

TICABOO UTILITY IMPROVEMENT DISTRICT

RESOLUTION NO. 2025-00

**A RESOLUTION OF THE TICABOO UTILITY IMPROVEMENT DISTRICT (“TUID”)
REGARDING A SETTLEMENT WITH JONES & DEMILLE ENGINEERING, INC.**

RECITALS

- A. TUID has negotiated a settlement agreement (“Settlement”) with Jones & Demille Engineering Inc., attached hereto as Exhibit A
- B. The facts and disputes settled with this agreement is described in the recitals of the Settlement

NOW, THEREFORE, THE BOARD RESOLVES AS FOLLOWS:

- 1. TUID approves the Settlement
- 2. This Resolution takes effect immediately upon signing

DATED December 10, 2025.

ATTEST:

John Motley
John Motley (Dec 12, 2025 14:27:05 MST)
John Motley
Clerk

Alexa Wilson
Alexa Wilson (Dec 12, 2025 14:24:04 MST)
Alexa Wilson
Chair

EXHIBIT A

SETTELEMENT AGREEMENT AND RELEASE

By and Between

**TICABOO UTILITY IMPROVEMENT DISTRICT
AND
JONES & DEMILLE ENGINEERING, INC.**

This Settlement Agreement (the “Settlement Agreement”) is entered into by and between **Ticaboo Utility Improvement District (“TUID”)**, a Utah special district and **Jones & DeMille Engineering, Inc. (“JDE”)**, a Utah corporation. TUID and JDE are sometimes hereinafter collectively referred to as the “Parties,” and are sometimes hereinafter individually referred to as a “Party.” This Settlement Agreement shall be deemed effective as of the date of the last signature required below and transmittal of the signed Settlement Agreement to the other Party (the “**Effective Date**”).

RECITALS

WHEREAS, TUID was the holder of Utah Water Right, No. 97-1901, with a priority date of December 6, 1977, representing an unperfected right to beneficially use 723.98 acre feet of water for municipal purposes in Ticaboo, Utah (the “**Water Right**”).

WHEREAS, TUID was required to submit with the Utah State Engineer proof of beneficial use or an extension request to establish beneficial use of the Water Right on or before September 30, 2021.

WHEREAS, on October 15, 2021, the Utah State Engineer issued a Final Notice of Lapsing to TUID on the Water Right (the “**Final Notice of Lapsing**”).

WHEREAS, after receiving the Final Notice of Lapsing on the Water Right, TUID contacted JDE and requested that JDE prepare an extension request on the Water Right, which, pursuant to Utah law was required to be filed on or before December 14, 2021 (the “**Extension Request**”).

WHEREAS, JDE prepared the Extension Request and filed the Extension Request on December 21, 2021.

WHEREAS, The Water Right permanently lapsed because TUID did not establish proof of beneficial use and the State Engineer did not receive an extension of time request within sixty days from the date of Final Notice of Lapsing (i.e. December 14, 2021) (the “**Lapsed Water Right**”).

WHEREAS, the Lapsed Water Right constitutes a loss of the Water Right.

WHEREAS, TUID submitted a formal Request to Reinstate Water Right No. 97-1901 (A50613aa) on or about July 11, 2022. (“**Request to Reinstate**”)

WHEREAS, the Utah State Engineer denied the Request to Reinstate Application 97-1901 (A50613aa), as modified by A22065, via Special Order of the State Engineer, dated December 16, 2022.

WHEREAS, TUID has submitted other water right applications for water rights with the State Engineer in order for TUID to secure water supply for Ticaboo, some of which have been granted and some of which have been denied (“**TUID’s Other Water Applications**”).

WHEREAS, TUID alleges that the Lapsed Water Right and the loss of the Water Right have caused TUID damages.

WHEREAS, TUID alleges that JDE breached its applicable standard of care as an engineer in its performance relating to preparing and filing the Extension Request and some or all fault for the lapsed Water Right is due to JDE’s performance relating to preparing and filing the Extension Request.

WHEREAS, the JDE disputes TUID’s allegations.

WHEREAS, the Parties believe that it is in their mutual interest to resolve all claims and disputes between them relating to the Water Right, the loss of the Water Right, the Extension Request, the Lapsed Water Right, and/or TUID’s Other Water Applications and the Parties enter into this Settlement Agreement compromising and settling any and all claims and disputes by and between the Parties.

AGREEMENT

In consideration of the mutual promises contained herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged by the Parties, the Parties covenant and agree as follows:

1. Recitals. The Parties agree that the foregoing recitals are true and correct and that such recitals are incorporated into these agreements by reference.

2. Settlement Consideration. JDE shall pay to TUID the sum of **TWO HUNDRED FIFTY THOUSAND DOLLARS AND 00/100 (\$250,000)** as full and final settlement payment (the “Settlement Consideration”). The Settlement Consideration shall be paid to TUID within thirty (30) days of the fully executed Settlement Agreement (i.e., the Effective Date). TUID shall accept the Settlement Consideration as full and final payment from JDE under the terms of this Settlement Agreement. Payment shall be made by wire transfer to TUID unless otherwise agreed by the Parties.

3. Full Mutual Release and Waiver. Except for claims arising out of obligations under this Settlement Agreement, and conditioned on the payment of the Settlement Consideration and obligations under Paragraph 2, herein, TUID and JDE hereby mutually release, acquit, and forever discharge one another and one another’s respective officers, directors, members, managers,

partners, employees, consultants, agents, successors, assigns, insurers, parent companies, and subsidiaries from any and all claims, damages, losses, liabilities, or expenses arising out of or based upon: the Water Right, the loss of the Water Right, the Extension Request, the Lapsed Water Right, TUID's Request to Reinstate, and/or TUID's Other Water Applications and any other claims by either party against the other accrued or unaccrued with respect to any and all matters between the Parties as of the Effective Date of this Settlement Agreement. The Parties fully intend and understand that this Mutual Release shall be full and complete releases and waivers by both Parties of any and all claims, damages, losses, liabilities, or expenses of any kind or character, whether known or unknown, whether brought or could have been brought or any other action between the Parties as of the Effective Date of this Settlement Agreement.

4. Dismissal of District Court Action. Within fourteen (14) days after TUID's receipt of the Settlement Consideration, TUID shall file a notice of voluntary dismissal with prejudice under Utah R. Civ. P. 41, dismissing all claims asserted against JDE in the action styled Ticaboo Utility Improvement District, a Utah special district, Plaintiff, v. Jones & DeMille Engineering, Inc., a Utah corporation, Defendant, Case No. 250600035. TUID shall take all steps reasonably necessary to obtain entry of an order of dismissal with prejudice, including submitting a proposed order if required by the court.

5. No Admission of Liability. This Settlement Agreement is entered into by the Parties to avoid the uncertainty, inconvenience and expense of litigation or other binding dispute resolution and shall not be construed to be an admission of the truth or correctness of any of the allegations of any Party of responsibility or liability of any other Party, nor be used in any proceeding as an admission of liability on the part of or concerning any Party.

6. Applicable Law. This Settlement Agreement shall be construed in accordance with the laws of the State of Utah, without regard to any conflicts of law principles.

7.

8. Non-Disparagement. From and after the Effective Date of this Settlement Agreement, the Parties agree not to disparage the other Party or such Party's successors or assigns or any of the other Party's present or former officers, directors, employees, members, managers, partners, employees, or insurers with respect to the Water Right or any acts, omissions or conduct for or in connection with the loss of the Water Right, in any way. This agreement not to disparage one another shall not be construed to preclude any person or entity from giving truthful testimony in any legal proceeding. The Parties each acknowledge and agree that, notwithstanding anything to the contrary set forth hereinabove in this paragraph, any of the Parties may disclose and/or reveal to any persons or entities that the disputes between the Parties have been compromised and settled fully, finally and conclusively.

9. Amendments. This Settlement Agreement shall not be amended, altered, revised, modified, terminated or changed in any way except by further written agreement signed by the Parties.

10. Authority. Each Party represents and warrants to the other Party that the person executing this Settlement Agreement on its behalf has been authorized to sign on its behalf and to

bind it to the terms of this Settlement Agreement, and each person executing this Settlement Agreement on behalf of a Party represents and warrants to the other Party that such executing person has been authorized to sign this Settlement Agreement and to bind the Party on behalf of which this Settlement Agreement is executed by such executing person and that this Settlement Agreement, when executed and delivered by that Party, will be valid and binding and enforceable against that Party in accordance with the terms herein.

11. Ownership of Claims. Each Party represents and warrants to the other Party: (a) that such Party is the owner of any claims that are being released and/or discharged by such Party in this Settlement Agreement and that such Party has the sole right and exclusive authority to receive any consideration to be received under this Settlement Agreement by such Party, and (b) that such Party has not sold, assigned, transferred, conveyed or otherwise disposed of, or agreed to sell, assign, transfer, convey or otherwise dispose of, any claim, demand, cause of action, obligation, damage or liability released and/or discharged by such Party under this Settlement Agreement. Each Party hereto (the "Indemnifying Party") agrees to indemnify and hold harmless the other Party hereto, and such other Party's present and former officers, directors, members, managers, partners, employees and insurers, from and against any claims, causes of action, liabilities, damages, losses and expenses of any kind or description whatsoever (including all attorneys' fees and costs incurred in connection therewith) based on, or arising out of or in connection with, any breach by the Indemnifying Party of any of the foregoing representations and warranties made in this paragraph.

12. Interpretation. Each Party has reviewed this Settlement Agreement prior to its execution, and the normal rule of construction that any ambiguities in this Settlement Agreement are to be resolved against the drafting Party shall not be employed in the interpretation of this Settlement Agreement. Neither the Parties nor any of the Parties' respective attorneys will be deemed the drafter of this Settlement Agreement for purposes of interpreting any provision in this Settlement Agreement in any judicial or other proceeding that may arise between them. This Settlement Agreement has been, and must be construed to have been, drafted by all the Parties to it, so that any rule that construes ambiguities against the drafter will have no force or effect.

13. Attorneys' Fees Upon Breach. If any Party commence any action or proceeding to interpret or enforce any of the terms or conditions of this Settlement Agreement that is opposed by the other Party, or enforcement of any obligation set forth in this Settlement Agreement, the prevailing Party in such action or proceeding shall be entitled to recover its or their reasonable attorney's fees and litigation costs and expenses incurred in the defense or prosecution of claims in such action or proceeding from the non-prevailing Party. Recovery of such fees and costs shall be in addition to any other relief to which such Party may be entitled. Each Party shall bear all its own costs, expenses, and attorneys' fees incurred up to the date of the full execution of this Settlement Agreement in connection with the disputes settled in this Settlement Agreement.

14. Severability. If any provision of this Settlement Agreement is held to be invalid, illegal or unenforceable, the Parties intend that the validity, legality and enforceability of the remaining provisions shall not be affected. Upon such determination that any term or other provisions is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Settlement Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by

this Settlement Agreement be consummated as originally contemplated to the fullest extent possible.

15. Counterparts; Facsimile Signatures. This Settlement Agreement may be executed in one or more counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Any Party's facsimile signature and any emailed copy of a Party's signature to this Settlement Agreement will be deemed an original and binding signature of this Settlement Agreement by such Party.

16. Titles and Headings. Title and captions contained in this Settlement Agreement are used for convenience or reference only and are not intended to and shall not in any way enlarge, define, limit, extend, or describe the rights or obligations of the Parties, or affect the meaning or construction of this Settlement Agreement, or any provision hereof.

17. Further Assurances. The Parties agree to cooperate fully and execute any and all supplementary documents and to take all additional actions which may be necessary or appropriate to give full force and effect to the purposes and intent of this Settlement Agreement.

18. Entire Agreement. The Parties each agree that this Settlement Agreement constitutes the sole, complete and entire agreement among the Parties relating to the matters released and/or discharged under this Settlement Agreement and supersedes all prior negotiations, representations or agreements, either written or oral, among the Parties relating in any respect to the matters released and/or discharged under this Settlement Agreement. Further, the Parties each acknowledge and agree (a) that in entering into this Settlement Agreement each is not relying on any warranties, representations, documents, information or statements made or given to each relating to the matters released and/or discharged under this Settlement Agreement, other than those warranties, representations, documents, information or statements expressly set forth in this Settlement Agreement, (b) that there are no oral collateral agreements relating to the matters released and/or discharged under this Settlement Agreement, and (c) that all prior discussions and negotiations relating to the matters released and/or discharged under this Settlement Agreement have been and are merged, integrated into and superseded by this Settlement Agreement.

The Parties hereby execute this Settlement Agreement on the respective dates set forth below, to be effective on the date of the last signature required below.

Date: _____

**TICABOO UTILITY IMPROVEMENT
DISTRICT**

By: _____

Name: _____

Title: _____

Date: _____

JONES & DEMILLE ENGINEERING, INC.

By: _____

Name: _____

Title: _____









R-2025-00 Resolution Settlement Agreement

Final Audit Report

2025-12-12

Created:	2025-12-12
By:	Connie Malone (admin@ticabooid.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA6kj1o_IloPtiwgaAmjxqR-SW-TBOBiVR

"R-2025-00 Resolution Settlement Agreement" History

-  Document created by Connie Malone (admin@ticabooid.com)
2025-12-12 - 9:22:46 PM GMT
-  Document emailed to John Motley (john@ticabooid.com) for signature
2025-12-12 - 9:22:51 PM GMT
-  Document emailed to Alexa Wilson (alexawilson@ticabooid.com) for signature
2025-12-12 - 9:22:51 PM GMT
-  Email viewed by Alexa Wilson (alexawilson@ticabooid.com)
2025-12-12 - 9:23:38 PM GMT
-  Document e-signed by Alexa Wilson (alexawilson@ticabooid.com)
Signature Date: 2025-12-12 - 9:24:04 PM GMT - Time Source: server
-  Email viewed by John Motley (john@ticabooid.com)
2025-12-12 - 9:25:59 PM GMT
-  Document e-signed by John Motley (john@ticabooid.com)
Signature Date: 2025-12-12 - 9:27:05 PM GMT - Time Source: server
-  Agreement completed.
2025-12-12 - 9:27:05 PM GMT