

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the “MOU” or “Memorandum”), was entered into on March 8, 2022 (the “Effective Date”), by and between CSS Composites located at 550 N Cemetery Rd Bldg #2, Gunnison, Utah 84634 (the “First Party”), and Richfield City located at 75 E Center St., Richfield, Utah 84701 (the “Second Party”) First Party and Second and Parties may be referred to individually as the “Party”, or collectively, the “Parties”. Table 1 has been updated to reflect the construction bid costs for the project.

1. MISSION

The project on which the Parties are intending to collaborate, has the following intended mission in mind:

The 100 East Roadway Improvements will consist of constructing a 35-foot-wide paved roadway between the intersections of 1100 South and 1300 South. The project will include asphalt pavement, subgrade and excavation preparation, curb & gutter, sidewalk on the west side of the street, drainage improvements, and supplemental improvements as needed to construct a fully functional roadway. Any improvement that cannot easily be geographically determined will be split between the parties based on the percentage of the pavement area they are responsible for.

Professional services for the project, which will include project coordination, engineering, construction administrations, and right of way survey services. These services will be provided by Sunrise Engineering, Inc.

2. PURPOSE AND SCOPE

The Parties intend for this Memorandum to provide the cornerstone and structure for any and all future contracts being considered by the Parties and which may be related to the project.

3. OBJECTIVES

The Parties shall endeavor to work together to develop a working relationship establish an ongoing commitment that will promote and sustain the 100 East Street Roadway Improvements Project.

4. REPONSIBILITIES AND OBLIGATIONS OF THE PARTIES

The following are the individual responsibilities that the Parties will provide for the project.

The First Party shall render and provide the following services that include, but are not limited to:

Will Contract with Sunrise Engineering, Inc. for professional services for the project. Shall amend their existing construction contract to include the roadway improvements that the Second Party’s will be responsible for. Shall be responsible for half of the pavement and sidewalk, curb & gutter and drainage improvements along their property frontage, also 12.5-feet of roadway pavement south beyond the south property boundary through the intersection of 1300 South. The First Party will be responsible for 50.24% of the professional services.

The Second Party shall render and provide the following service that include, but are not limited to:

Will compensate the First Party for the portion of the professional services and construction services that they are responsible for. The areas that the Second Party will be responsible for are around the 1100 South intersection north of the First Party’s property frontage, the improvements along the

frontage for the Larsen Ace Hardware property (which include half of the roadway pavement and sidewalk, curb & gutter, and drainage improvements along their property frontage), and the improvements south of the First Party's property frontage through the intersection of 1300 south (which include 10-feet wide of the roadway pavement, curb & gutter, half of the sidewalk, and drainage improvements). The Second Party will be responsible for 49.76% of the professional services, and consists of 5.18% for 1100 South, 37.02% for Larsen's Ace Hardware, and 7.55% for the 1300 South area.

Table 1

RICHFIELD 100 EAST IMPROVEMENTS	
Estimated Construction Services Cost Sharing	
Richfield City (1100 South)	\$ 27,915.89
Richfield City (Larsen's Ace Hardware)	\$ 260,217.74
Richfield City (1300 South)	\$ 64,910.10
CSS Composites	\$ 298,416.27
	\$ 651,460.00
Estimated Professional Services Cost Sharing	
Richfield City (1100 South - 5.18%)	\$ 1,839.96
Richfield City (Larsen's Ace Hardware - 37.02%)	\$ 13,142.59
Richfield City (1300 South - 7.55%)	\$ 2,681.09
CSS Composites (50.24%)	\$ 17,836.36
	\$ 35,500.00
Estimated Total Project Costs	\$ 686,960.00

5. TERMS OF UNDERSTANDING

The term of this Memorandum shall be in place until the obligations of the construction and professional services contract have been fully fulfilled and may be extended upon written mutual agreement of all Parties.

6. LEGAL COMPLIANCE

The Parties acknowledge and understand that they must be able to fulfill their responsibilities under this Memorandum in accordance with the provisions of the law and regulations that govern their activities. Nothing in the Memorandum is intended to negate or otherwise render ineffective any such provisions or operating procedures. The Parties assume full responsibility for their obligations under the terms of this Memorandum.

If at any time any Party is unable to perform their duties or responsibilities under this Memorandum consistent with such Party's statutory and regulatory mandates, the affected Party shall immediately provide written notice to the other Parties to establish a date for resolution of the matter.

7. LIMITATION OF LIABILITY

No rights or limitation of rights shall arise or be assumed between the Parties as a result of the terms of this Memorandum.

8. GOVERNING LAW

This Memorandum shall be governed by and construed in accordance with the laws of the State of Utah.

9. AUTHORIZATION AND EXECUTION

The signing of this Memorandum does not constitute a formal undertaking, and as such it simply intends that the signatories shall strive to reach, to the best of their abilities, the goals and objectives stated in this MOU.

This Agreement shall be signed by all Parties and shall be effective as of the date first written above.

(First Party Signature)

CSS Composites

550N Cemetery Rd. Bldg. #2

Gunnison, Utah 84634

(Date)

(Second Party Signature)

Richfield City

75 E. Center St.

Richfield, Utah 84701

(Date)

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frontage for the Larsen Ace Hardware property (which include half of the roadway pavement and sidewalk, curb & gutter, and drainage improvements along their property frontage), and the improvements south of the First Party's property frontage through the intersection of 1300 south (which include 10-feet wide of the roadway pavement, curb & gutter, half of the sidewalk, and drainage improvements). The Second Party will be responsible for 49.76% of the professional services, and consists of 5.18% for 1100 South, 37.02% for Larsen's Ace Hardware, and 7.55% for the 1300 South area.

The Third Party shall render and provide the following service that include, but are not limited to:

Will compensate the contractor directly for the portion of the construction services that they are responsible for. These improvements shall consist of 12.5-feet of pavement, half of the sidewalk, curb & gutter, and drainage improvements along the property frontage owned by the Third Party.

Table 1 below outlines the estimated shared project costs for each of the parties.

Table 1

RICHFIELD 100 EAST IMPROVEMENTS	
Estimated Construction Services Cost Sharing	
Richfield City (1100 South)	\$ 26,685.26
Richfield City (Larsen's Ace Hardware)	\$ 262,965.29
Richfield City (1300 South)	\$ 52,979.68
CSS Composites	\$ 303,720.40
Patriot Storage	\$ 117,168.36
	\$ 763,518.98
Estimated Professional Services Cost Sharing	
Richfield City (1100 South - 5.18%)	\$ 1,839.96
Richfield City (Larsen's Ace Hardware - 37.02%)	\$ 13,142.59
Richfield City (1300 South - 7.55%)	\$ 2,681.09
CSS Composites (50.24%)	\$ 17,836.36
Patriot Storage	\$ -
	\$ 35,500.00
Estimated Total Project Costs	\$ 799,018.98

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