OGDEN 3, LLC, A UTAH LIMITED LIABILITY COMPANY & WEBER COUNTY SEWER DEVELOPMENT REIMBURSEMENT AGREEMENT

This Agreement is entered into between Weber County, Utah, a political subdivision and body politic of the State of Utah, hereinafter referred to as "County", and Ogden 3, LLC, a Utah limited liability company, hereinafter referred to as "Developer."

RECITALS

WHEREAS, Developer has been working with the County and the Central Weber Sewer District in order to provide sewer services to its development project along 1800 South in Taylor, Weber County, State of Utah; and,

WHEREAS, County is willing to assume ownership and maintenance of the sewer collection line installed by Developer, which is expected to serve the service area #1 in the County's master plan (a copy of a map depicting service area #1 is attached hereto as <u>Exhibit A</u> and incorporated herein by this reference); and,

WHEREAS, Developer is willing to install the sewer line deeper than that which is needed for Developer's particular development and assume the initial costs related thereto; and,

WHEREAS, County and Developer have negotiated the terms of this Reimbursement Agreement, which terms are acceptable to both parties; and

NOW THEREFORE, Developer and County agree as follows:

SECTION ONE PURPOSE OF AGREEMENT

The purpose of this Agreement is to reimburse Developer for certain costs incurred for the sewer collection line which exceed the depth related to the demand imposed by Developer's development.

SECTION TWO AGREEMENT PERIOD

This Agreement is for a period not to exceed one year after final acceptance of the improvements, as described below, unless otherwise extended by County in writing. The Agreement will terminate immediately upon the occurrence of any of the following events:

- a. Developer fails to commence construction of the sewer line by January 1, 2022.
- b. Developer notifies the County in writing that it no longer intends to install the sewer line.
- c. After starting the installation of the sewer line, Developer stops construction of the sewer line for a period of one year, unless such failure is caused by any act, condition, or occurrence outside the control of Developer in which case the one year

will be automatically extended by the length of duration of such act, condition or occurrence plus an additional 60 days.

d. Developer ceases to exist as a legal entity and Developer did not first assign its rights and obligations under this agreement to a successor entity.

SECTION THREE REIMBURSEMENT PAYMENTS

The County will reimburse the Developer in the amount of \$400,000, once the sewer collection line has been installed and inspected. The inspection will consist of onsite inspections as well as the video and air test inspection by others. The County will retain 10% or \$40,000 for an improvement warranty period of one year after the line has been installed. The County Engineer may restart the warranty period should the line need any replacement, or repair. After the warranty period has expired, if the improvements have performed to the County Engineer's satisfaction, the County Engineer shall release the 10% contingency. At this time the County Engineer may also offer final acceptance of the improvements. Final acceptance may be withheld if circumstances unforeseen at the time of conditional acceptance become known that expose the county or the public to unreasonable financial or safety risk. The county is not responsible for operations or maintenance of public improvements that have not received final acceptance.

SECTION FOUR OWNERSHIP, MAINTENANCE FEES AND BILLINGS

County shall assume ownership, maintenance, operation, and repair of the sewer collection line installed by Developer after the lines are completed and approved by the County. County may also impose a reasonable monthly service fee on each sewer connection. County shall assume responsibility for all billings related to monthly service fees.

SECTION FIVE GOVERNING LAW

This Agreement shall be governed and construed by the laws of the State of Utah. If any action at law or in equity is instituted by either Party against the other Party to enforce this Agreement or any rights arising hereunder, or in connection with the subject matter hereof, each party shall be responsible for its own costs of suit and attorneys' fees.

SECTION SIX ENTIRE AGREEMENT

This Agreement shall constitute the entire agreement between Developer and County and any prior understanding or representation of any kind preceding the date of

this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.

SECTION SEVEN DECLARATION OF INVALIDITY

If a court of competent jurisdiction after final adjudication (by the highest court to which the matter may be appealed) declares that the County cannot reimburse Developer as provided in this Agreement, the County's obligation to reimburse Developer hereunder shall be accordingly reduced or eliminated. Developer, however, specifically reserves and does not waive hereunder any right it may have to challenge a ruling, decision or order by any court that would reduce or eliminate the payment of funds by the County to the Developer hereunder. The County will not oppose Developer and, if requested by Developer, will cooperate with Developer if Developer challenges a ruling by any court. The County's agreement to cooperate means the County agrees to (i) testify on behalf of Developer if properly compelled to testify, and (ii) provide information and data necessary to defend against such action, if properly requested. Such cooperation shall not require any Party to waive any rights against the other Party.

D	ATED this day	of	2021.			
County:						
			Chair Webe	r County Boa	ard of Commis	ssioners
Attest:				J		
Ricky Ha						
Weber C	ounty Clerk/Audito	or				
Develop	er:					
Ogden 3,		Mack	Jungey			
By	y: rinted Name:	Wade Rumsey	0			

Member/Manager

Title:

Exhibit A Map depicting Service Area #1

