding Series Subaccount in the Bond Service Account for a Series of Bonds, is sufficient to pay in full all Outstanding Bonds of such Series and related Repayment Obligations in accordance with their terms (including Principal or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in such Series Subaccount in the Debt Service Reserve Account shall be transferred to the corresponding Series Subaccount in the Bond Service Account and no deposits shall be required to be made into such Series Subaccount in the Debt Service Reserve Account.

(e) Unless otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, in calculating the amount on deposit in a Series Subaccount in the Debt Service Reserve Account, the amount of the Reserve Instrument Coverage for the corresponding Series of Bonds will be treated as an amount on deposit in such Series Subaccount in the Debt Service Reserve account. So long as any Series of Bonds rated by a Rating Agency is Outstanding, the District agrees that it will not invest moneys held in a Series Subaccount in the Debt Service Reserve Account in a Reserve Instrument without providing notice of such investment to such Rating Agency.

(f) Unless otherwise specified in the Supplemental Indenture authorizing a Series of Bonds, no Reserve Instrument for such Series of Bonds shall be allowed to expire unless and until cash has been deposited into the appropriate Series Subaccount in the Debt Service Reserve Account, or a new Reserve Instrument has been issued in place of the expiring Reserve Instrument, in an amount or to provide coverage at least equal to the Debt Service Reserve Requirement for the corresponding Series of Bonds.

Section 5.08. Renewal and Replacement Fund. (a) The amounts in the Renewal and Replacement Fund shall, from time to time, be applied by the District to the payment of extraordinary Operation and Maintenance Costs, and contingencies, including the prevention or correction of any unusual loss or damage to the System to the extent not covered by the proceeds of insurance or other moneys recoverable as a result thereof.

(b) If on the third Business Day prior to the end of any month the amount in any Series Subaccount in the Bond Service Account shall be less than the amount required to be in such Series Subaccount in the Bond Service Account pursuant to Section 5.05(a)(A)(i), and there shall not be on deposit in the corresponding Series Subaccount in the Debt Service Reserve Account sufficient moneys to cure such deficiency, the Trustee shall request that the District transfer from the Renewal and Replacement Fund and deposit into such Series Subaccount in the Bond Service Account the amount necessary (or all the moneys in the Renewal and Replacement Fund, if less than the amount necessary) to make up such deficiency; provided that to the extent that such deficiencies occur in more than one Series Subaccount in the Bond Service Account and there are insufficient moneys available in the Renewal and Replacement Fund to make up such deficiencies, the amount transferred and deposited from the Renewal and Replacement Fund shall be distributed on a pro rata basis to the deficient Series Subaccounts in the Bond Service Account based on the proportion that the total funds available to remedy the total deficiency bears to the deficiency for each Series of Bonds.

(c) At the end of each Fiscal Year any balance of moneys or Investment Securities in the Renewal and Replacement Fund in excess of the Renewal and Replacement Fund Reserve Requirement and not required to meet any deficiency in the Bond Service Account or needed for any of the purposes for which the Renewal and Replacement Fund was established, shall be transferred by the District and deposited into the Revenue Fund.

SCHEDULE VI

RATE COVENANT

All terms used in this Schedule VI shall have the meaning assigned to such terms as provided in the Indenture. All section references used in this Schedule VI shall be references to the appropriate section in the Indenture. All references to this Indenture in this Schedule VI shall be references to the Indenture.

Section 6.13. Rates and Charges. (a) In order to assure full and continuous performance of the covenants contained in Sections 6.01 and 6.08 with a margin for contingencies and temporary unanticipated reduction in Revenues, the District covenants and agrees to establish, fix, prescribe, continue and collect (directly or through leases, use agreements or other agreements, or licenses or ordinances) rates and charges for the sale or use of the System services furnished by the District which, together with other income, are reasonably expected to yield Net Revenues at least equal to the Rate Covenant Requirement for the forthcoming Fiscal Year. The term "*Rate Covenant Requirement*" shall mean an amount equal to at least (1) 125% of the Aggregate Debt Service excluding amounts payable on Repayment Obligations for the Fiscal Year, (2) 100% of the Repayment Obligations, if any, which will be due and payable during the forthcoming Fiscal Year and (3) 100% of the amounts, if any, then required by the Indenture to be deposited into the Debt Service Reserve Account during the forthcoming Fiscal Year.

(b) if the annual financial statement made in accordance with the provisions of Section 6.12(b) relating to Revenues discloses that during the period covered by such financial statement the Net Revenues were not at least equal to the Rate Covenant Requirement, the District shall not be in default under this Section if, within 60 days after the date of such financial statement (1) the District obtains recommendations from a Qualified Engineer as to the revision of the rates, charges and fees necessary to produce Net Revenues at least equal to the Rate Covenant Requirement and (2) the District, on the basis of such recommendations, revises the schedule of rates, charges and fees insofar as is practicable and revises Operation and Maintenance Costs so as to produce Net Revenues at least equal to the Rate Covenant Requirement.

SCHEDULE VII

ADDITIONAL DEBT TEST

All terms used in this Schedule VII shall have the meaning assigned to such terms as provided in the Indenture. All section references used in this Schedule VII shall be references to the appropriate section in the Indenture. All references to this Indenture in this Schedule VII shall be references to the Indenture.

Section 2.02. General Provisions for the Issuance of Bonds. (a) Whenever the District shall determine to issue any Series of Bonds, the District shall execute and deliver a Supplemental Indenture which shall specify the following:

- (1) The purpose for which such Series of Bonds is to be issued, which shall be for a purpose set forth in Section 2.03, Section 2.04 or Section 2.05, or a combination of such purposes;
- (2) The authorized Principal amount and Series designation of such Series of Bonds;
- (3) The Issue Date and the maturity date or dates of the Bonds of such Series;
- (4) The interest rate or rates (including a zero interest rate) of the Bonds of such Series, or the manner of determining such rate or rates, *provided* that the Supplemental Indenture shall specify the maximum rate that the Bonds of such Series may bear if such Bonds are Variable Rate Bonds, and the interest payment dates of the Bonds of such Series;
- (5) The authorized denominations of the Bonds of such Series;
- (6) Any Paying Agents and the places of payment of the Principal and Redemption Prices, if any, of, and interest on, the Bonds of such Series, and, if other than the Trustee, any Transfer Agents and the places where Bonds may be registered for transfer or exchange;
- (7) The Redemption Prices, if any, and subject to Article IV, the redemption terms, if any, for the Bonds of such Series;
- (8) The amount and due date of each Sinking Fund Installment, if any, for the Bonds of such Series;
- (9) The Record Date for the Bonds of such Series;
- (10) Any Debt Service Reserve Requirement for such series of Bonds pursuant to Section 5.07(a) and the amount, if any, to be deposited from the proceeds of such Series of Bonds into any Series Subaccount in the Debt Service Reserve Account established for such Series of Bonds;

(11) The amount, if any, to be deposited from any legally available source into the Construction Fund;

(12) The amount, if any, to be deposited from any legally available source into the Renewal and Replacement Fund;

(13) The forms of the Bonds of such Series;

(14) To the extent applicable, the obligations payable under any Security Instrument Agreement or Reserve Instrument Agreement entered into in connection with the issuance of the Bonds of such Series which, when outstanding, shall constitute Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations, as the case may be, and which portions of such Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations, as the case may be, are to be attributed to principal of and to interest on such Repayment Obligations; and

(15) Any further covenants by the District required by any Security Instrument Issuer, Reserve Instrument Issuer or purchaser of Bonds deemed necessary or desirable by the District in connection with the sale of such Series of Bonds.

(b) The Bonds of any Series shall be executed by the District for issuance under the Indenture and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the District or upon the Written Request of the District but only upon receipt by the Trustee of the following documents or moneys or securities, all of such documents dated or certified, as the case maybe, as of the date of such delivery by the Trustee (unless the Trustee shall accept any of such documents bearing a prior date):

(1) A certified copy of the Supplemental Indenture relating to the issuance of the Bonds of such Series;

(2) A Written Request of the District as to the delivery of the Bonds of such Series;

(3) An Opinion of Bond Counsel to the effect that (i) the District has the power under the Act, as amended to the date of such Opinion, to issue the Bonds of such Series and to execute and deliver the Indenture, and the Indenture has been duly and lawfully executed and delivered by the District, is in full force and effect and is valid and binding upon the District and enforceable in accordance with its terms, and no other authorization for the Indenture is required; (ii) the Indenture creates the valid pledge which it purports to create of the Revenues, Funds, moneys, securities and funds held or set aside under the Indenture, subject to the application thereof to the purposes and on the conditions permitted by the Indenture; (iii) the Bonds of such Series are valid and binding special obligations of the District, enforceable in accordance with their terms and the terms of the Indenture and are entitled to the benefits of the Indenture and the Act, as amended to the date of such Opinion; and (iv) the Bonds of such Series have been duly and validly authorized and issued in accordance with law and the Indenture; provided that such Opinion of Counsel may contain limitations acceptable to the purchaser of such Series of Bonds, including

limitations as to enforcement by bankruptcy or similar laws, equity principles, sovereign police powers, and federal powers;

(4) A Written Certificate of the District setting forth (A) the Debt Service for each Fiscal Year of the Bonds of such Series or (B) the Aggregate Debt Service, including such Series of Bonds being issued, for each Fiscal Year, whichever is applicable, and containing such additional statements as may be reasonably necessary to show compliance with the requirements of the Indenture;

(5) The amounts, if any, necessary for deposit into the Construction Fund, the Revenue Fund, and any Series Subaccount in the Debt Service Reserve Account for such Series of Bonds; and

(6) Such further documents, moneys and securities as are required by the provisions of Section 2.03, Section 2.04 or Section 2.05, or of any Supplemental Indenture.

(c) The District may authorize by Supplemental Indenture the delivery to the Trustee of one or more Security Instruments with respect to any Series of Bonds and the execution and delivery of any Security Instrument Agreements deemed necessary in connection therewith.

(d) The District may authorize by Supplemental Indenture the issuance and delivery to the Trustee of one or more Reserve Instruments and the execution and delivery of any Reserve Instrument Agreements deemed necessary in connection therewith.

(e) The District may authorize by Supplemental Indenture the issuance of Put Bonds; provided that any obligation of the District to pay the purchase price of any such Put Bonds shall not be secured by a pledge of Revenues on a parity with the pledge contained in Section 5.01. The District may provide for the appointment of such Remarketing Agents, indexing agents or other agents as the District may determine.

(f) The District may authorize by Supplemental Indenture such other provisions relating to a Series of Bonds as are permitted by law and are consistent with the provisions of the Indenture.

(g) After the original issuance of the Bonds of any Series, no Bonds of such Series shall be issued except in lieu of or in substitution for other Bonds of such Series pursuant to Article III, Section 4.04 or Section 8.06.

(h) Notwithstanding any provision of this Section 2.02 to the contrary, a Supplemental Indenture may provide for the delivery of a Series of Bonds, issued in the form of a single Bond, in installments to be noted by the Trustee in a delivery schedule on the reverse side thereof or attached thereto.

Section 2.03. Special Provisions for the Issuance of Construction Bonds. (a) One or more Series of Construction Bonds may be authenticated and delivered upon original issuance from time to time in such Principal amount for each such Series as may be determined by the District for the

purpose of paying or providing for the payment of all or a portion of (i) the Cost of Construction of a Project, (ii) Principal, Redemption Price and interest on Bond Anticipation Notes or (iii) any combination of (i) and (ii). Each such Series shall be in such Principal amount which, when taken together with other funds legally available for such Project, will provide the District with sufficient funds to pay the estimated Cost of Construction of such Project, as set forth in the Written Certificate of the District furnished pursuant to Section 2.03(c)(1).

(b) Each Supplemental Indenture authorizing the issuance of a Series of Construction Bonds:

(1) Shall specify the Project for which the proceeds of such Series of Construction Bonds were applied; and

(2) May require the District to deposit a specified amount of money from the proceeds of the sale of such Series of Construction Bonds or from other legally available sources into the applicable Project Account sufficient to pay when due all or a portion of the interest on such Series of Construction Bonds to accrue up to 12 months following the Estimated Completion Date set forth in the Written Certificate of the District delivered with respect to such Series of Construction Bonds pursuant to Section 2.03(c)(1), plus interest to accrue on such Series of Construction Bonds after the Estimated Completion Date for up to one Year (or such different period as may then be permitted by law).

(c) Each Series of Construction Bonds shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required by Section 2.02) of the following documents, all dated as of the date of such delivery (unless the Trustee shall accept any of such documents bearing a prior date):

(1) A Written Certificate of the District setting forth the then Estimated Completion Date and the then estimated Cost of Construction of the Project being financed by such Series of Bonds.

(2) A Written Certificate of the District to the effect that, upon the authentication and delivery of the Bonds of such Series, no event will have occurred which, with the passage of time or the giving of notice, or both, would give rise to an Event of Default under the Indenture.

(3) Either:

(A) A Written Certificate of the District either for the District's most recent Fiscal Year or for any Year during the most recent eighteen (18) months showing that, the Net Revenues for such period would not be less than the Rate Covenant Requirement with respect to all Bonds to be Outstanding at any time during the Year next following the issuance of the proposed Series of Bonds and to the Repayment Obligations to be outstanding at any time during the Year next following the issuance of the proposed Series of Bonds; or

(B) (I)(x) An Accountant's Certificate, (y) an Engineer's Certificate or (z) any combination of (x) and (y) setting forth the Estimated Net Revenues (assuming the completion of the Project on its then Estimated Completion Date) for whichever of the following periods shall extend until the latest date:

(i) If the Supplemental Indenture authorizing the Series of Bonds being issued requires that interest on the Series of Bonds be capitalized until a certain date in accordance with Section 2.03(b)(2), for each of the two Fiscal Years succeeding such date, or

(ii) If the Supplemental Indenture authorizing the Series of Bonds being issued does not require that interest on the Series of Bonds be capitalized, for the then current Fiscal Year and each succeeding Fiscal Year to and including the third Fiscal Year succeeding the date of issuance of such Series of Bonds; and

(II) A Written Certificate of the District showing the Aggregate Debt Service for each of the Fiscal Years set forth in the certificate or certificates delivered pursuant to clause (I) above and showing that the Estimated Net Revenues as shown in such certificate or certificates for each of such Fiscal Years are not less than the Rate Covenant Requirement for each of such Fiscal Years with respect to all Series of Bonds to be Outstanding after the issuance of the proposed Series of Construction Bonds and to the Repayment Obligations to be outstanding after the issuance of the proposed Series of Construction Bonds.

(d) Notwithstanding any other provision of the Indenture, the provisions of Section 2.03(c)(3) shall not apply:

(1) to the first Series of Construction Bonds issued under the Indenture;

(2) to any Series of Construction Bonds all of the proceeds of which are to be applied to pay the Cost of Construction of a Project necessary, as expressed in an Engineer's Certificate delivered to the Trustee, to keep the System in good operating condition or to prevent a loss of Revenues therefrom, or to comply with requirements of any governmental agency having jurisdiction over the System;

(3) to any Series of Bonds, the aggregate Principal amount of which, together with the aggregate Principal amount of all other Outstanding Bonds issued pursuant to this paragraph (3) during any Fiscal Year, does not exceed ten percent (10%) of Revenues for the most recent Fiscal Year prior to the issuance of such Series of Bonds for which audited financial statements are available, all as expressed in a Written Certificate of the District; provided that the Trustee shall have received a Written Certificate of the District showing that the Estimated Net Revenues for the next succeeding Fiscal Year are not less than the Rate Covenant Requirement for such Fiscal Year with respect to all Series of Bonds to be Outstanding at any time during such Fiscal Year and to the Repayment Obligations to be outstanding at any time during such Fiscal Year; or

(4) to any Series of Bonds issued to pay the Cost of Construction necessary to complete any Project for which Construction Bonds have previously been issued, provided that the Trustee shall have received:

(A) A Written Certificate of the District stating that the nature and purpose of such Project has not materially changed since the initial Written Certificate of the District was filed pursuant to Section 2.03(c)(1); and

(B) A Written Certificate of the District to the effect that (i) all of the proceeds (including investment earnings) of Construction Bonds (or Bond Anticipation Obligations) previously issued to finance such Project have been or will be used to pay Costs of Construction of the Project, (ii) the then estimated Costs of Construction of the Project as contained in the Written Certificate of the District delivered pursuant to Section 2.03(c)(1) exceeds the sum of the Costs of Construction already paid plus moneys available in the Project Account established for the Project (including unspent proceeds of Bonds previously issued for such purpose), (iii) the issuance of such Series of Bonds is necessary to provide funds to pay Costs of Construction necessary for the Project and (iv) the Principal amount of such Series of Bonds does not exceed fifteen percent (15%) of the Principal amount of all Construction Bonds previously issued to finance such Project.

(e) The proceeds, including accrued interest, of the Construction Bonds of each Series shall be deposited simultaneously with the delivery of such Bonds in the Construction Fund and, to the extent permitted by law and the provisions of the Indenture, in any other Funds or such other funds or accounts as may be established by the Supplemental Indenture, in such amounts, if any, as may be provided in the Supplemental Indenture authorizing the issuance of such Series of Construction Bonds.

(f) There may also be deposited from any legally available source, to the extent permitted by law and the provisions of the Indenture, in the Funds, including, but not limited to the Renewal and Replacement Fund, or such other funds or accounts as may be established by the Supplemental Indenture, such amounts, if any, as may be provided in the Supplemental Indenture authorizing the issuance of such Series of Construction Bonds.

Section 2.04. Special Provisions for the Issuance of Refunding Bonds. (a) One or more Series of Refunding Bonds may be issued in such Principal amount which, when taken together with other legally available funds, will provide the District with funds sufficient to accomplish the refunding of all or a part of the Outstanding Bonds of one or more Series or all or part of any other borrowing of the District payable in whole or in part from the Revenues, including in each case the payment of all expenses in connection with such refunding. As used in this Section, the term "Refunded Debt" shall refer to such Bonds or other debt to be so refunded.

(b) Each Supplemental Indenture authorizing the issuance of a Series of Refunding Bonds shall specify the Refunded Debt to be refunded.

(c) Each Series of Refunding Bonds shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required by Section 2.02) of the following documents or moneys or securities (or if such documents or moneys or securities are to be delivered as hereinafter provided to the lender for other borrowings, to such lender, with a copy or other evidence of such delivery to the Trustee), all of such documents dated as of the date of such delivery (unless the Trustee or lender, as appropriate, shall accept any of such documents bearing a prior date):

(1) A Written Certificate of the District stating that the issuance of such Series of Refunding Bonds complies with the requirements of the Indenture and either:

(A) A Written Certificate of the District setting forth the Aggregate Debt Service for each Fiscal Year to and including the Fiscal Year in which occurs the latest maturity of the Refunded Debt to be refunded or such Series of Refunding Bonds, whichever is later, (i) with respect to the Refunded Debt to be refunded and (ii) with respect to the Series of Refunding Bonds to be authenticated and delivered, and stating that the Aggregate Debt Service for any Fiscal Year set forth pursuant to clause (ii) of this subparagraph (A) is no greater than the Aggregate Debt Service for any Fiscal Year set forth pursuant to clause (i) of this subparagraph (A); or

(B) An Accountant's Certificate (I) setting forth for the latest Fiscal Year preceding the authentication and delivery of such Series of Bonds for which Fiscal Year an audited financial report is available, the Net Revenues for such period, and (II) showing that such Net Revenues for such Year would not be less than the Rate Covenant Requirement (for each Fiscal Year to and including the Fiscal Year in which occurs the latest maturity of such Series of Refunding Bonds) with respect to all Bonds to be Outstanding at any time during the Year next following the issuance of the proposed Series of Bonds and to the Repayment Obligations to be outstanding at any time during the Year next following the issuance of the proposed Series of Bonds.

(2) Irrevocable instructions to the Trustee (or the lender or its designee), satisfactory to it, to give due notice of redemption of all the Refunded Debt to be refunded on the redemption date or dates specified in such instructions;

(3) If the Refunded Debt to be refunded is not by its terms subject to redemption within the next succeeding 60 days, irrevocable instructions to the Trustee (or the lender or its designee for other borrowings), satisfactory to it, to mail the notice provided for in Section 11.01(b) (or any similar provision for other borrowings) to the Refunded Debt being refunded;

(4) Either (i) moneys in an amount sufficient to effect payment at the applicable redemption price of the Refunded Debt to be refunded, together with accrued interest to the redemption date, which moneys shall be held by the Trustee or any one or more of the Paying Agents (or the lender or its designee for other borrowings) in a separate account irrevocably in trust for and assigned to the respective holders of the Refunded Debt to be refunded, or (ii) Investment Securities (or similar investments as provided in the other

document relating to other borrowings) in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications and any moneys, as shall be necessary to comply with the provisions of Section 11.01(b) (or any similar provision for other borrowings), which Investment Securities and moneys shall be held in trust and used only as provided in such Section; and

(5) If the Refunding Bonds to be issued are Cross-over Refunding Bonds, the Supplemental Indenture providing for the issuance of the Refunding Bonds shall, in addition to all other requirements of this Section 2.04, provide:

(A) That until the Cross-over Date neither Principal of nor interest on the Cross-over Refunding Bonds shall be payable from or secured by a pledge of the Revenues, but shall be payable solely from the escrow provided for in Section 11-27-3, Utah Code Annotated 1953, as amended; and

(B) there shall be filed with the Trustee an Accountant's Certificate demonstrating the sufficiency of the moneys and investments in the escrow provided for in Section 11-27-3, Utah Code Annotated 1953, as amended, to pay Principal of and interest on the Cross-over Refunding Bonds to the Cross-over Date (which Cross-over Date may, at the option of the District, be extended as provided in the Supplemental Indenture providing for the issuance of the Cross-over Refunding Bonds, but only upon filing a revised Accountant's Certificate which demonstrates that the moneys and investments then in the escrow will be sufficient to pay Principal of and interest on the Cross-over Refunding Bonds to the extended Cross-over Date).

(d) A Series of Refunding Bonds may be combined with a Series of Construction Bonds.

Section 2.05. Conditions for Issuance of Bond Anticipation Notes. (a) One or more Series of Bond Anticipation Notes, payable on a parity with all Outstanding Bonds (except as provided in Section 2.05(b)(2) below), may be authenticated and delivered upon original issuance from time to time in such Principal amount for each such Series as may be determined by the District for the purpose of paying or providing for the payment of all or a portion of the Cost of Construction of a Project, or the refunding of Bond Anticipation Notes, or a combination of such purpose. Each such Series shall be in such Principal amount which, when taken together with funds previously used or to be provided by the District for such Project, will provide the District with sufficient funds to pay the estimated Cost of Construction of such Project, as set forth in the Written Certificate of the District furnished pursuant to Section 2.05(c)(1). The District hereby covenants to apply so much of the proceeds of the Bonds in anticipation of which such Bond Anticipation Notes have been issued as shall be necessary to provide for the payment of all Principal Installments on such Bond Anticipation Notes.

(b) (1) Each Supplemental Indenture authorizing the issuance of a Series of Bond Anticipation Notes (i) shall specify the Project for which the proceeds of such Series of Bond Anticipation Notes will be applied, and (ii) may require the District to deposit a specified amount of money from the proceeds of the sale of such Series of Bond Anticipation Notes into a Project

Account in the Construction Fund to pay when due all or a portion of the interest on such Series of Bond Anticipation Notes accrued and to accrue to the Estimated Completion Date set forth in the Written Certificate of the District delivered with respect to such Series of Bond Anticipation Notes pursuant to Section 2.05(c)(1), plus interest to accrue on such Series of Bond Anticipation Notes after the Estimated Completion Date for up to one Year (or such different period as may then be permitted by law). Such Supplemental Indenture may also contain such limitations and restrictions on, and covenants and agreements of, the District and such rights and remedies for the holders of such Series of Bond Anticipation Notes, as deemed necessary and desirable by the District; provided, however, that such limitations, restrictions, covenants, agreements, rights and remedies shall not be contrary to or inconsistent with the limitations, restrictions, covenants, agreements, rights and remedies contained in this Indenture for the payment and security of any Bonds then Outstanding.

(2) If so provided in the Supplemental Indenture providing for the issuance of any Series of Bond Anticipation Notes, the payment of the Principal Installments on such Bond Anticipation Notes shall be subject to the prior lien and charge created herein for the payment of the Bonds out of the Principal and Interest Fund. In such case, such Supplemental Indenture shall provide that each of such Bond Anticipation Notes shall state on its face that the payment of Principal Installments thereof is so subordinated.

(3) No Bond Anticipation Note shall mature later than ten years from its date, including all refundings thereof by other Bond Anticipation Notes (whether such refundings occur by reason of exchanges of Bond Anticipation Notes or by reason of payment of such Bond Anticipation Notes from refunding Bond Anticipation Notes, or otherwise).

(c) Each Series of Bond Anticipation Notes shall be authorized and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required by Section 2.02 and Section 2.05(d) below) of the following documents, all dated as of the date of such delivery (unless the Trustee shall accept any of such documents bearing a prior date):

(1) a Written Certificate of the District setting forth the then Estimated Completion Date and the then estimated Cost of Construction of the Project being financed by such Series of Bond Anticipation Notes; and

(2) a Written Certificate of the District to the effect that, upon the authentication and delivery of the Bond Anticipation Notes of such Series, no event will have occurred which, with the passage of time or the giving of notice, or both, would give rise to an Event of Default under the Indenture; provided, however, that in the case of refunding Bond Anticipation Notes, the Principal Installments of which have been subordinated pursuant to Section 2.05(b)(2) above, the District need not so certify with respect to such Principal Installments.

(d) As of the date of issuance of any Series of Bond Anticipation Notes, the aggregate Principal amount of all outstanding Bond Anticipation Notes (including such Series) shall never exceed the Principal amount of a hypothetical Series of Bonds which could be issued by the District

on such date in compliance with Section 2.03(c)(3), having an assumed final maturity of 30 years, bearing an assumed rate of interest equal to the highest rate then borne by any outstanding Bond Anticipation Notes and having Debt Service due in each Fiscal Year in approximately equal amounts; provided that if no Series of Bond Anticipation Notes are then Outstanding under the Indenture, the interest rate used for purposes of the calculation set forth in this Section 2.05(d) shall be the interest rate borne by the Series of Bond Anticipation Notes to be issued. Each Series of Bond Anticipation Notes shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required by Section 2.02 and Section 2.05(c) above) of a Written Certificate of the District, together with a supporting Accountant's Certificate or a supporting Engineer's Certificate, as appropriate, all dated as of the date of such delivery (unless the Trustee shall accept any of such documents bearing a prior date), stating that the person signing each such certificate has reviewed and is familiar with the provisions of paragraph Section 2.05(d) and that, in the opinion of such signer, the Bond Anticipation Notes then proposed to be issued by the District can be duly and validly issued by the District pursuant to the provisions hereof, assuming for purposes of compliance with Section 2.03(c)(3) as required by the preceding sentence, that the Debt Service on the proposed Series of Bond Anticipation Notes is calculated on the basis of the hypothetical Series of Bonds as set forth in this Section 2.05(d).

Section 2.06. Provisions Regarding Bonds Secured by a Security Instrument. (a) The District may include such provisions in a Supplemental Indenture authorizing the issuance of a Series of Bonds secured by a Security Instrument as the District deems appropriate, including:

(1) So long as the Security Instrument is in full force and effect, and payment on the Security Instrument is not in default, (A) the Security Instrument Issuer shall be deemed to be the Holder of the Outstanding Bonds of such Series when the approval, consent or action of the Bondholders for such Series of Bonds is required or may be exercised under the Indenture and following an Event of Default and (B) the Indenture may not be amended in any manner which affects the rights of such Security Instrument Issuer without its prior written consent.

(2) In the event that the Principal and Redemption Price, if applicable, and interest due on any Series of Bonds Outstanding shall be paid under the provisions of a Security Instrument, all covenants, agreements and other obligations of the District to the Bondholders of such Series of Bonds shall continue to exist and such Security Instrument Issuer shall be subrogated to the rights of such Bondholders in accordance with the terms of such Security Instrument.

(b) In addition, such Supplemental Indenture may establish such provisions as are necessary to provide relevant information to the Security Instrument Issuer and to provide a mechanism for paying Principal Installments and interest on such Series of Bonds from the Security Instrument.

SCHEDULE 12(f)

LITIGATION¹³

No.	Parties	Date Initiated	Description	Venue

¹³ To be completed by Borrower, if applicable.

SCHEDULE 12(n)
PRINCIPAL PROJECT CONTRACTS¹⁴

A. Existing Principal Project Contracts

Contract	Date	Parties	Description

B. Additional Principal Project Contracts

Contract	Expected Effective Date (if known)	Parties	Description

¹⁴ To be completed by Borrower.

SCHEDULE 12(p)

ENVIRONMENTAL MATTERS

[To be provided by Borrower, if applicable]

EXHIBIT A

FORM OF WIFIA BOND¹⁵

MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH

[NAME OF PROJECT]

**(WIFIA – [N_____])
WIFIA BOND**

**Maximum Principal Amount: \$ [Maximum Amount of WIFIA Loan]
(including the maximum amount of capitalized interest that has been authorized)**

Effective Date: _____ Due: _____

MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH, a political subdivision created under the laws of the State of Utah (the “**Borrower**”), for value received, hereby promises to pay to the order of the **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, acting by and through the Administrator of the United States Environmental Protection Agency, or its assigns (the “**WIFIA Lender**”), the lesser of (x) the Maximum Principal Amount set forth above and (y) the aggregate unpaid principal amount of all disbursements (the “**Disbursements**”) made by the WIFIA Lender (such lesser amount, together with any interest that is capitalized and added to principal in accordance with the provisions of the WIFIA Loan Agreement (as defined below), being hereinafter referred to as the “**Outstanding Principal Sum**”), together with accrued and unpaid interest (including, if applicable, interest at the Default Rate, as defined in the WIFIA Loan Agreement) on the Outstanding Principal Sum and all fees, costs and other amounts payable in connection therewith, all as more fully described in the WIFIA Loan Agreement. The principal hereof shall be payable in the manner and at the place provided in the WIFIA Loan Agreement in accordance with **Exhibit F** (*WIFIA Debt Service*) to the WIFIA Loan Agreement, as revised from time to time in accordance with the WIFIA Loan Agreement, until paid in full (which **Exhibit F**, as modified from time to time in accordance with the terms of the WIFIA Loan Agreement, is incorporated in and is a part of this WIFIA Bond). The WIFIA Lender is hereby authorized to modify the Loan Amortization Schedule included in **Exhibit F** to the WIFIA Loan Agreement from time to time in accordance with the terms of the WIFIA Loan Agreement to reflect the amount of each disbursement made thereunder and the date and amount of principal or interest paid by the Borrower thereunder. Absent manifest error, the WIFIA Lender’s determination of such matters as set forth on **Exhibit F** to the WIFIA Loan Agreement shall be conclusive evidence thereof; provided, however, that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower’s obligations hereunder or under any other WIFIA Loan Document.

The interest rate on this WIFIA Bond shall be [____] percent ([____]%) per annum. Interest will accrue and be computed on the Outstanding Principal Sum (as well as on any past due interest)

¹⁵ This will need to be harmonized with the Borrower’s form of bond, but these are the concepts that EPA would like to be addressed in the WIFIA Bond.

from time to time on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months; provided, that, upon the occurrence of an Event of Default, the Borrower shall pay interest on the Outstanding Principal Sum at the Default Rate (as defined in the WIFIA Loan Agreement to be the sum of (a) the WIFIA Interest Rate set forth above plus (b) [] basis points) in accordance with Section 6 (*Interest Rate*) of the WIFIA Loan Agreement.

Payments hereon are to be made in accordance with Section 8(d) (*Payment of Principal and Interest – Manner of Payment*) and Section 31 (*Notices*) of the WIFIA Loan Agreement as the same become due. Principal of and interest on this WIFIA Bond shall be paid in funds available on or before the due date and in any lawful coin or currency of the United States of America that at the date of payment is legal tender for the payment of public and private debts. [If the Final Maturity Date is amended in connection with an update to the Updated Financial Model approved by the WIFIA Lender pursuant to Section 16(a) (*Reporting Requirements – Updated Financial Model*) of the WIFIA Loan Agreement, the due date of this WIFIA Bond shall be deemed to be amended to change the due date to such revised Final Maturity Date without any further action required on the part of the Borrower or the WIFIA Lender and such amendment shall in no way amend, modify or affect the other provisions of this WIFIA Bond without the prior written agreement of the WIFIA Lender. Any such amendment shall be reflected in a revised **Exhibit F.**]¹⁶

This WIFIA Bond has been executed under and pursuant to that certain WIFIA Loan Agreement, dated as of the date hereof, between the WIFIA Lender and the Borrower (the “**WIFIA Loan Agreement**”) and is issued to evidence the obligation of the Borrower under the WIFIA Loan Agreement to repay the loan made by the WIFIA Lender and any other payments of any kind required to be paid by the Borrower under the WIFIA Loan Agreement or the other WIFIA Loan Documents referred to therein. Reference is made to the WIFIA Loan Agreement for all details relating to the Borrower’s obligations hereunder. All capitalized terms used in this WIFIA Bond and not defined herein shall have the meanings set forth in the WIFIA Loan Agreement.

This WIFIA Bond may be prepaid at the option of the Borrower in whole or in part (and, if in part, the principal installments and amounts thereof to be prepaid are to be determined in accordance with the WIFIA Loan Agreement; provided, however, such prepayments shall be in principal amounts of at least \$1,000,000 or any integral multiple of \$1 in excess thereof), from time to time, but not more than annually, without penalty or premium, by paying to the WIFIA Lender all or part of the principal amount of the WIFIA Bond in accordance with the WIFIA Loan Agreement.

This WIFIA Bond shall be subject to mandatory prepayment on the terms and conditions set forth in the WIFIA Loan Agreement.

Payment of the obligations of the Borrower under this WIFIA Bond is secured pursuant to the Indenture referred to in the WIFIA Loan Agreement.

¹⁶ To be included when the WIFIA Lender has agreed to a Final Maturity Date that is a defined anniversary of the Substantial Completion Date. Pursuant to the Act, the Final Maturity Date cannot be later than the 35th anniversary of the Substantial Completion Date. The actual number of years will be determined as part of the WIFIA Lender’s underwriting process.

This WIFIA Bond, including the interest hereon, is payable from the Revenues and other funds of the Borrower pledged for the payment hereof and this WIFIA Bond does not constitute a debt of the Borrower within the meaning of any constitutional or statutory limitations or provisions.

Any delay on the part of the WIFIA Lender in exercising any right hereunder shall not operate as a waiver of any such right, and any waiver granted with respect to one default shall not operate as a waiver in the event of any subsequent default.

All acts, conditions and things required by the Constitution and laws of the State of Utah to happen, exist, and be performed precedent to and in the issuance of this WIFIA Bond have happened, exist and have been performed as so required. This WIFIA Bond is issued with the intent that the federal laws of the United States of America shall govern its construction to the extent such federal laws are applicable and the internal laws of the State of Utah shall govern its construction to the extent such federal laws are not applicable.

IN WITNESS WHEREOF, MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH has caused this WIFIA Bond to be executed in its name and its seal to be affixed hereto and attested by its duly authorized officer, all as of the Effective Date set forth above.

**SUMMIT COUNTY, UTAH ACTING ON
BEHALF OF THE MOUNTAIN
REGIONAL WATER SPECIAL
SERVICE DISTRICT, UTAH,**

(SEAL)

by the Summit County Council acting as the
governing body

By _____
Name: Tonja Hanson
Title: Chair

ATTEST:

Name: Evelyn Furse
Title: County Clerk

CERTIFICATE OF AUTHENTICATION

This WIFIA Bond is the WIFIA Bond described in the within-mentioned Indenture.

[NAME OF TRUSTEE]

By: _____
(Authorized Signer)

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the Undersigned hereby unconditionally sells, assigns
and transfers unto _____

(Please Insert Social Security or other identifying number of Assignee(s)):

the within note and all rights thereunder.

Dated: _____

NOTICE: The signature to this assignment
must correspond with the name as it appears
upon the face of the within note in every
particular, without alteration or enlargement or
any change whatever.

EXHIBIT B

ANTICIPATED WIFIA LOAN DISBURSEMENT SCHEDULE

<u>Federal Fiscal Year</u>	<u>Amount</u>
	\$

EXHIBIT C

FORM OF NON-DEBARMENT CERTIFICATE

The undersigned, MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH, hereby certifies that MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH, has fully complied with its verification obligations under 2 C.F.R. § 180.320 and hereby further confirms, based on such verification, that, to its knowledge, the Borrower and its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R. 1532.995):

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;

(b) Have not within a three (3) year period preceding the Effective Date been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and

(d) Have not within a three (3) year period preceding the Effective Date had one or more public transactions (federal, state or local) terminated for cause or default.

Dated: _____

**MOUNTAIN REGIONAL WATER SPECIAL
SERVICE DISTRICT, UTAH,**
by the Summit County Council, acting as the governing
body

By: _____
Name: Tonja Hanson
Title: Chair

EXHIBIT D

REQUISITION PROCEDURES

This **Exhibit D** sets out the procedures which the Borrower agrees to follow in submitting Requisitions for the disbursement of WIFIA Loan proceeds in respect of the Eligible Project Costs incurred in connection with the Project. Section 1 sets out the manner in which Requisitions are to be submitted and reviewed. Sections 2 through 4 set out the circumstances in which the WIFIA Lender may reject or correct Requisitions submitted by the Borrower or withhold a disbursement. The Borrower expressly agrees to the terms hereof, and further agrees that (i) the rights of the WIFIA Lender contained herein are in addition to (and not in lieu of) any other rights or remedies available to the WIFIA Lender under the WIFIA Loan Agreement, and (ii) nothing contained herein shall be construed to limit the rights of the WIFIA Lender to take actions including administrative enforcement action and actions for breach of contract against the Borrower if it fails to carry out its obligations under the WIFIA Loan Agreement during the term thereof.

Section 1. General Requirements. All requests by the Borrower for the disbursement of WIFIA Loan proceeds shall be made by electronic mail or overnight delivery service by submission to the WIFIA Lender, in accordance with Section 31 (*Notices*) of the WIFIA Loan Agreement, of a Requisition, in form and substance satisfactory to the WIFIA Lender and completed and executed by the Borrower's Authorized Representative. The form of Requisition is attached as **Appendix One** (*Form of Requisition*) to this **Exhibit D**.

Supporting documentation should be submitted with the requisition. If the Borrower anticipates that it will draw down all or a portion of the proceeds of the WIFIA Loan to reimburse the Borrower for Eligible Project Costs paid by or on behalf of the Borrower prior to such disbursement of WIFIA Loan proceeds, whether paid from funds of the Borrower or proceeds of Obligations issued by the Borrower, including for the purpose of paying or redeeming such Obligations, the Borrower shall deliver appropriate documentation, including invoices and records, evidencing such incurred or paid Eligible Project Costs (the "**Eligible Project Costs Documentation**"). The Eligible Project Costs Documentation must provide sufficient detail to enable the WIFIA Lender to verify that such costs are Eligible Project Costs paid by the Borrower, in connection with the reimbursement of such Eligible Project Costs or for the purpose of paying or redeeming, in whole or part, the portion of any such short-term interim financing in respect of which the proceeds were used to pay such documented Eligible Project Costs. The WIFIA Lender shall review the Eligible Project Costs Documentation for compliance with WIFIA disbursement requirements, and any amounts approved by the WIFIA Lender as Eligible Project Costs will be disbursed at such time as the Borrower submits a Requisition in respect of such approved amounts.

The WIFIA Lender agrees to promptly send to the Borrower in accordance with Section 31 (*Notices*) of the WIFIA Loan Agreement, an acknowledgement of receipt of each Requisition in the form attached as **Appendix Two** (*[Approval/Disapproval] of the WIFIA Lender*) to this **Exhibit D** setting forth the date of receipt by the WIFIA Lender of such Requisition and setting forth the Business Day on which disbursement will be made absent denial by the WIFIA Lender. All disbursement requests must be received by the WIFIA Lender at or before 5:00 P.M. (EST) on the first (1st) Business Day of a calendar month in order to obtain disbursement by the fifteenth (15th) day of such calendar month or, if either such day is not a Business Day, the next succeeding

Business Day. If a Requisition is approved by the WIFIA Lender, the WIFIA Lender will notify the Borrower of such approval and of the amount so approved.

Section 2. Rejection. A Requisition may be rejected in whole or in part by the WIFIA Lender if it is: (a) submitted without signature; (b) submitted under signature of a Person other than a Borrower's Authorized Representative; (c) submitted after prior disbursement of all proceeds of the WIFIA Loan; (d) submitted without adequate Eligible Project Costs Documentation, including (i) copies of invoices and records evidencing the Eligible Project Costs, (ii) a summary of the progress of construction of the Project and a general description of the work done for which the funds being requisitioned are being applied (or a certification that no change has occurred since the date of the latest quarterly report provided pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*), and (iii) a copy of the most recent update to the Borrower's risk register, if requested by the WIFIA Lender.

The WIFIA Lender will notify the Borrower of any Requisition so rejected, and the reasons therefor. Any Requisition rejected for the reasons specified above (other than Section 2(c)) must be resubmitted in proper form in order to be considered for approval. If a Requisition exceeds the balance of the WIFIA Loan proceeds remaining to be disbursed, the request will be treated as if submitted in the amount of the balance so remaining, and the WIFIA Lender will so notify the Borrower.

Section 3. Correction. A Requisition containing an apparent mathematical error will be corrected by the WIFIA Lender, after telephonic or email notification to the Borrower, and will thereafter be treated as if submitted in the corrected amount.

Section 4. Withholding. The WIFIA Lender shall be entitled to withhold approval (in whole or in part) of any pending or subsequent requests for the disbursement of WIFIA Loan proceeds if: (a) a Default or an Event of Default shall have occurred and be continuing; (b) the Borrower (i) knowingly takes any action, or omits to take any action, amounting to fraud or violation of any applicable law, in connection with the transactions contemplated hereby; (ii) prevents or materially impairs the ability of the WIFIA Lender to monitor compliance by the Borrower with applicable law pertaining to the Project or with the terms and conditions of the WIFIA Loan Agreement; (iii) fails to observe or comply with any applicable law, or any term or condition of the WIFIA Loan Agreement; (iv) fails to satisfy the conditions set forth in Section 4 (*Disbursement Conditions*) and Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*) of the WIFIA Loan Agreement; or (v) fails to deliver Eligible Project Costs Documentation satisfactory to the WIFIA Lender at the times and in the manner specified by the WIFIA Loan Agreement; provided, that in such case of Section 4(v), the WIFIA Lender may, in its sole discretion, partially approve a disbursement request in respect of any amounts for which adequate Eligible Project Costs has been provided and may, in its sole discretion, disburse in respect of such properly documented amounts.

APPENDIX 1
FORM OF REQUISITION

United States Environmental Protection Agency¹⁷
1200 Pennsylvania Avenue NW
WJC-W 6201A
Washington, D.C. 20460
Attention: WIFIA Director

Re: [Name of Project] (WIFIA — _____)

Ladies and Gentlemen:

Pursuant to Section 4 (*Disbursement Conditions*) of the WIFIA Loan Agreement, dated as of [____], 2025 (the “**WIFIA Loan Agreement**”), by and between MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH (the “**Borrower**”) and the UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, acting by and through the Administrator (the “**WIFIA Lender**”), the Borrower hereby requests disbursement in the amount set forth below in respect of Eligible Project Costs paid or incurred by the Borrower. Capitalized terms used but not defined herein have the meaning set forth in the WIFIA Loan Agreement.

In connection with this Requisition the undersigned, as the Borrower’s Authorized Representative, hereby represents and certifies the following:

1.	Project name	[Name of Project]
2.	Borrower name	Summit County, Utah acting on behalf of the Mountain Regional Water Special Service District, Utah
3.	WIFIA reference number	[]
4.	Requisition number	[]
5.	Requested disbursement amount	\$[]

¹⁷ If there is a Servicer for the WIFIA Loan, provide a copy to the Servicer as well and include its notice details here.

Exhibit D-4

6.	Requested disbursement date (the "Disbursement Date")	<input type="text"/>
7.	Total amounts previously disbursed under the WIFIA Loan Agreement	\$ <input type="text"/>
8.	Wire instructions	<input type="text"/>

1. The amounts hereby requisitioned have been paid or incurred and approved for payment by or on behalf of the Borrower for Eligible Project Costs and have not been paid for or reimbursed by any previous disbursement from WIFIA Loan proceeds. No portion of the amounts requisitioned will be applied to pay for Eligible Project Costs that have been previously paid, or are expected to be paid, with proceeds of debt of the Borrower that is not the WIFIA Loan ("Other Debt")☐, except as set forth below:

Source of Other Debt	Amount of Other Debt
<input type="text"/>	\$ <input type="text"/>
Total Amount of Other Debt	\$ <input type="text"/>

The portion of the amount requisitioned equal to the total amount of the Other Debt set forth above will be promptly applied by the Borrower to either (i) discharge a like principal amount of such Other Debt or (ii) reimburse the applicable fund or account from which the proceeds of such Other Debt were spent.¹⁸

2. The aggregate amount of all disbursements of the WIFIA Loan (including the amount requested under this Requisition but excluding any interest that is capitalized in accordance with the WIFIA Loan Agreement) does not exceed (a) the amount of the WIFIA Loan, (b) the amount of Eligible Project Costs paid or incurred by the Borrower, and (c) the cumulative disbursements through the end of the current Federal Fiscal Year as set forth in the Anticipated WIFIA Loan Disbursement Schedule.

¹⁸ This paragraph should be included when the Eligible Project Costs for which the proceeds of the requisition are to be applied were previously funded with bond anticipation notes or other short-term interim financing by the Borrower on a temporary basis with the intent of redeeming the bond anticipation notes or other obligations with proceeds of the WIFIA Loan as permanent financing, or reimbursing the applicable funds of the other obligations such that they become available for payment of other Project costs.

3. The Borrower has sufficient available funds committed to the Project, which together with funds that remain available and not yet drawn under the WIFIA Loan, will be sufficient to pay the reasonably anticipated remaining Total Project Costs.
4. The total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs.
5. The Borrower has all Governmental Approvals necessary as of the date hereof and as of the Disbursement Date (immediately after giving effect to the above-requested disbursement of WIFIA Loan proceeds), for the development, construction, operation and maintenance of the Project and each such Governmental Approval has been issued and is in full force and effect (and is not subject to any notice of violation, breach or revocation).
6. Each of the insurance policies obtained by the Borrower in satisfaction of Section 11(a)(xvi) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement is in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider.
7. As of the date hereof and on the Disbursement Date (immediately after giving effect to the above-requested disbursement of WIFIA Loan proceeds), (i) no Default or Event of Default and (ii) no event of default under any other Related Document and no event that, with the giving of notice or the passage of time or both, would constitute an event of default under any Related Document, in each case, has occurred and is continuing. No Material Adverse Effect, or any event or condition that could reasonably be expected to have a Material Adverse Effect, has occurred or arisen since _____.
8. The Borrower, and each of its contractors and subcontractors at all tiers with respect to the Project, has complied with all applicable laws, rules, regulations and requirements, including without limitation 40 U.S.C. §§3141-3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto) and 33 U.S.C. §3914 (relating to American iron and steel products). Supporting documentation, such as certified payroll records and certifications for all iron and steel products used for the Project, are being maintained and are available for review upon request by the WIFIA Lender.
9. The representations and warranties of the Borrower set forth in the WIFIA Loan Agreement and in each other Related Document are true and correct as of the date hereof and as of the Disbursement Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true and correct as of such earlier date).

Exhibit D-6

10. Each Indenture Document and each Principal Project Contract that has been delivered by the Borrower to the WIFIA Lender pursuant to Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*) is complete, fully executed and in full force and effect.
11. The current estimated percentage of physical completion of the Project is []%. The Borrower is in compliance with Section 16(d) (*Reporting Requirements – Construction Reporting*) and no change has occurred since the date of the most recently delivered quarterly construction progress report that could reasonably be expected to cause a Material Adverse Effect.¹⁹
12. All documentation evidencing the Eligible Project Costs to be reimbursed to the Borrower [or to be used to pay Eligible Project Costs previously paid from proceeds of Other Debt] by the above-requested disbursement has been delivered by the Borrower to the WIFIA Lender at the times and in the manner specified by the WIFIA Loan Agreement, including the details set forth [in the attachment hereto, which is in form satisfactory to the WIFIA Lender][below:

Vendor or Contractor Name ²⁰	Invoice Number ²¹	Invoice Date	Payment Date	Invoice Amount	WIFIA Requested Amount ²²	Activity Type ²³	Description of Activity ²⁴	WIFIA USE ONLY	
								Approved Amount	Notes

¹⁹ The most recent quarterly progress report should set out a summary of the progress of construction of the Project, as well as a general description of the work done for which the funds being requisitioned are being applied and a summary of any material changes/risks. If not, PM should request additional information (including a risk register, if applicable).

²⁰ If seeking reimbursement for internal costs, enter "Internally financed activities."

²¹ Vendor's number indicated on the invoice sent to the Borrower.

²² If the amount requested for reimbursement by the WIFIA Lender is less than the total amount of the invoice, include an explanation for the difference.

²³ Specify whether activity is: (a) **Development phase activity**, which includes planning, preliminary engineering, design, environmental review, revenue forecasting and other pre-construction activities; (b) **Construction**, which includes construction, reconstruction, rehabilitation and replacement activities; (c) **Acquisition of real property**, which includes acquiring an interest in real property, environmental mitigation, construction contingencies and acquisition of equipment; (d) **Carrying costs**, including capitalized interest, as necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses and other carrying costs during construction; (e) **WIFIA fees**, including for application and credit processing; or (f) **Other**, with an explanation in the "Description of Activity" column.

²⁴ Provide a brief description of the activities included in the invoice for which WIFIA funds are being requested and any other notes that will aid in the review of the disbursement request.

Exhibit D-7

The undersigned acknowledges that if the Borrower makes a false, fictitious, or fraudulent claim, statement, submission, or certification to the Government in connection with the Project, the Government reserves the right to impose on the Borrower the penalties of 18 U.S.C. § 1001, to the extent the Government deems appropriate.

Date: _____

MOUNTAIN REGIONAL WATER
SPECIAL SERVICE DISTRICT, UTAH,
By its authorized representative

By: _____
Name: Andy Garland
Title: General Manager

APPENDIX TWO TO EXHIBIT D

[APPROVAL/DISAPPROVAL] OF THE WIFIA LENDER

(To be delivered to the Borrower)

Requisition Number [] is [approved in the amount of \$[]]
[approved in part in the amount of \$[]] [not approved, for the reasons set forth in Annex
A attached hereto,]²⁵ by the WIFIA Lender (as defined herein) pursuant to Section 4
(*Disbursement Conditions*) of the WIFIA Loan Agreement, dated as of [], 2025, by
and between Summit County, Utah acting on behalf of the Mountain Regional Water Special
Service District, Utah (the “**Borrower**”) and the United States Environmental Protection Agency,
acting by and through the Administrator (the “**WIFIA Lender**”).

Any determination, action or failure to act by the WIFIA Lender with respect to the
Requisition set forth above, including any withholding of a disbursement, shall be at the WIFIA
Lender’s sole discretion, and in no event shall the WIFIA Lender be responsible for or liable to
the Borrower for any and/or all consequence(s) which are the result thereof.

**UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY**, acting by and
through the Administrator

By: _____
WIFIA Lender’s Authorized Representative
Name:
Title:
Dated:

²⁵ If there is any partial or full denial of approval, the WIFIA Lender should provide a separate attachment setting forth the reasons for such partial or full denial of approval.

EXHIBIT E

FORM OF NON-LOBBYING CERTIFICATE

The undersigned, on behalf of MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH, hereby certifies, to the best of his or her knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Borrower, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of the WIFIA Loan.

(b) If any funds other than proceeds of the WIFIA Loan have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the WIFIA Loan, the Borrower shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) The Borrower shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Capitalized terms used in the certificate and not defined shall have the respective meanings ascribed to such terms in the WIFIA Loan Agreement, dated as of [____], 2025 (the "WIFIA Loan Agreement"), by and between the United States Environmental Protection Agency, acting by and through the Administrator (the "WIFIA Lender"), and the Borrower, as the same may be amended from time to time.

This certification is a material representation of fact upon which reliance was placed when the WIFIA Lender entered into the WIFIA Loan Agreement. Submission of this certification is a prerequisite to the effectiveness of the WIFIA Loan Agreement imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Dated: _____

**MOUNTAIN REGIONAL WATER SPECIAL
SERVICE DISTRICT, UTAH,**
by its authorized representative

By: _____
Name: Andy Garland
Title: General Manager

EXHIBIT F
WIFIA DEBT SERVICE²⁶

²⁶ WIFIA Underwriting to work with Borrower to provide an initial amortization schedule. This will need to be finalized on the day of closing to account for the final interest rate.

EXHIBIT G-1

OPINIONS REQUIRED FROM COUNSEL TO BORROWER

An opinion of the counsel of the Borrower, dated as of the Effective Date, to the effect that:

- (a) the Borrower is duly formed, validly existing, and in good standing under the laws of the jurisdiction of its organization;
- (b) the Borrower has all requisite power and authority to conduct its business and to execute and deliver, and to perform its obligations under the Related Documents to which it is a party;
- (c) the execution and delivery by the Borrower of, and the performance of its respective obligations under, the Related Documents to which it is a party, have been duly authorized by all necessary organizational or regulatory action;
- (d) the Borrower has duly executed and delivered each Related Document to which it is a party and each such Related Document constitutes the legal, valid and binding obligation of such party; enforceable against such party in accordance with their respective terms;
- (e) no authorization, consent, or other approval of, or registration, declaration or other filing with any governmental authority of the United States of America or of the State is required on the part of the Borrower for the execution and delivery by such party of, and the performance of such party under, any Related Document to which it is a party other than authorizations, consents, approvals, registrations, declarations and filings that have already been timely obtained or made by the Borrower;
- (f) the execution and delivery by the Borrower of, and compliance with the provisions of, the Related Documents to which it is a party in each case do not (i) violate the Organizational Documents of the Borrower, (ii) violate the law of the United States of America or of the State or (iii) conflict with or constitute a material breach of or material default under any material agreement or other instrument known to such counsel to which the Borrower is a party, or to the best of such counsel's knowledge, after reasonable review, any court order, consent decree, statute, rule, regulation or any other law to which the Borrower is subject;
- (g) the Borrower is not an investment company required to register under the Investment Company Act of 1940, as amended;
- (h) to our knowledge after due inquiry, there are no actions, suits, proceedings or investigations against the Borrower by or before any State of Utah or federal court in the State of Utah, arbitrator or any other Governmental Authority in connection with the Related Documents or the Project that are pending; and
- (i) the Borrower is not entitled to claim governmental immunity in any breach of contract action under the WIFIA Loan Agreement or the WIFIA Bond or by the Trustee under the Indenture.

EXHIBIT G-2

OPINIONS REQUIRED FROM BOND COUNSEL

An opinion of bond counsel, dated as of the Effective Date, to the effect that:

(a) The Borrower has been duly created and validly exists as a municipal corporation and political subdivision created under and pursuant to the laws of the State of Utah (including the Bond Act as amended to the date hereof) (the “**Borrower Act**”), with good right and power to issue the WIFIA Bond.

(b) The Borrower has the right and power under the laws of the State, including the Borrower Act, to enter into the Indenture, the Related Documents and the WIFIA Bond, and each has been duly authorized, executed and delivered by the Borrower, is in full force and effect, and constitutes a legal, valid and binding agreement of the Borrower enforceable against the Borrower in accordance with its respective terms and conditions;

(c) The WIFIA Bond is (i) secured by the Pledged Collateral, (ii) a Bond entitled to the benefits of a Bond under the Indenture, (iii) enforceable under the laws of the State without any further action by the Borrower or any other Person, and (iv) rank *pari passu* in right of payment and right of security with all Bonds and are senior in right of payment and right of security to all Subordinate Obligations;

(d) The Indenture creates the valid and binding assignment and pledge of the Pledged Collateral to secure the payment of the principal of, interest on, and other amounts payable in respect of, the WIFIA Bond, irrespective of whether any party has notice of the pledge and without the need for any physical delivery, recordation, filing or further act;

(e) All actions by the Borrower that are required for the application of Revenues as required under the Indenture and under the WIFIA Loan Agreement have been duly and lawfully made;

(f) The Borrower has complied with the requirements of State law to lawfully pledge the Pledged Collateral and use the Revenues as required by the terms of the Indenture and the WIFIA Loan Agreement; and

(g) The Borrower is not eligible to be a debtor in either a voluntary or involuntary case under the United States Bankruptcy Code.

EXHIBIT H

FORM OF CERTIFICATE OF TRUSTEE

MOUNTAIN REGIONAL WATER SPECIAL SERVICE DISTRICT, UTAH

WIFIA Bond,
[Name of Project]
(WIFIA – _____)

The undersigned, U.S. Bank Trust Company, National Association (the “**Trustee**”), by its duly appointed, qualified and acting [____], certifies with respect to the above referenced bond (the “**WIFIA Bond**”) dated as of [____], 2025, as follows (capitalized terms used in this Certificate which are not otherwise defined shall have the meanings given to such terms in the Indenture (as defined below)):

1. That the Trustee is a national association duly organized and validly existing under the laws of the United States of America and [is duly licensed and] in good standing under the laws of [_____].

2. All approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the performance by the Trustee of its duties and obligations under the documents pertaining to the issuance of the WIFIA Bond have been obtained by the Trustee and are in full force and effect.

3. That the documents pertaining to the issuance of the WIFIA Bond to which the Trustee is a party were executed by the Trustee and the WIFIA Bond was authenticated on behalf of the Trustee by one or more of the persons whose names and offices appear on Annex One attached hereto and made part hereof, that each person was at the time of the execution of such documents and the authentication of the WIFIA Bond and now is duly appointed, qualified and acting incumbent of his or her respective office, that each such person was authorized to execute such documents and to authenticate the WIFIA Bond, and that the signature appearing after the name of each such person is a true and correct specimen of that person’s genuine signature.

4. That the undersigned is authorized to act as Trustee and accept the trusts conveyed to it under the Indenture (“**Trusts**”), has accepted the Trusts so conveyed and in so accepting the Trusts and so acting is in violation of no provision of its articles of association or bylaws, any law, regulation or court or administrative order or any agreement or other instrument to which it is a party or by which it may be bound.

5. That attached to this Certificate as Annex [One][Two]²⁷ is a full, true and correct copy of excerpts from [resolutions of the board of directors][the bylaws] of the Trustee and other applicable documents that evidence the Trustee’s trust powers and the authority of the officers referred to above to act on behalf of the Trustee; and that these excerpts and other applicable documents were in effect on the date or dates such officers acted and remain in full force and effect

²⁷ If the Trustee’s authorizing document is the same document that sets out the incumbency signatures (e.g. US Bank NA), refer to and attach one annex. If separate documents, refer here to and attach as a second annex.

today, and such excerpts and documents have not been amended since the date of the last amendment thereto shown on any such copy, as applicable.

6. That receipt is acknowledged of all instruments, certifications and other documents or confirmations required to be received by the Trustee pursuant to Section [] of that certain Subordinate General Indenture of Trust (the "**Indenture**"), dated as of _____ 1, 2025, between Mountain Regional Water Special Service District, Utah (the "**Borrower**") and the Trustee.

7. That receipt is also acknowledged of that certain WIFIA Loan Agreement, dated as of [], 2025 (the "**WIFIA Loan Agreement**"), between the Borrower and the United States Environmental Protection Agency, acting by and through the Administrator (the "**WIFIA Bondholder**").

8. That the Trustee also accepts its appointment and agrees to perform the duties and responsibilities of Trustee [and of Bond Registrar and Paying Agent] for and in respect of the WIFIA Bond as set forth in the Indenture and the WIFIA Loan Agreement, including from time to time redeeming all or a portion of the WIFIA Bond as provided in Section [] of the Indenture. In accepting such duties and responsibilities, the Trustee shall be entitled to all of the privileges, immunities, rights and protections set forth in Section [] of the Indenture.

9. That all funds and accounts for the payment of the WIFIA Bond pursuant to the Indenture (including, but not limited to, the Bond Service Account) have been established as provided in the Indenture.

Dated: [], 2025

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION

By: _____

Name:

Title:

ANNEX ONE TO EXHIBIT H

[See attached]

EXHIBIT I

FORM OF CLOSING CERTIFICATE

Reference is made to that certain WIFIA Loan Agreement, dated as of [____], 2025 (the “**WIFIA Loan Agreement**”), by and among Mountain Regional Water Special Service District, Utah (the “**Borrower**”) and the United States Environmental Protection Agency, acting by and through the Administrator (the “**WIFIA Lender**”). Capitalized terms used in this certificate and not defined shall have the respective meanings ascribed to such terms in the WIFIA Loan Agreement.

In connection with Section 11(a) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, the undersigned, [____], as Borrower’s Authorized Representative, does hereby certify on behalf of the Borrower and not in his/her personal capacity as of the date hereof:

- (a) pursuant to Section 11(a)(viii), attached hereto as Annex A is an incumbency certificate that lists all persons, together with their positions and specimen signatures, who are duly authorized by the Borrower to execute the Related Documents to which the Borrower is or will be a party, and who have been appointed as a Borrower’s Authorized Representative in accordance with Section 21 (*Borrower’s Authorized Representative*) of the WIFIA Loan Agreement;
- (b) pursuant to Section 11(a)(ii), attached hereto as Annex B are copies of the Indenture and each Supplemental Indenture (including the WIFIA Supplemental Indenture) and any other Indenture Document authorizing Obligations in respect of the Project that has been entered into on or prior to the Effective Date, together with any amendments, waivers or modifications thereto, and each such document is complete, fully executed, and in full force and effect, and all conditions contained in such documents that are necessary to the closing of the WIFIA transactions contemplated hereby have been fulfilled;
- (c) pursuant to Section 11(a)(iii), attached hereto as Annex C are copies of each Existing Principal Project Contract, together with any amendments, waivers or modifications thereto, and each such document is complete, fully executed, and in full force and effect;
- (d) pursuant to Section 11(a)(iv), attached hereto as Annex D is a copy of the Borrower’s Organizational Documents, as in effect on the Effective Date (and certified by the Secretary of State of the State, to the extent applicable), which Organizational Documents are in full force and effect. Other than the WIFIA Supplemental Indenture, there are no additional instruments or documents necessary for the Borrower to execute and deliver, or to perform its obligations under, the WIFIA Loan Documents to which it is a party and to consummate and implement the transactions contemplated by the WIFIA Loan Documents;

- (e) pursuant to Section 11(a)(viii)(1), the aggregate of all funds committed to the development and construction of the Project as set forth in the Base Case Financial Model and in the Project Budget are sufficient to carry out the Project, pay all Total Project Costs anticipated for the Project and achieve Substantial Completion by the Projected Substantial Completion Date;
- (f) pursuant to Section 11(a)(viii)(2), the Borrower has obtained all Governmental Approvals necessary (i) as of the Effective Date in connection with the Project and (ii) to execute and deliver, and perform its obligations under the WIFIA Loan Documents, and each such Governmental Approval is final, non-appealable and in full force and effect (and is not subject to any notice of violation, breach or revocation);
- (g) pursuant to Section 11(a)(viii)(3), (i) the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), together with the amount of any other credit assistance provided under the Act to the Borrower, does not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs and (ii) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs;
- (h) pursuant to Section 11(a)(viii)(4), the Borrower is in compliance with NEPA and any applicable federal, state or local environmental review and approval requirements with respect to the Project, and, if requested by the WIFIA Lender, has provided evidence satisfactory to the WIFIA Lender of such compliance;
- (i) pursuant to Section 11(a)(viii)(5), the Borrower has developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project during its useful life;
- (j) pursuant to Section 11(a)(viii)(6), (i) the Borrower's Federal Employer Identification Number is 87-60000279, (ii) the Borrower's Data Universal Numbering System number is 028442379, and (iii) the Borrower has registered with, and obtained confirmation of active registration status from, the federal System for Award Management (www.SAM.gov), which confirmation is attached hereto as Annex [];
- (k) pursuant to Section 11(a)(viii)(7), the CUSIP number for the WIFIA Loan is [];
- (l) pursuant to Section 11(a)(viii)(8), the representations and warranties of the Borrower set forth in the WIFIA Loan Agreement and in each other Related Document to which the Borrower is a party are true and correct on and as of the date hereof, except to the extent that such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct as of such earlier date;

- (m) pursuant to Section 11(a)(viii)(9), no Material Adverse Effect, or any event or condition that could reasonably be expected to have a Material Adverse Effect, has occurred or arisen since _____;
- (n) pursuant to Section 11(a)(x), none of the rating letters delivered to the WIFIA Lender pursuant to such Section 11(a)(x) has been reduced, withdrawn or suspended as of the Effective Date;
- (o) pursuant to Section 11(a)(xi), [the Borrower has delivered to the WIFIA Lender][attached hereto as Annex [] is] the Base Case Financial Model, which (i) demonstrates that projected Net Revenues are sufficient to meet the Loan Amortization Schedule, (ii) demonstrates compliance with the Rate Covenant Requirement for each Borrower Fiscal Year through the Final Maturity Date, (iii) reflects principal amortization and interest payment schedules acceptable to the WIFIA Lender, (iv) demonstrates that the Borrower has developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project over its useful life and (v) otherwise meets the requirements of such Section 11(a)(xi); [and]
- (p) pursuant to Section 11(a)(xii), attached hereto as Annex [] [are certificates of insurance][is a certificate of the Borrower's risk management department pertaining to the Borrower's self-insurance program], and such insurance certificate is true and correct and demonstrates compliance with the requirements of Section 14(f) (*Affirmative Covenants – Insurance*) of the WIFIA Loan Agreement[; and][.]
- (q) [*any other attachments and provisions, as may apply to the specific WIFIA Loan Agreement*].

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first mentioned above.

**MOUNTAIN REGIONAL WATER SPECIAL
SERVICE DISTRICT, UTAH**, by its authorized
representative

By: _____
Name: Andy Garland
Title: General Manager

ANNEX A TO EXHIBIT I

INCUMBENCY CERTIFICATE

The undersigned certifies that he/she is the [County Clerk] of Summit County, Utah acting on behalf of the Mountain Regional Water Special Service District, Utah, a political subdivision of the State of Utah (the "Borrower"), and as such he/she is authorized to execute this certificate and further certifies that the following persons have been elected or appointed, are qualified, and are now acting as officers or authorized persons of the Borrower in the capacity or capacities indicated below, and that the signatures set forth opposite their respective names are their true and genuine signatures. He/She further certifies that any of the officers listed below is authorized to sign agreements and give written instructions with regard to any matters pertaining to the WIFIA Loan Documents as the Borrower's Authorized Representative (each as defined in that certain WIFIA Loan Agreement, dated as of the date hereof, between the Borrower and the United States Environmental Protection Agency, acting by and through the Administrator):

<u>Name</u>	<u>Title</u>	<u>Signature</u>
[_____]	[_____]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____

IN WITNESS WHEREOF, the undersigned has executed this certificate as of this [_____] day of [____], 2025.

SUMMIT COUNTY, UTAH, by its authorized representative

By: _____
Name: Evelyn Furse
Title: County Clerk

EXHIBIT J

FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION

[Letterhead of Borrower]

[Date]

WIFIA Program Office
[Insert Proper Address]
Attention: Administrator

Project: *[Name of Project]* *[WIFIA Project Reference Number]*

Dear Director:

This Notice is provided pursuant to Section 16(a)(i)(A) (*Affirmative Covenants – Notice – Substantial Completion*) of that certain WIFIA Loan Agreement (the “**WIFIA Loan Agreement**”), dated as of [_____], 2025, by and between Mountain Regional Water Special Service District, Utah (the “**Borrower**”) and the United States Environmental Protection Agency, acting by and through its Administrator (the “**WIFIA Lender**”).

Unless otherwise defined herein, all capitalized terms in this Notice have the meanings assigned to those terms in the WIFIA Loan Agreement.

I, the undersigned, in my capacity as the Borrower’s Authorized Representative and not in my individual capacity, do hereby certify to the WIFIA Lender that:

- (a) on *[insert date Substantial Completion requirements were satisfied]*, the Project satisfied each of the requirements for Substantial Completion set forth in the *[Insert reference to the concession agreement, design-build or similar agreement for the Project]*;
- (b) Substantial Completion has been declared under each of the above-referenced agreements and copies of the notices of Substantial Completion under such agreements are attached to this certification; and
- (c) Substantial Completion, as defined in the WIFIA Loan Agreement, has been achieved.

**MOUNTAIN REGIONAL WATER SPECIAL
SERVICE DISTRICT, UTAH**, by its authorized
representative

By: _____
Name: Andy Garland
Title: General Manager

EXHIBIT K

FORM OF QUARTERLY REPORT

United States Environmental Protection Agency
WIFIA Director
WJC-W 6201A
1200 Pennsylvania Avenue NW
Washington, DC 20460
WIFIA_Portfolio@epa.gov

Re: [Name of Project] (WIFIA – _____)

This Quarterly Report for the period of [_____] is provided pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*) of the WIFIA Loan Agreement, dated as of [_____] 2025 (the “**WIFIA Loan Agreement**”), by and between Mountain Regional Water Special Service District, Utah (“**the Borrower**”) and the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency (the “**WIFIA Lender**”). Unless otherwise defined herein, all capitalized terms in this Quarterly Report have the meanings assigned to those terms in the WIFIA Loan Agreement.

(i) Amount Expended

Principal Project Contract (PPC)	Original Contract Amount	Change Orders to Date	Total Estimated Costs	Estimated Costs to Complete	Costs Earned or Paid Through Previous Reporting period	Current Reporting Period Costs Earned or Paid	Total Costs Earned or Paid to date	% Costs Earned or Paid to Date
TOTAL								

(ii) Construction Progress, Governmental Approvals, Updated Schedule

Assessment of overall construction progress:

--

Notice of receipt of relevant Governmental Approvals since the Effective Date and since the prior Quarterly Report:

--

Assessment of construction progress compared to Construction Schedule provided in the prior Quarterly Report:

Principal Project Contract (PPC)	NTP Effective Date	Original Time for Completion (days)	Original Contract Completion (date)	Time Added to Date (days)	Current Contract Completion (date)	Days Elapsed	% Contract Duration

(iii) Substantial Completion Date

Current projection for the Substantial Completion Date: _____

If the current projection for the substantial completion date is later than previously reported in the prior Quarterly Report, provide a description in reasonable detail for such projected delay:

(iv) Material Problems (if any)

Detailed description of all material problems (including actual and anticipated cost and/or schedule overruns, if any), encountered or anticipated in connection with the construction of the Project during the preceding quarter, together with an assessment of how such problems may impact the Construction Schedule and the meeting of critical dates thereunder and a detailed description of the proposed solutions to any such problems:

(v) Proposed or pending change orders that exceed the threshold set out in Section 16(f) (*Modifications to Total Project Costs*) or could reasonably be expected to result in a Material Adverse Effect

(vi) Other matters related to the Project

Date: _____

**MOUNTAIN REGIONAL WATER
SPECIAL SERVICE DISTRICT, UTAH,**
by its authorized representative

By: _____

Name: Andy Garland

Title: General Manager

EXHIBIT L

FORM OF PUBLIC BENEFITS REPORT

Pursuant to [Section 11(a)(xiv))] [and] [Section 16(e)] of the WIFIA Loan Agreement, Mountain Regional Water Special Service District, Utah (the “Borrower”) is providing this Public Benefits Report in connection with the [Name of Project] (WIFIA – _____):

- (i) **The estimated interest savings the Borrower is realizing through the use of the WIFIA Loan compared to comparable market rate financing:**

The estimated interest savings from use of the WIFIA Loan compared to a comparable market rate financing is \$[] million on a gross savings basis and \$[] million on a present value basis.

- (ii) **With respect to the report delivered [prior to the Effective Date][within ninety (90) days following the Substantial Completion Date][within ninety (90) following the fifth anniversary of the Substantial Completion Date], the number of jobs projected to be created by the Project during the period between the Effective Date and the Substantial Completion Date:**

The Borrower projects [] jobs to be created by the Project during the period between [[(1)] the Effective Date and the Substantial Completion Date]²⁸ [and] [[(2)] the Substantial Completion Date and the fifth anniversary of the Substantial Completion Date]²⁹.

- (iii) **Whether the Project will assist the Borrower in complying with applicable regulatory requirements, and if so, a narrative description describing such enhancements:**

[].

- (iv) **The amount by which the Project will [assist the Borrower (measured by percent annually) in reducing levels of Nitrogen, Phosphorus, biochemical oxygen demand (BOD) and total suspended solids (TSS)][increase the volume of potable water produced (measured in MGD annually)][increase the volume of water recycled, recharged or redirected (measured in MGD annually)][increase Class [A][B] biosolids (measured in tons annually)]³⁰:**

[].

²⁸ Include for both the reports delivered (i) prior to the Effective Date and (ii) 90 days following the Substantial Completion Date.

²⁹ Include for both the reports delivered (i) prior to the Effective Date and (ii) 90 days following the fifth anniversary of the Substantial Completion Date.

³⁰ Include one of the bracketed items as applicable.

EXHIBIT E

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, that on June 25, 2025, the County Council (the "Council") of Summit County, Utah acting as the governing body of the Mountain Regional Water Special Service District, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Water Revenue Bonds, Series 2025 (the "Bonds") (to be issued in one or more series, under one or more indentures and with such other series or title designation(s) as may be determined by the Issuer) and called a public hearing.

PURPOSE, TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on July 16, 2025, at the hour of 6:00 p.m. at 60 N. Main Street, Coalville, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of the Bonds and (b) any potential economic impact that the Project to be financed with the proceeds of the Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE BONDS

The Bonds will be issued for the purpose of (a) financing the optimization and expansion of the Issuer's Signal Hill Water Treatment Plant and all related improvements, (b) funding any required debt service reserve fund, and (c) paying costs of issuance of the Bonds.

REVENUES TO BE PLEDGED

The Bonds are special limited obligations of the Issuer payable from the net revenues of the Issuer's water system (the "Revenues").

PARAMETERS OF THE BONDS

The Issuer intends to issue the Bonds in the aggregate principal amount of not more than Forty-Three Million Dollars (\$43,000,000), to mature in not more than thirty-eight (38) years from their dated date or dated dates, to be sold at a price not less than ninety-nine percent (99%) of the total principal amount thereof, and bearing interest at a rate or rates not to exceed five and one-half percent (5.5%) per annum. The Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General Indenture of Trust and a Supplemental Indenture of Trust (collectively, the "Indenture"), a Bond Purchase Agreement (the "Bond Purchase Agreement") and/or a Loan Agreement (the "Loan Agreement"), which Indenture, Bond Purchase Agreement and Loan Agreement were before the Council in substantially final forms at the time of the adoption of the Resolution and said Indenture, Bond Purchase Agreement and Loan Agreement are to be executed by the Issuer in such forms and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Bonds will not exceed the maximums set forth above.

OUTSTANDING BONDS SECURED BY REVENUES

Other than the proposed Bonds, the Issuer currently has \$44,930,000 principal amount of bonds outstanding secured by the Revenues.

OTHER OUTSTANDING BONDS OF THE ISSUER

Information regarding all of the Issuer's outstanding bonds may be found in the Issuer's audited financial report (the "Financial Report") at: <https://reporting.auditor.utah.gov/searchreport/s/>. For additional information more recent than as of the date of the Financial Report please contact Andy Garland, District General Manager (phone: 435-940-1916).

TOTAL ESTIMATED COST OF BONDS

Based on the Issuer's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Bonds for the Project, if held until maturity, is approximately \$89,738,031.

A copy of the Resolution, the Indenture, the Bond Purchase Agreement and the Loan Agreement are on file in the office of Mountain Regional Water Special Service District, 6421 North Business Park Loop, Suite A, Park City, Utah, where they may be examined during regular business hours of the Issuer from 8:30 a.m. to 5:00 p.m., Monday through Friday, for a period of at least thirty (30) days from and after the date of posting of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the posting of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture (but only as it relates to the Bonds), the Bond Purchase Agreement, the Loan Agreement or the Bonds, or any provision made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this June 25, 2025.

/s/ Andy Garland
District Clerk