

AGREEMENT BETWEEN TOOELE COUNTY AND RANCH 77

This Agreement made and entered into this 1st day of Oct., 2012; and between Tooele County, a body corporate and politic of the State of Utah, and the Ranch 77 regarding water usage at the Tooele County Landfill.

WHEREAS, Tooele County and the Ranch 77 desire to enter into this agreement;

WHEREAS, Tooele County is in need of water at the landfill and Ranch 77 owns water rights;

NOW, THEREFORE, in consideration of the premises, mutual promises and covenants and good and valuable consideration, the parties agree as follows:

SECTION I - TOOELE COUNTY: Tooele County will pay Ranch 77 for water used at the landfill which will be measured by a water meter installed on the water line at the landfill. The rate will be determined by the meter and charged at the rate of \$50.00 per month for the first 25,000 gallons. Amounts used over the initial 25,000 gallons each month will be paid at the rate of \$2.00 per 1000 gallons. Payment will be received by 20th day of each month. A late fee of \$25.00 will be assessed for any late payment.

SECTION II - DURATION: This agreement shall begin on October 1, 2012 and be in effect until June 30, 2015. The agreement shall automatically renew for successive one year periods, unless either party gives written notice of termination 60 days prior to the renewal date. The parties agree that they will negotiate in good faith any extensions of this agreement and any water usage fee adjustments.

SECTION III – PRIOR AGREEMENT: The parties had a prior oral agreement for water usage. The parties agree that Tooele County owes Ranch 77 \$12,000.00 for the prior water usage.

SECTION IV – IMPOSSIBILITY: If Ken Hansen is unable to provide water to the landfill through no fault of his own, the agreement may be terminated immediately by either party.

SECTION V – WATER PRIORITY: Both parties understand that the primary business of Ranch 77 is to sell sand and gravel. Ranch 77 has a prior contract with a leasee that provides that it have first rights on all water from the

Honorine tunnel that is owned by Ranch 77. The water sold to the landfill is the excess water not used by leasee.

SECTION VI - TERMINATION: This Agreement shall remain in full force and effect until all obligations hereunder are fulfilled or unless terminated pursuant to a material breach. A material breach of this agreement by any party is grounds for termination immediately, if such breach is not remedied after fifteen (15) days written notice is given to the defaulting party.

SECTION VII – NOTICE: Notices under this agreement shall be sent to the parties at addresses set forth below or to such other address as the parties designate in writing:

Tooele County: Tooele County Commission
 47 South Main Street
 Tooele, Utah 84074

Ranch 77: Ken Hansen
 2694 Oakwood Drive
 Bountiful, UT 84010

SECTION VIII – SEVERABILITY: If during the term of this agreement it is found that a specific clause is declared to be unlawful, the remainder of the agreement not affected by such a ruling shall remain in full force.

SECTION IX – SUCCESSORS AND ASSIGNS: This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns, and their respective legal representatives.

SECTION X – COST OF DEFAULT: In the event of default by any party hereto, the defaulting party shall pay all costs and expenses of each other party, including a reasonable attorney's fee, which may be incurred by such party in enforcing its rights and remedies resulting from such default.

SECTION XI – ENTIRE AGREEMENT: It is expressly understood that this Agreement and any documents referred to herein constitute the entire agreement of the parties hereto with respect to the subject matter hereof. Any and all prior understandings or commitments of any kind, oral or written, pertaining thereto are hereby canceled. If any restrictive provisions hereof are found to be unreasonable in extent and unenforceable, but would be enforceable if the extent of such restriction were reduced or modified, then such restriction shall apply with such reduction or modification as may be necessary to render it valid and enforceable.

IN WITNESS WHEREOF, the parties have executed this Agreement the date and year first above written.

TOOELE COUNTY

Colleen Johnson
Colleen Johnson, Chairman

RANCH 77

Ken Hansen
Ken Hansen

ATTEST:

Marilyn K. Gillette
MARILYN K. GILLETTE
TOOELE COUNTY CLERK

