

Metropolitan Water District of Salt Lake & Sandy
Board Packet Information
Last Update: May 11, 2011

Agenda Item: Consider change to tentative budget fee schedule

Objective: For the Board to consider waiving licensing fees for member cities.

Background: Attached is a letter from Shane Pace, Sandy City Public Utilities Director, requesting that a license fee be waived for an irrigation line crossing of the Point of the Mountain Aqueduct (POMA). The letter also expresses concern over the necessity of a license agreement.

Staff engaged in further dialogue at the April 20th Member Cities meeting.

Committee Activity: The Engineering Committee reviewed and discussed the request to waive fees for Member Cities at the May 4, 2011 Engineering Committee meeting.

Recommendation: Staff recommends the Board waive fees for member cities and adjust the proposed FY 2012 fee schedule to reflect this approach. However, the intent is to require a license agreement from any entity (including the member cities) when an encroachment is involved.



DEPARTMENT OF PUBLIC UTILITIES

Thomas M. Dolan
Mayor

Byron Jorgenson
Chief Administrative Officer

Shane E. Pace
Director

April 13, 2011

Mike Wilson
Metropolitan Water District of Salt Lake and Sandy
3430 East Danish Road
Sandy, Utah 84093

Dear Mike:

Recently Sandy City Public Utilities has been asked by Metropolitan Water District of Salt Lake and Sandy (Metro) to sign a license agreement and pay a fee associated with a storm drain line/irrigation line crossing the Point of the Mountain Aqueduct (POMA). Discussions have occurred in Metro's engineering committee about this situation. I am requesting that the fee be waived by Metro's Board of Directors and want to express concern about the necessity of a licensed agreement.

As you are aware, this storm drain/irrigation line has been in place for over forty years and is in the Sandy City's public right-of-way. The irrigation prescriptive easement has been in place for over 100 years. Sandy City worked with Metro to provide an easement for the POMA in the Highland Drive corridor because of its substantial benefit to both Metro and Sandy City. This easement was provided at a total cost of ten dollars. (see attached) It is difficult to understand the requirement of a license agreement and fee for a pre-existing line in the City's own right-of-way. Traditionally, Metro has not required a license agreement and fee from Salt Lake City to cross the Salt Lake Aqueduct in its community.

We, of course, understand the need for a license agreement of a new line crossing POMA but are still concerned about paying a fee as a member city. Please ask the board to consider these issues not just for Sandy City but for both member cities. Now is the time to establish a fair policy that can be followed by your engineering group as they struggle to protect Metro's infrastructure well into the future.

Sincerely,

A handwritten signature in cursive script that reads "Shane E. Pace".

Shane E. Pace
Public Utilities Director

Metropolitan Water District of Salt Lake & Sandy
Board Packet Information
Last Update: May 11, 2011

Agenda Item: Consider approval of agreement regarding trails on District property interests.

Objective: For the Board to authorize the use of non-motorized trails for Draper City on non-corridor District lands for a 25-year term.

Background: Staff and Draper City desire to enter into a license agreement permitting the use of District lands and SLA corridor for non-motorized public trails.

Historically, a network of trails traverses the SLA corridor and lands in the Corner Canyon area of Draper City. In recent years, the network of trails has been further developed and grown in use (see maps attached to proposed agreement). District staff approached Draper City staff regarding the need to license the use of trails to avoid potential litigation and minimize exposure to liability claims.

Committee Activity: The Engineering Committee reviewed and discussed the request to use District non-corridor lands for non-motorized public trails in Corner Canyon at the May 4, 2011 Engineering Committee meeting.

Recommendation: Staff recommends the Board approve authorization of a Draper City trails license agreement allowing non-motorized public trails on District non-corridor lands. One stipulation – the execution of the “Trails Agreement” coincide with the execution of a separate agreement from Draper City for the District to obtain an access easement across Draper City property.

When Recorded Return to:
Metropolitan Water District of Salt Lake & Sandy
Attn: General Manager
3430 East Danish Road
Cottonwood Heights, Utah 84093-2139
Version: 10-20-09

PARCEL NO.: 2827000002, 2827251013, 2827251014, 2827251015, 2827326006,
2827352024, 2827352026, 2827352027, 2827352028, 2827352032,
2827376001, 2833276015, 2833276016, 2833400007, 2833400008,
2833400016, 2834100004, 3403300001, 3404200027, 3404400038,
3404478016

**COOPERATION AGREEMENT FOR NON-DISTRICT USE OF DISTRICT
LANDS AND INTEREST IN LANDS**
(Corner Canyon Trails)

THIS COOPERATION AGREEMENT ("Agreement") is entered into effective this
day of _____, 2011, between METROPOLITAN WATER DISTRICT OF SALT
LAKE & SANDY ("District") and DRAPER CITY ("Applicant").

AGREEMENT PURPOSES

District owns and operates the Salt Lake Aqueduct ("SLA") corridor and certain improvements located within or on the SLA corridor. (As used in this Agreement "improvements" is intended to include all manner of works, equipment, facilities and infrastructure.) District also owns two parcels of property in Corner Canyon, Draper, Utah, more particularly described as Tracts 349A and 349B in Exhibit B attached ("Legal Descriptions"). These District lands are important to the future improvement, repair, and replacement of the SLA.

District is a subdivision of the State of Utah responsible for transporting and treating public water, and as such District has regulatory authority to protect the SLA, SLA corridor, District lands, District improvements and operations, and District water.

Applicant has requested permission for the non-exclusive use described below of that portion of the SLA corridor and District lands also described below. District is willing to permit the described use of the described portion of the SLA corridor and District lands, without representation or warranty whatsoever. Without intending to limit the scope of the immediately preceding disclaimer of **all** warranties, District specifically disclaims any representation or warranty of title, and any representation or warranty regarding the condition or fitness of the SLA corridor and District lands for the intended use by Applicant or the public.

District owns portions of the SLA corridor in fee, and holds easements in other portions. This Agreement is intended to document the fact that Applicant's described use of the described

portion of the SLA corridor and District lands is acceptable to District and consistent with District regulations. Applicable District regulations are available to Applicant for review.

This Agreement grants a non-exclusive right to Applicant for only those uses of the SLA corridor and District lands described herein. District has no authority to grant Applicant any right of use that is valid as against others who have title interests in the SLA corridor or District lands in question, and this Agreement does not purport to do so. For example, where District holds an easement, any use by someone other than the fee title holder likely requires the consent of the fee title holder, which District cannot give and does not purport to give. Nor does this Agreement purport to satisfy any legal requirement other than District regulations. Applicant is solely responsible to obtain and maintain all other required agreements, permits, licenses, etc., including any necessary planning or zoning approvals. District has not agreed to provide any assistance to Applicant in understanding or meeting these other requirements.

Notwithstanding anything written in this Agreement, no permission is intended to be given to: 1) adversely impact in any respect District improvements; or 2) introduce any substance into District improvements or water; or 3) adversely impact in any respect District's operations.

AGREEMENT TERMS AND CONDITIONS

The parties agree as follows:

I. APPLICANT'S USE OF SLA CORRIDOR AND DISTRICT LANDS.

(A) Description of Applicant's Use of SLA Corridor and District lands:

Applicant's use shall be limited to the following: Applicant will operate and maintain public, non-motorized trails, limited to currently existing trails and associated signs and facilities, across the Salt Lake Aqueduct corridor and District lands, as described in Exhibit C.

Applicant shall be responsible for the development, construction, maintenance, inspection and administration of the existing trails in a manner determined by Applicant and reasonably approved by District. Applicant shall also be responsible for preventing the creation or development of any new trails by public use or otherwise. Applicant shall promptly act to prevent further use of such new trails should they appear. Prevention methods shall be as reasonably approved by the District.

Applicant shall submit to District a five-year plan addressing Applicant's management of the existing trail system, including trash, security (to include regular police patrols and emergency response), signs, etc. The plan shall include a map that clearly marks existing trails, signs, and amenities.

To the extent that the SLA corridor is held by the District in easement, rather than fee, Applicant assumes the responsibility to acquire any additional rights necessary for lawful use of the corridor and public trail.

Applicant shall receive written approval from District prior to the construction of any new trails or the improvement of existing trails. Requests shall be made in writing and include proposed changes to the five-year plan that address Applicant's management of the trail, including trash, security, trail signs, etc.

Trails, roads and other improvements must safely and efficiently accommodate the maintenance vehicles of District and Applicant.

Maintenance of trails including, but not limited to, debris and trash removal, existing trail markers, surface drainage, and police and curfew enforcement shall be the sole responsibility of Applicant. Existing gravity drainage of the SLA corridor and District lands must be maintained. All improvements not specifically described in this document must be approved by District in writing prior to construction.

Water quality protection and non-interference with the efficient and safe care, operation, maintenance, use, inspection, repair, replacement and improvement of the SLA are of primary importance. Public use of Applicant's improvements is secondary.

(B) Term:

Twenty-five (25) years. At or just prior to expiration of the term of this Agreement, the parties will discuss in good faith whether a new or renewed cooperation agreement may be in their respective interests. As used in this provision "good faith" means only that both parties will meet at reasonable times, with a view toward reaching a consensus and does not impose an obligation to act on either party in such a way that may then be contrary to that party's own best interests as seen by that party.

(C) Location by Stationing:

Approximate SLA Stations 1333+90.2 to 1531+88.4

(D) Legal Description of SLA Corridor Lands Applicant Will Be Using:

Those portions of SLA Tracts 347, 348A, 348B, 349A, 349B, 400, 401, 402, 403, 404, 405, 406, 407 and 407B as described in Exhibit A and comprising the parcels described in Exhibit B.

(E) Legal Description of Applicant's Property Benefited by this Agreement to Which the Rights and Responsibilities of Applicant Shall Run:

Not applicable.

(F) Plans, Drawings, Maps, Plats, etc. Attached and Incorporated Into This Agreement:

Exhibits C and D.

II. REIMBURSEMENT OF COSTS.

In the event that Applicant is required to reimburse District for costs pursuant to this agreement, Applicant shall reimburse District for all costs reasonably incurred by District within thirty (30) days of receipt of an itemized invoice from District for such costs. If Agreement authorizes Applicant improvements which provide a public utility service, or similar public service, and except in times of emergency, removal or correction work will be accomplished by District with an appropriately skilled and licensed contractor, and reasonable steps will be taken to minimize disruption of public service.

III. WORK.

(A) Applicant warrants and agrees that no earthwork, construction work or other work performed by or for Applicant on the SLA corridor or District lands, or close enough to the SLA corridor or District lands to present risk to District improvements or operations will take place except as expressly described in plans and specifications approved in writing by District. Any modifications to such plans and specifications must be approved in writing by District.

(B) Applicant warrants that all earthwork, construction work and other work will:

(i) strictly comply with plans and specifications approved in writing by District;

(ii) meet or exceed all applicable codes, ordinances, other legal requirements, and all applicable generally recognized written trade and industry standards and recommendations;

(iii) be performed by skilled, experienced, competent and properly licensed contractors and workers (volunteers may be used for general trail maintenance if under the direct supervision of Applicant's staff);

(iv) be conducted in a timely, careful, safe, workmanlike and professional manner;

(v) be conducted so as not to damage District improvements;

(vi) be consistent with District's Construction Standards, which are available for Applicant for review, and those supplemental Construction Standards for SLA corridor use, a copy of which is attached hereto at Exhibit D and incorporated herein.

(C) District shall have the right, but no obligation, to inspect the progress of the work or to inspect materials at all times. District may also reasonably require inspection or testing by others of any work or materials. District shall have the right to stop work and require

correction of any work, or replacement of any materials, which in its reasonable judgment does not comply with any term or condition of this Agreement. If, after notice from District which is reasonable under the circumstances, Applicant fails to remove or correct unacceptable work or materials, correction or removal of unacceptable work or materials may be accomplished by District, or its contractor, and Applicant shall reimburse District as described in Article II. District shall have no obligation whatsoever to review or supervise the method or manner in which the work is accomplished. District shall have no obligation whatsoever for the safety of workers or others on or adjacent to the job site. No approval, observation, inspection or review undertaken by District is intended to be for the benefit of Applicant, its contractors, suppliers, subcontractors, or their respective employees. Unless expressly stated in writing, any approval, observation, inspection or review by District shall not constitute an acceptance of work or materials that do not comply with the approved plans or specifications or this Agreement.

IV. MAINTENANCE OF APPLICANT'S IMPROVEMENTS.

(A) All of Applicant's improvements on the SLA corridor and District lands, or close enough to the SLA corridor or District lands to present risk to District improvements or operations, shall be maintained in a condition which:

- (i) is reasonably satisfactory to District;
- (ii) does not interfere with the ability of District to use, operate, repair, reconstruct, maintain, improve or modify the SLA, SLA corridor or any District improvements for District's purposes, as those purposes may from time to time change;
- (iii) is reasonably safe and attractive;
- (iv) complies with all applicable codes, ordinances, other legal requirements, as well as generally recognized written trade and industry standards and recommendations; and
- (v) complies with all applicable written regulations and policies of District as those policies may change from time to time.

(B) District may from time to time and as is reasonable have any or all of Applicant's improvements which are on the SLA corridor inspected by qualified professionals. Applicant shall reimburse District as described in Article II above.

(C) If after notice from District that is reasonable under the circumstances, Applicant fails to correct any unacceptable condition of any of Applicant's improvements on the SLA corridor or District lands, or close enough to the SLA corridor or District lands to present risk to District improvements or operations, correction may be accomplished by District, and Applicant shall reimburse District as described in Article II above.

(D) Applicant shall be solely responsible for providing a reasonably safe trail surface, with all reasonable and necessary guarding and signs, and all related facilities

reasonable and necessary for public trail uses. Applicant shall be solely responsible for reasonable inspection of these facilities to see they remain reasonably safe for public use. Applicant shall be solely responsible for any and all reasonable and necessary instructions and warnings. Applicant specifically acknowledges that District shall be entitled to all immunities and protections described in the Landowner Liability Act, Utah Code Ann. § 57-14-1, *et seq.* Applicant will promptly repair and restore any water conveyance facilities damaged or displaced by Applicant or the public in the course of the use, operation, maintenance, repair and replacement of trail facilities and related facilities.

(E) Applicant and its contractors shall perform all work within the SLA corridor and on District lands in accordance with drawings and specifications that have been approved by District. Applicant shall not commence with construction of additional improvements until Applicant has obtained written approval of plans and specifications from the District. Applicant will not modify SLA structures during construction or repair work. District access to District lands, interests in lands, structures and appurtenances must be maintained at all times.

(F) Applicant shall comply with all state, federal and local laws, ordinances, rules, and regulations applicable to Applicant and the public's use of the SLA corridor and District lands. Applicant will timely make any improvements necessary to meet changing state, federal or local laws, ordinances, rules, or regulations. Such improvements will first be approved by District in writing.

V. COSTS ADVANCED.

Applicant agrees to pay the sum of \$2,000.00 to District to cover some or all of the costs to District for its initial engineering and/or other costs incurred for the review of plans and specifications, preparation of documents, inspection of work and materials, and administration of this Agreement. Applicant further agrees to reimburse District for any additional costs which District reasonably incurs as a result of Applicant's use of the SLA corridor or enforcement of this Agreement.

All expenses related to the administration, inspection and maintenance of Applicant's improvements and any additional necessary capital expenditures and necessary capital repairs shall be the responsibility of Applicant. Applicant shall periodically inspect and maintain improvements. The District may bring defects in Applicant's improvements to Applicant's attention for timely correction.

VI. RIGHTS RESERVED.

(A) Any and all rights of Applicant under the terms of this Agreement shall be limited by, subject to, and subordinate to, any and all rights of District and District Trustees, employees, agents, and permittees to enjoy, manage, supervise, use, operate, occupy, enter, exit, inspect, repair, maintain, replace, improve or modify the SLA corridor, District lands, and any District improvements or operations. To the extent Applicant's use of the SLA corridor or

District lands increases the cost of District's exercise of its rights, Applicant may be required to reimburse the District as described in Article II above.

(B) District will make reasonable efforts to provide reasonable advance notice to Applicant of any work District reasonably recognizes as materially adverse to Applicant's authorized use of the SLA corridor and District lands. District may implement electronic notice procedures. Applicant will be responsible to timely provide District with current contact information. Applicant accepts all risks that any or all of Applicant's improvements installed on the SLA corridor or District lands may be modified, destroyed or reconstructed at Applicant's sole cost and expense to accommodate District's exercise of District rights to use the SLA corridor and District lands. This provision is not intended to provide District with new or additional property rights to use the SLA corridor or District lands.

(C) District reserves the right to close sections of the corridor for the purpose of construction work that may be hazardous to the general public. District will determine when work is to be considered hazardous. District will determine the duration of closings. This will necessitate enforcement assistance for violators of warnings associated with trail closings within the corridor.

(D) District reserves the right to issue additional licenses or permits for uses of the SLA corridor or District lands. District will not provide a conflicting license without a finding that doing so is necessary for public purpose after reasonable efforts to notify the Applicant. District will make reasonable efforts to provide advance notice that is reasonable under the circumstances to Applicant of additional licenses that District reasonably recognizes may be temporarily or permanently disruptive to Applicant's authorized use of the SLA corridor or District lands. District may implement electronic notice procedures. It is acknowledged that District claims no right to grant permission for uses of the SLA corridor except as to District's interests in the SLA corridor and District lands. For example, where District holds only an easement for the SLA, District could not grant permission for uses by others that would be effective as to the fee title holder. This provision is not intended to provide District with new or additional property rights for licensing third party uses of the SLA corridor or District lands.

(E) District and its officers, Trustees, employees and contractors shall have no liability for any damage to, or interference with Applicant's works or improvements as a result of the exercise by District of any of its rights.

(F) All reservations of rights by District under this Agreement are in addition to any and all other rights which District may have by operation of law or otherwise.

VII. CONTRACTORS, INSURANCE, BONDS.

(A) Applicant shall be jointly and severally liable for any act, fault, error, omission or non-compliance with this Agreement by Applicant or any of Applicant's contractors, employees or subcontractors. Applicant warrants that all persons or entities performing earthwork or construction work on the SLA corridor or District lands on behalf of Applicant will

provide insurance and bonds in strict compliance with Exhibit E attached hereto and incorporated herein.

(B) Applicant shall, at Applicant's sole expense, acquire and maintain a Broad Form Commercial General Liability policy of insurance (ISO 1993 or better) to include Products-Completed Operation coverage and in a form reasonably acceptable to the District, with at least the following limits: personal injury and property damage of not less than \$5,000,000 combined single limit per occurrence, personal injury and property damage, \$10,000,000 aggregate.

(C) Applicant will procure an endorsement listing District, its Trustees, officers, and employees as named insureds for liability coverage for claims arising out of Applicant's use of the SLA corridor or District lands. Such coverage for District and its Trustees, officers and employees shall be primary to any other coverage for District. Applicant shall provide an insurance certificate and an endorsement evidencing compliance with this provision at least annually. Each certificate of insurance shall also confirm that the required liability coverage is written on an occurrence basis, and not a claims-made basis. Concurrent herewith, Applicant shall provide to District certificates of insurance verifying such coverage exists.

(D) Insurance is to be placed with insurers admitted in the State of Utah with a Bests' rating of no less than A-, IX, and in the limits as listed in this document, unless approved in writing by District.

(E) Any deductibles or self-insured retention must be declared to and approved by District in writing. The District is not obligated to approve any deductible or self-insured retention. As a condition of the District's approval, the insurer may be required to reduce or eliminate such deductibles or self-insured retention as respects the District and its Trustees, officers and employees.

(F) From time to time District may increase the requirement for a liability limit by providing reasonable written notice to Applicant of such a change.

VIII. DEFENSE, INDEMNITY.

Applicant shall defend, indemnify and hold District and its officers, trustees and employees harmless, including costs and attorneys' fees, from any claim, demand, action or cause of action: (i) alleging that District was at fault in allowing Applicant or public use of the SLA corridor or District lands ; or (ii) alleging that District was at fault in failing to supervise, inspect, direct, instruct, warn or otherwise manage or control Applicant or public's use of the SLA corridor or District lands, or (iii) challenging in any manner Applicant or public's use of the SLA corridor or District lands. This defense and indemnity obligation is not intended to hold District or its officers, trustees, or employees harmless from any claim that is not derivative of Applicant or public use of the SLA corridor or District lands. In no event shall any fault of Applicant or Applicant's employees or contractors be reapportioned to District, its officers,

trustees or employees. Applicant shall indemnify and hold District and its officers, trustees and employees harmless from any such reapportionment of fault. The described duty to defend and indemnify is not intended to run to the benefit of any District liability insurer to the extent such insurer would be responsible for defense costs or indemnity beyond District's deductible or self insured retention.

IX. TERMINATION.

(A) Applicant's right to use the SLA corridor and District lands shall expire completely upon the expiration of the term described in Article I above, absent a new agreement or written extension signed by both parties.

(B) Either party may, at their sole option, terminate this Agreement upon ninety (90) days written notice to the other party.

(C) District may, at its sole option, terminate this Agreement and Applicant's right to use the SLA corridor and District lands for nonuse for a period of one (1) year.

(D) Should District reasonably determine Applicant is in breach of any of the terms and conditions of this Agreement, and if Applicant has not made diligent progress toward correcting that breach within a time set by District and reasonable under the circumstances, after Applicant receives written notice describing the breach and time for correction, then this Agreement may be terminated by District.

(E) The following, as described in this Agreement, shall survive any termination of this Agreement:

(i) All of Applicant's obligations to reimburse any costs incurred by the District;

(ii) All of Applicant's obligations to remove Applicant's improvements and make restoration;

(iii) All of Applicant's obligations to defend and indemnify District and its officer, trustees and employees, as described in this Agreement; and

(iv) All provisions regarding remedies, and limitations of warranties or representations.

(F) Notwithstanding termination, Applicant or public use of the SLA corridor or District lands following termination shall not be considered adverse and shall not cause any adverse possessory right or prescriptive right of Applicant or the public to begin to accrue.

X. REMOVAL OF FACILITIES.

(A) District will reasonably determine what portion of Applicant's improvements on the SLA corridor or District lands will be removed upon termination of this Agreement and set a deadline and specifications for removal and restoration. Such removal and restoration will be at the sole expense of the Applicant.

(B) If, after reasonable notice from District, Applicant fails to remove improvements or restore lands as directed by District, removal may be accomplished by District or its contractor, and Applicant shall reimburse District as described in Article II above.

XI. REMEDIES.

Applicant will first submit any claim or dispute to the authorized District representative. If the matter is not resolved satisfactorily, Applicant may submit the dispute or claim in concise written form with any supporting documentation to District's Board of Trustees, or committee assigned by the Board to hear the matter. If the matter is not resolved satisfactorily the dispute or claim will be submitted to non-binding mediation, with a qualified mediator selected by the parties, with each party sharing the cost of that non-binding mediation. After and only if these processes are first followed and Applicant's dispute or claim remains unresolved, an action may be brought in the Third Judicial District Court of the State of Utah In and For Salt Lake County. The prevailing party shall be awarded reasonable costs, including engineering, witness and attorneys' costs and fees. Under no circumstances shall District or its officers, trustees or employees be liable for any consequential damages resulting from interruption of Applicant or the public's use of the SLA corridor or District lands.

XII. INTERPRETATION.

Because the SLA is critical public infrastructure, any ambiguity in this Agreement shall be interpreted in favor of District's full use and enjoyment of the SLA, SLA corridor and District lands, with a minimum of delay, restriction or expense resulting from Applicant or public use of the SLA. In the event of conflict between this Agreement and District written rules, regulations or policies, as the same may change from time to time, such District rules, regulations and policies shall control.

XIII. PRESUMPTION.

As against the Applicant, any calculation, determination or interpretation made by District in good faith with respect to this Agreement shall be *prima facie* correct, subject to rebuttal by a preponderance of the evidence.

XIV. SUCCESSORS, ASSIGNS.

Applicant's rights and obligation may not be assigned or transferred without the prior written consent of District, which District is under no obligation to give. Any bankruptcy filing by Applicant, other purported assignment by operation of law, or appointment of a receiver, shall

be grounds for immediate termination of this Agreement. Any attempt to assign without the prior written consent of District shall be considered null and void and shall be grounds for immediate termination of this Agreement.

XV. AUTHORITY.

The person(s) signing on behalf of Applicant represents and warrants that they have been duly authorized by formal action of the governing body of Applicant to execute this Agreement on behalf of Applicant. Certifications of the authority of persons signing on behalf of Applicant are attached at Exhibit F.

XVI. NO WARRANTY.

(A) District makes no warranty or representation, either express or implied, as to the extent or validity of any grant or license contained in this Agreement.

(B) District makes no warranty or representation as to the condition of the SLA corridor or any District improvements or lands, or the fitness or compatibility of any of the same for use as described by Applicant or the public.

XVII. COMPLIANCE WITH APPLICABLE LAWS.

(A) Applicant shall strictly comply with all applicable Federal, State, and local statutes, rules, regulations, codes, ordinances and other laws.

(B) Applicant shall strictly comply with all of District's Regulations for Non-District Use of Salt Lake Aqueduct and Point of the Mountain Aqueduct Rights of Way, as those regulations may change from time to time. Copies of those regulations have been made available to Applicant, which terms are incorporated into this Agreement as if restated here.

(C) If after reasonable notice from District, Applicant fails to bring Applicant's use of the SLA corridor or District lands into compliance with this Agreement and any applicable Federal, State, and local statutes, rules, regulations, codes, ordinances and other laws, including, but not limited to, District's Regulations for Non-District Use of Salt Lake Aqueduct and Point of the Mountain Aqueduct Rights of Way, District may, at its sole option, effect such compliance and Applicant shall reimburse District as described in Article II above.

XVIII. NOTICES.

Any notice required by this Agreement shall be deemed given when mailed or delivered to:

Metropolitan Water District of Salt Lake & Sandy
Attn: General Manager
3430 East Danish Road
Cottonwood Heights, Utah 84093
Phone: (801) 942-1391
Email: rightsofway@mwdsls.org

Draper City
Attn: City Engineer
1020 East Pioneer Road
Draper, Utah 84020
Phone: (801) 523-7488
Email: troy.wolverton@draper.ut.us

Each party may change the designation of the addressee or the address for that party to receive notice by sending written notice of the change.

XIX. ENTIRE AGREEMENT.

This Agreement constitutes the entire agreement between the parties relating to the use of the portions of the SLA corridor and the District lands described in this Agreement, and supersedes any prior negotiations or discussion regarding the same. This Agreement cannot be altered except through a written instrument signed by all parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

DISTRICT:

METROPOLITAN WATER DISTRICT
OF SALT LAKE & SANDY

Michael L. Wilson, General Manager

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the ___ day of _____, 2011, personally appeared before me Michael L. Wilson, and having been first duly sworn by me acknowledged that he is the General Manager of the Metropolitan Water District of Salt Lake & Sandy, that he was duly authorized by the Board of Trustees of the Metropolitan Water District of Salt Lake & Sandy to execute the above Cooperation Agreement for and on behalf of the Metropolitan Water District of Salt Lake & Sandy, and that he executed the above Cooperation Agreement on behalf of the Metropolitan Water District of Salt Lake & Sandy.

NOTARY PUBLIC

APPLICANT:

Darrell H. Smith, Mayor

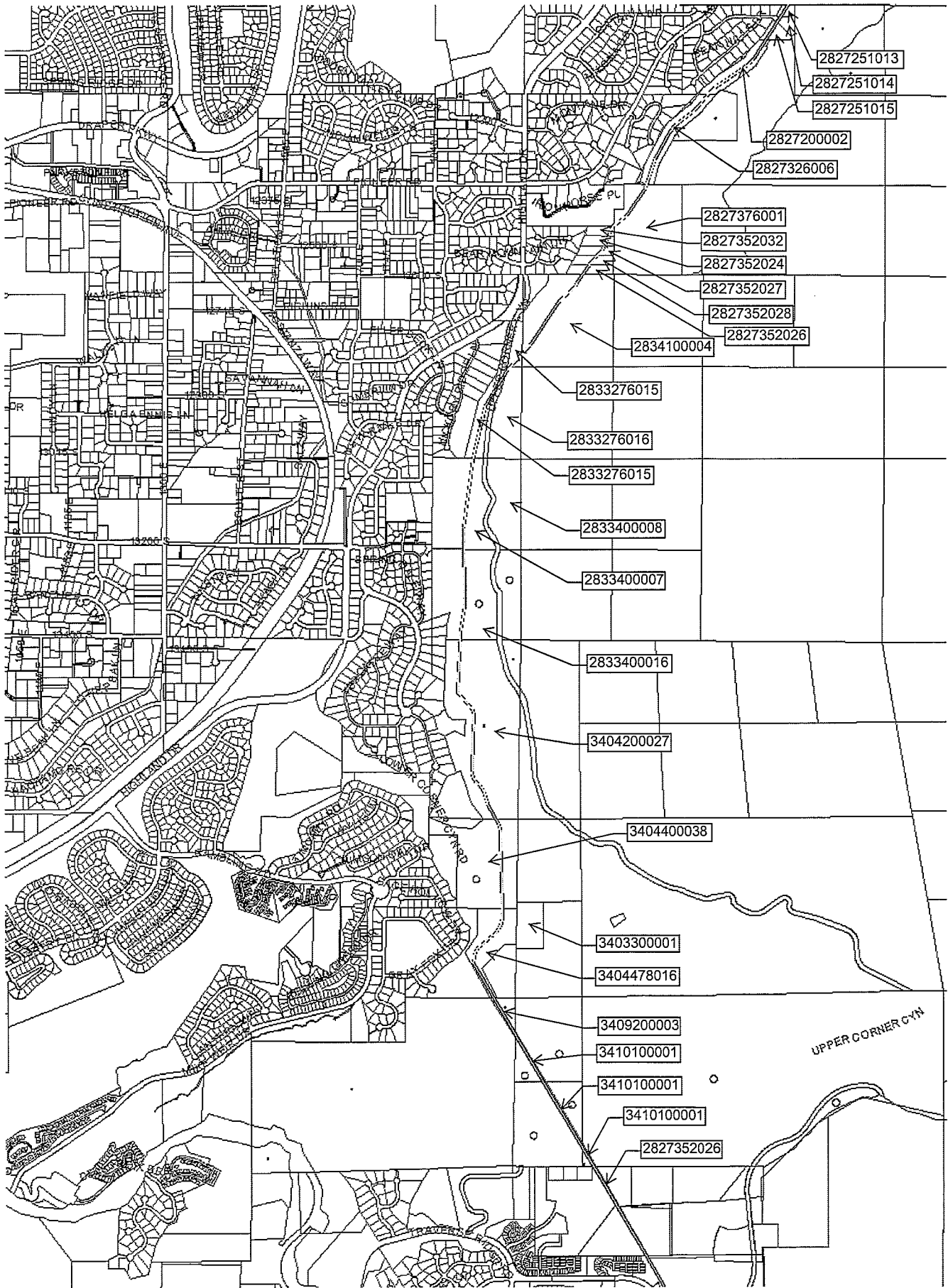
Tracy B. Norr, City Recorder

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the _____ day of _____, 2011, personally appeared before me Darrell H. Smith and Tracy B. Norr and being first duly sworn, acknowledged that they are the Mayor and City Recorder, respectively, of Draper, Utah, and that they have been duly authorized through an affirmative vote of the City Council of Draper, Utah to execute the above Cooperation Agreement for and on behalf of Draper, Utah, for the purposes stated therein.

NOTARY PUBLIC

EXHIBIT A
AFFECTED PARCELS



2827251013

2827251014

2827251015

2827200002

2827326006

2827376001

2827352032

2827352024

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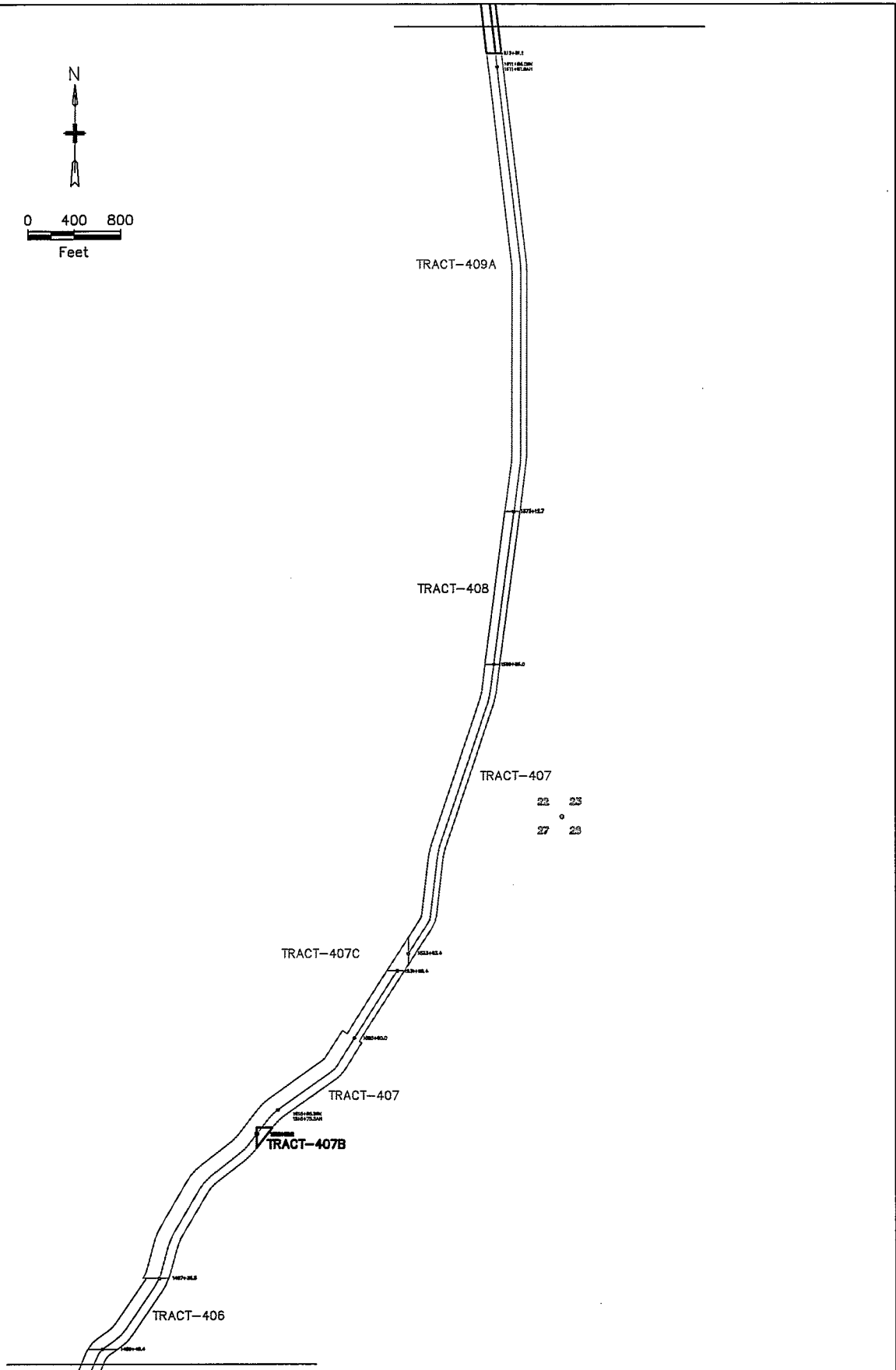
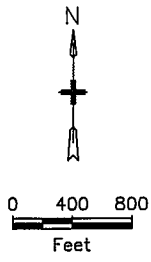
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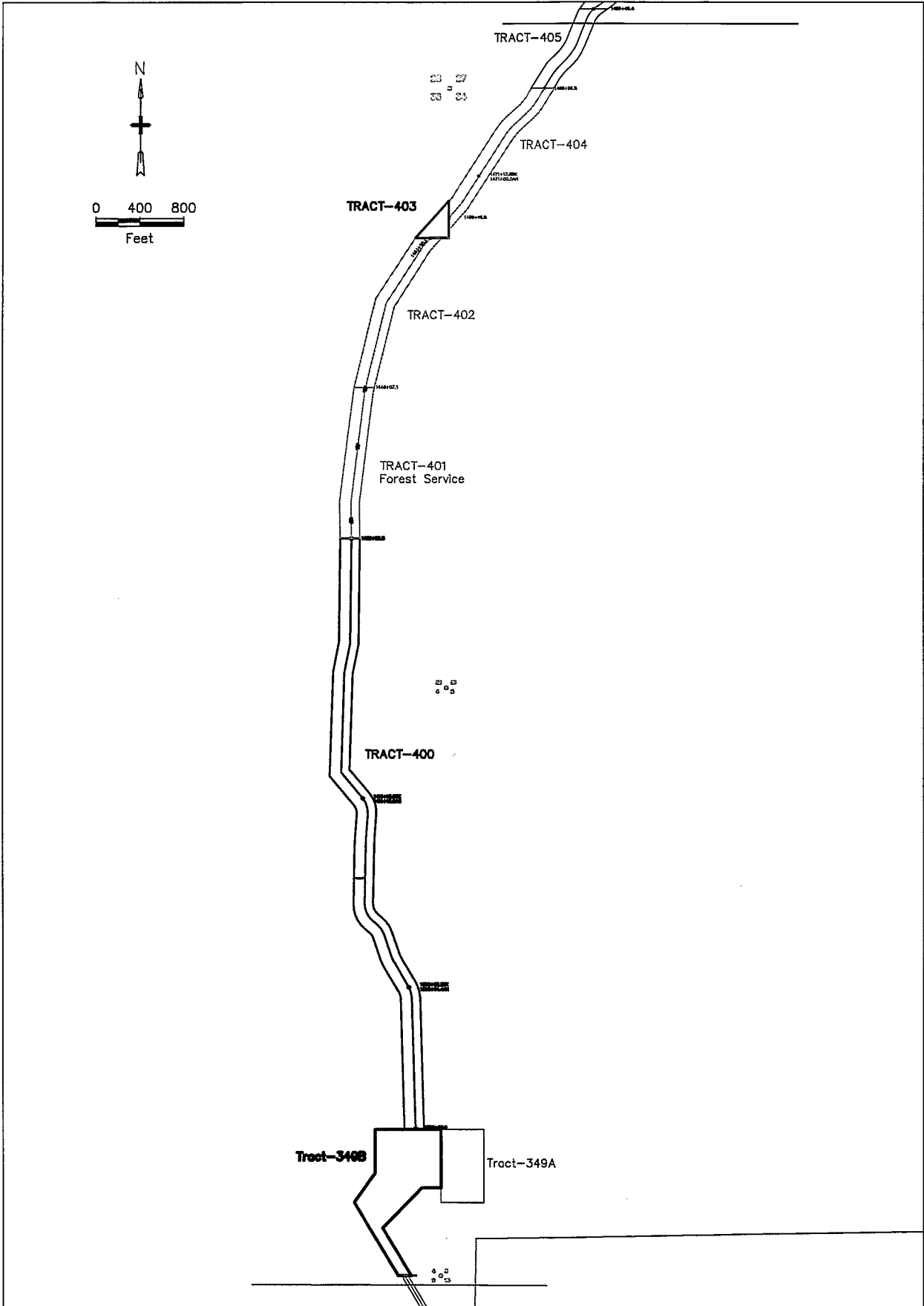
2827352026


UPPER CORNER CYN

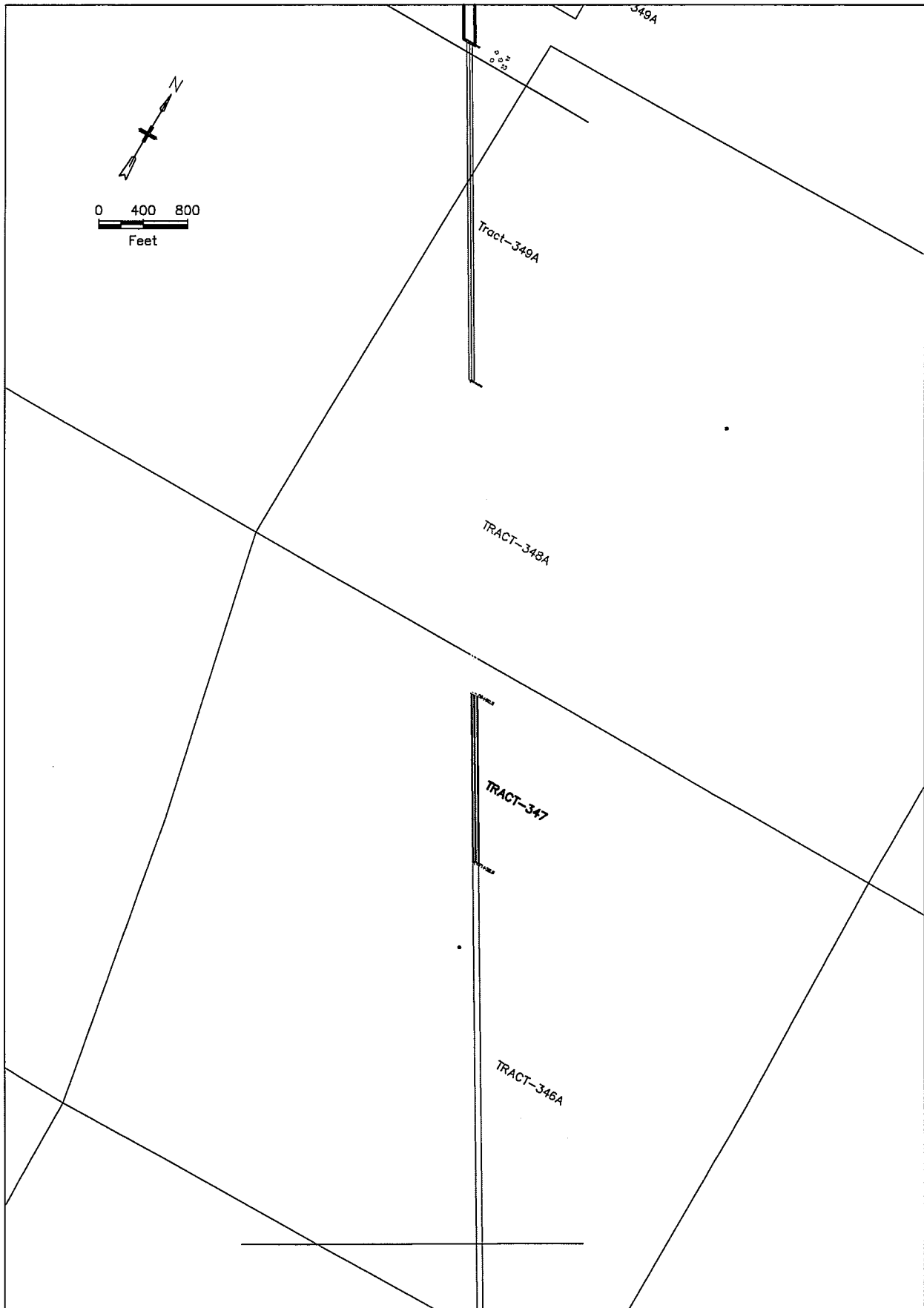
EXHIBIT B
LEGAL DESCRIPTIONS



Salt Lake Aqueduct Tracts Area 6	PROJECT LEADER: Joy Henrie	MWDSLDS SLA Title Transfer	 FRANSON NOBLE ENGINEERING
	DRAFTER: JC, CHR		
	DATE: July 26, 2006		
	FILE: SLA Tracts-Segment 1.dwg R:\CLIENT\5-Salt Lake Area\SLA Title Transfer\ Viewings Layout: Area 6		



Salt Lake Aqueduct Tracts Area 7	PROJECT LEADER: Joy Harris	MWDSLDS SLA Title Transfer	 FRANSON NOBLE ENGINEERING
	DRAFTSMAN: JC, CHR		
	DATE: July 26, 2006		
	SLA Tracts-Segment 1.dwg E:\CLIENTS-Salt Lake Area\SLA Title Transfer\ Drawings Layout: Area 7		



Salt Lake Aqueduct Tracts
Area B

PROJECT LEADER:	Jay Henrie
DRAFTER:	JC, CHR
DATE:	July 28, 2006
SLA Tracts-Segment 1.dwg	
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Layout: Area B	

MWDSLDS
SLA Title Transfer



FRANSON NOBLE
ENGINEERING

Tract 407B

A tract of land in Salt Lake County, Utah in the Northwest Quarter of the Southeast Quarter (NW $\frac{1}{4}$ SE $\frac{1}{4}$) of Section Twenty-seven (27), Township Three (3) South, Range One (1) East, Salt Lake Base and Meridian, containing 0.27 acres, more or less, and being more particularly described as follows:

Beginning at a point on the West line of the Southeast Quarter (SE $\frac{1}{4}$) of said Section Twenty-seven (27), said point being at centerline Station 1512+80.2 of the Salt Lake Aqueduct and being South, Twenty-seven Hundred Twenty-four and Three-tenths (2,724.3) feet and West, Twenty-six Hundred Thirty-seven and One-tenth (2,637.1) feet from the Northeast corner of said Section Twenty-seven (27) and running thence along said West line North, Fifty-two (52.0) feet, more or less, to the Northwest corner of the Southeast Quarter (SE $\frac{1}{4}$) of said Section Twenty-seven (27); thence along the North line of said Southeast Quarter (SE $\frac{1}{4}$) East, One Hundred Thirty-seven and Six-tenths (137.6) feet; thence leaving said North line and running South 38°38' West, Two Hundred Twenty and Four-tenths (220.4) feet, more or less, to the West line of aforesaid Southeast Quarter (SE $\frac{1}{4}$); thence along said West line North, One Hundred Twenty and One-tenth (120.1) feet, more or less, to the point of beginning.

Tract 407

A strip of land in the Northeast Quarter of the Southwest Quarter (NE $\frac{1}{4}$ SW $\frac{1}{4}$), the Southeast Quarter of the Northwest Quarter (SE $\frac{1}{4}$ NW $\frac{1}{4}$), the Northwest Quarter of the Southeast Quarter (NW $\frac{1}{4}$ SE $\frac{1}{4}$) and the Southwest Quarter of the Northeast Quarter (SW $\frac{1}{4}$ NE $\frac{1}{4}$) of Section Twenty-seven (27), Township Three (3) South, Range One (1) East, Salt Lake Base and Meridian, 300 feet wide and included between two lines extended to the property lines and everywhere distant 125 feet West or to the left and 75 feet East or to the right of that portion of the following described center line of the Salt Lake Aqueduct from Station 1497+35.5 to Station 1525+00 measured at right angles and/or radially thereto, and 125 feet wide and included between two lines extended to the property lines and everywhere distant 75 feet West or to the left and 50 feet East or to the right of that portion of the following described center line of the Salt Lake Aqueduct from Station 1525+00 to Station 1531+88.4 measured at right angles thereto; said center line is more particularly described as follows:

Beginning at Station 1497+35.5 of said center line, on a regular curve to the left with a radius of 400 feet, a point in the Northeast Quarter of the Southwest Quarter (NE $\frac{1}{4}$ SW $\frac{1}{4}$) of said Section 27, the tangent to which point bears North 22° 42' East and from which point the northeast (NE) corner of said Section 27 lies North 3970.8 feet and East 3480.4 feet, more or less, and running thence on said regular curve 52.8 feet, as measured on the arc of the curve; thence North 15° 06'30" East 245.7 feet; thence on a regular curve to the right having a radius of 400 feet and a length of 102.4 feet, as measured on the arc of the curve; thence North 29° 49' East 444.7 feet; thence on a regular curve to the right having a radius of 400 feet and a length of 156.0 feet, as measured on the arc of the curve; thence North 52° 10' East 321.9 feet; thence on a regular curve to the left having a radius of 400 feet and a length of 94.5 feet, as measured on the arc of the curve; thence North 38° 38' East 288.8 feet; thence on a regular curve to the right having a radius of 400 feet and a length of 113.2 feet, as measured on the arc of the curve, to

station 1515+55.5 back equals Station 1515+75.5 ahead; thence North 54° 51' East 570.3 feet; thence on a regular curve to the left having a radius of 200 feet and a length of 77.4 feet as measured on the arc of the curve; thence North 32° 30' East 965.2 feet to Station 1531+88.4, a point on the North line of the Southwest Quarter of the Northeast Quarter (SW $\frac{1}{4}$ NE $\frac{1}{4}$) of said Section 27, from which point the Northeast corner of said Section 27 lies North 1323.6 feet and East 1413.0 feet, more or less; excepting, however, that portion of said strip of land lying the Northwest Quarter of the Southeast Quarter (NW $\frac{1}{4}$ SE $\frac{1}{4}$) of said Section 27, and containing 0.27 of an acre; net area to be conveyed 14.35 acres, more or less.

Also a strip of land in the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ NE $\frac{1}{4}$) of Section Twenty-seven (27), and in the Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section Twenty-two (22), Township Three (3) South, Range One (1) East, Salt Lake Base and Meridian, 125 feet wide and included between two lines extended to the property lines and everywhere distant 75 feet West or to the left and 50 feet East or the right of that portion of the following described center line of the Salt Lake Aqueduct from Station 1533+63.4 to Station 1559+86.0 measured at right angles and/or radially thereto; said center line is more particularly described as follows:

Beginning at Station 1533+63.4 of the Salt Lake Aqueduct, a point on the West boundary of the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ NE $\frac{1}{4}$) of said Section 27, from which point the Northeast (NE) corner of said Section 27 lies North 1176.3 feet and East 1318.6 feet, more or less; thence North 32° 40' East 297.3 feet; thence on a regular curve to the left having a radius of 200 feet and a length of 90.8 feet, and measured on the arc of the curve; thence North 6° 39' East 506.8 feet, thence on a regular curve to the right having a radius of 400 feet and a length of 83.1 feet, as measured on the arc of the curve; thence North 18° 33' East 1321.5 feet; thence on a regular curve to the left having a radius of 400 feet and a length of 77.7 feet as measured on the arc of the curve; thence North 7° 25' East 245.4 feet, to Station 1559+86.0, a point on the north line of the Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$) of said Section 22, from which point the Southeast (SE) corner of said Section 22 lies South 1315.0 feet and East 581.5 feet, more or less, containing 7.45 acres, more or less.

Total area of the above described tracts of land being 21.50 acres, more or less.

Tract 406

A strip of land in the North Half of the Southwest quarter of the Southwest quarter (N $\frac{1}{2}$, SW $\frac{1}{4}$, SW $\frac{1}{4}$) and the Southeast quarter of the Southwest quarter (SE $\frac{1}{4}$, SW $\frac{1}{4}$) of Section 27, Township 3 South, Range 1 East, S.L.B.&M., 175 feet wide and included between two lines extended to the property lines and everywhere distant 100 feet West or to the left and 75 feet East or to the right of the following described center line of the Salt Lake Aqueduct from station 1489+49.4 to station 1497+35.5 measured at right angles and/or radially thereto; said center line is more particularly described as follows:

Beginning at station 1489+49.4 a point on curve on the South line of the Vendor's property, the tangent to which point bears North 47° 43' East, and from which point the southwest (SW) corner of said section 27 lies South 715.00 feet and West 1310.09 feet, more or

less; thence on a regular curve to the right having a radius of 200 feet and a length of 23.4 feet as measured on the arc of the curve, thence North 54° 25' East 104.3 feet, thence on a regular curve to the left having a radius of 400 feet and a length of 142.4 feet, as measured on the arc of the curve, thence North 34° 01' East 437.0 feet, thence on a regular curve to the left, having a radius of 400 feet and a length of 79.0 feet as measured on the arc of the curve, to station 1497+35.5 a point on curve on the north line of the Vendor's property, the tangent to which point bears North 22° 42' East, and from which point the Southwest (SW) corner of said section 27 lies South 1323.60 feet and West 1793.85 feet, more or less.

Containing 3.16 acres, more or less.

Tract 405

A strip of land in the Southwest quarter of the Southwest quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$) of Section 27, Township 3 South, Range 1 East, S.L.B.&M.; 175 feet wide and included between two lines extended to the property lines and everywhere distant 100 feet West or to the left and 75 feet East or to the right of the following described center line of the Salt Lake Aqueduct from station 1480+96.8 to station 1489+49.4 measured at right angles and/or radially thereto; said center line is more particularly described as follows:

Beginning at station 1480+96.8 a point on the South line of the Vendor's property from which point the Southwest (SW) corner of said section 27 lies West 863.34 feet, more or less; thence North 31° 54' East 145.5 feet, thence on a regular curve to the right having a radius of 400 feet and a length of 95.2 feet, as measured on the arc of the curve, thence North 45° 32' East 98.6 feet, thence on a regular curve to the left having a radius of 400 feet, and a length of 161.9 feet, as measured on the arc of the curve, thence north 22° 21' East 262.9 feet, thence on a regular curve to the right having a radius of 200 feet and a length of 88.5 feet, as measured on the arc of the curve to station 1489+49.4, a point on the curve on the North line of the Vendor's property, the tangent to which point bears North 47° 43' East, and from which point the Southwest (SW) corner of said section 27 lies South 715.00 feet and West 1310.09 feet more or less.

Containing 3.43 acres, more or less.

Tract 404

A strip of land in the Northwest quarter of the Northwest quarter (NW $\frac{1}{4}$ NW $\frac{1}{4}$) of Section 34, Township 3 South, Range 1 East, S.L.B.&M.; 175 feet wide and included between two lines extended to the property lines and everywhere distant 100 feet West or to the left, and 75-feet East or to the right of the following described center line of the Salt Lake Aqueduct, from station 1466+49.8 to station 1480+96.8 measured at right angles and/or radially thereto; said center line is more particularly described as follows:

Beginning at station 1466+49.8 a point on the West line of the vendor's property in the northwest quarter (NW $\frac{1}{4}$) of the Northwest quarter (NW $\frac{1}{4}$) of said section 34, from which point the Northwest (NW) corner of said section 34 lies North 1163.95 feet and East 6.34 feet, more or

less; thence North $42^{\circ} 01'$ East 162.8 feet, thence North $33^{\circ} 12'$ East 300.0 feet to station 1471+12.6 back, equals equation station 1471+00.0 ahead, thence North $33^{\circ} 12'$ East 449.1 feet, thence on a regular curve to the right having a radius of 400 feet and a length of 100.4 feet, as measure on the arc of the curve, thence North $47^{\circ} 35'$ East 177.5 feet, thence on a regular curve to the left having a radius of 400 feet and a length of 109.5 feet, as measured on the arc of the curve, thence North $31^{\circ} 54'$ East 160.3 feet, to station 1480+96.8 a point on the north line of the vendor's property from which point the northwest (NW) corner of said section 34 lies west 863.34 feet more or less.

Containing 5.85 acres, more or less.

Tract 403

A tract of land in the South Half of the Northeast quarter of the Northeast quarter (S $\frac{1}{2}$, NE $\frac{1}{4}$, NE $\frac{1}{4}$) of Section 33, Township 3 South, Range 1 East, S.L.B.&M.; and being more particularly described as follows:

Beginning at station 1463+98.9 of the Salt Lake Aqueduct a point on the South line of the Vendor's property in the South Half of the Northeast quarter of the Northeast quarter (S $\frac{1}{2}$, NE $\frac{1}{4}$, NE $\frac{1}{4}$) of said section 33, from which point the Northeast (NE) corner of said section 33 lies North 1350.30 feet and East 174.25 feet, more or less, thence West 134.5 feet, thence North $42^{\circ} 01'$ East 451.9 feet, thence South 335.8 feet, thence West 167.9 feet, more or less to point of beginning.

Containing 1.17 acres, more or less.

Tract 402

A strip of land in the Southeast quarter of the Northeast Quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$) of Section 33, Township 3 South, Range 1 East, S.L.B.&M.; 175 feet wide and included between two lines extended to the property lines and everywhere distant 100 feet West or to the left and 75 feet East or to the right of the following described center line of the Salt Lake Aqueduct, from station 1449+07.1 to station 1463+98.9 measured at right angles and/or radially thereto; said center line is more particularly described as follows:

Beginning at station 1449+07.1, a point on the South line of the Vendor's property, in the Southeast quarter of the Northeast quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$) of said section 33, from which point the Northeast (NE) corner of said section 33 lies North 2700.60 feet and East 749.43 feet, more or less; thence North $13^{\circ} 32'$ East 784.3 feet, thence North $32^{\circ} 21'$ East 610.0 feet, thence North $42^{\circ} 01'$ East 97.5 feet to station 1463+98.9, a point on the North line of the Vendor's property, from which point the Northeast (NE) corner of said section 33 lies North 1350.30 feet and East 174.25 feet, more or less.

Containing 5.98 acres, more or less.

Tract 401

A strip of land one hundred seventy five (175) feet wide and included between two lines extended to the property lines and everywhere distant seventy five (75) feet east or to the right and one hundred (100) feet west or to the left of the center line from station 1435+35.3 to station 1449+07.1 of the Salt Lake Aqueduct measured at right angles thereto; said center line is more particularly described as follows:

Beginning at station 1435+35.3, a point in the northeast quarter of the southeast quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of section thirty three (33), township three (3) south, range one (1) east, S.L.B.&M., which is north thirteen hundred fifty and three-tenths (1350.3) feet and west eight hundred fifty and ninety-seven hundredths (850.97) feet of the southeast corner (SE) of section thirty three (33), township three (3) south, range one (1) east, S.L.B.&M.; thence north 0° 50' 30" west three hundred twenty six and eight-tenths (326.8) feet; thence north 7° 06' east one thousand fifteen (1015.0) feet; thence north 13° 32' east thirty (30.0) feet to station 1449+07.1, which is the end point, more or less. Containing approx. 5.51 acres.

Tract 400

A strip of land in the Northeast quarter of the Southeast quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 4, Township 4 South, Range 1 East, S.L.B.&M., also the Southeast quarter of the Southeast quarter (SE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 33, Township 3 South, Range 1 East, S.L.B.&M.; 175 feet wide and included between two lines extended to the property lines and everywhere distant 100 feet West of to the left and 75 feet East or to the right of the following described center line of the Salt Lake Aqueduct, from station 1380+02.9 to station 1435+35.3, measured at right angles and/or radially thereto; said center line is more particularly described as follows:

Beginning at station 1380+02.9 a point on the South line of the Vendor's property in the Northeast quarter of the Southeast quarter (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of said section 4, from which point the Southeast corner of said section 4 lies South 1327.98 feet, and East 225.76 feet, more or less; thence North 1° 35' West 1181.3 feet, thence on a regular curve to the left having a radius of 200 feet and a length of 98.1 feet as measured on the arc of the curve to station 1392+82.3 back, equals equation station 1392+84.4 ahead, thence North 29° 42' West 281.4 feet, thence on a regular curve to the right having a radius of 200 feet and a length of 39.1 feet as measured on the arc of the curve, thence North 18° 30' West 213.4 feet; thence on a regular curve to the left having a radius of 200 feet and a length of 111.0 feet, as measured on the arc of the curve, thence North 50° 18' West 45.4 feet, thence on a regular curve to the right having a radius of 200 feet and a length of 179.6 feet as measured on the arc of the curve, thence North 1° 09' 30" East 505.0 feet, thence on a regular curve to the right having a radius of 1600 feet and a length of 85.4 feet as measured on the arc of the curve, thence North 4° 13' East 216.0 feet, thence on a regular curve to the left having a radius of 200 feet and a length of 154.3 feet as measured on the arc of the curve to station 1411+15.0 back equals equation station 1411+18.2 ahead, thence North 40° 00' West 304.6 feet, thence North 1° 58' East 900.5 feet, thence North 10° 59' East 273.0 feet, thence North 0° 38' East 947.3 feet to station 1435+35.3 a point on the North line of the vendor's property from which point the Southeast (SE) corner of said section 33 lies South 1350.3 feet and East 850.97 feet, more or less.

Containing 22.2 acres, more or less.

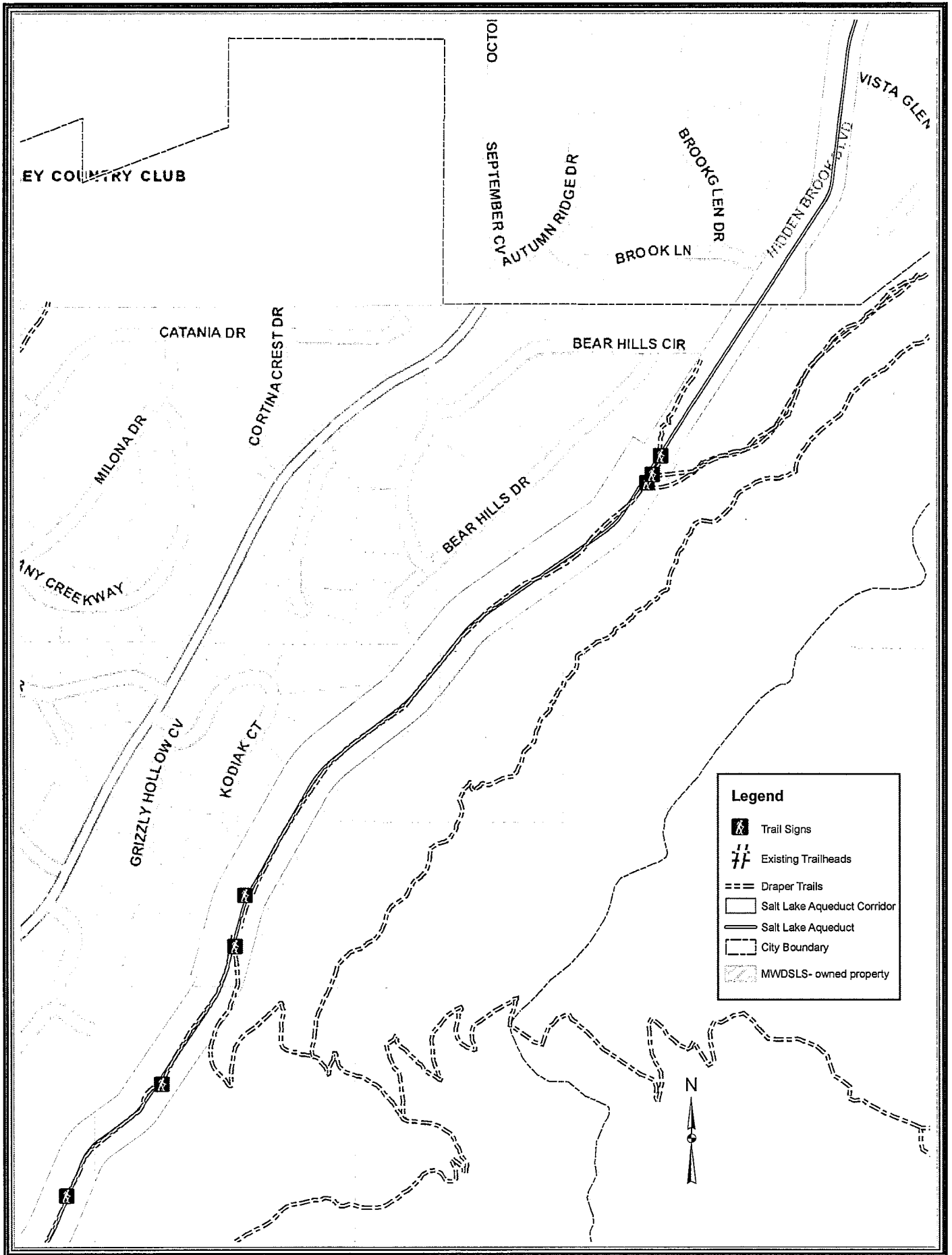
Tract 349A

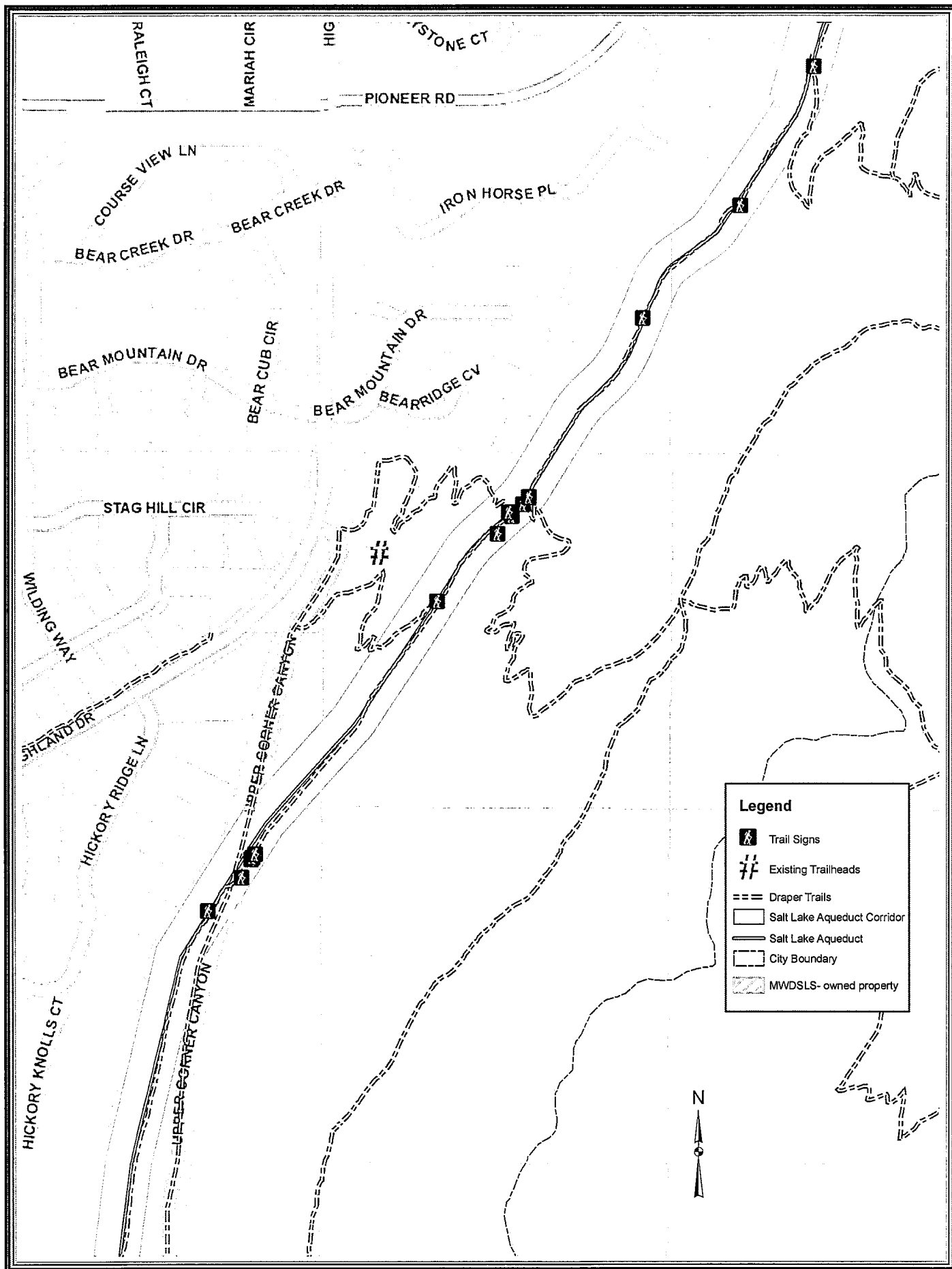
Commencing 550 feet North of the Southwest corner of Lot 2, Section 3, Township 4 South, Range 1 East, Salt Lake Base & Meridian, and running thence North 660 feet; thence East 396 feet; thence South 660 feet; thence West 396 feet to the point of beginning.

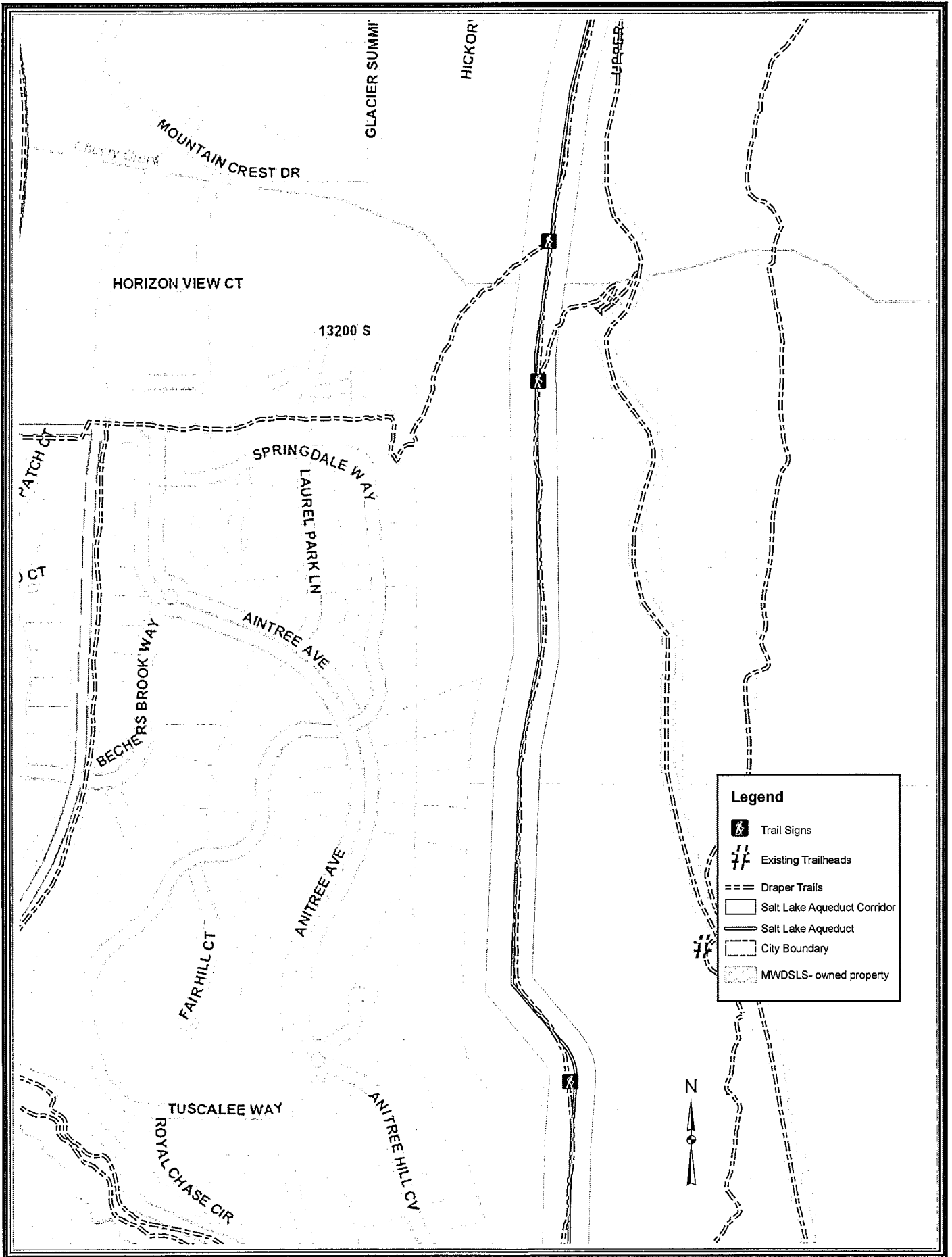
Tract 349B

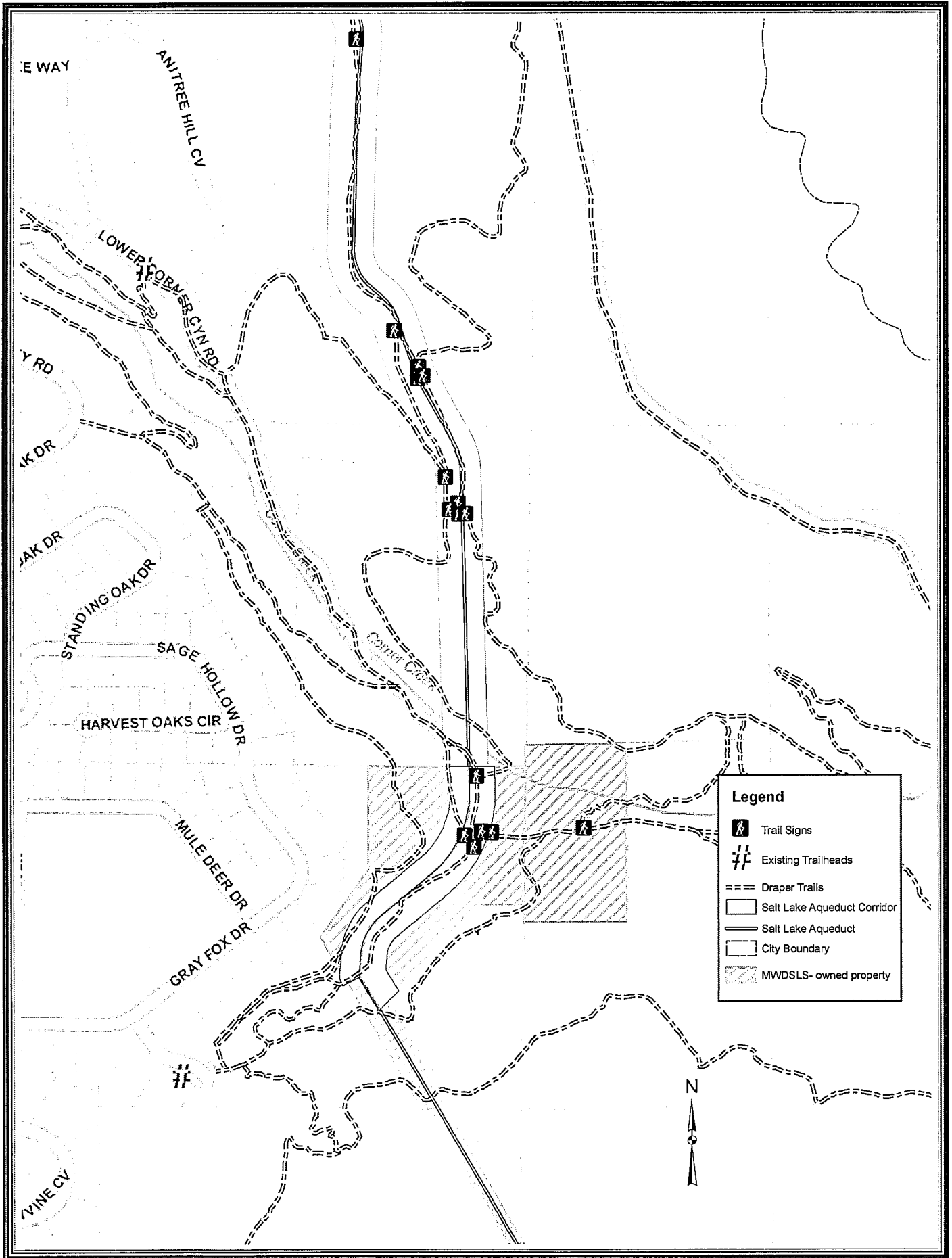
Beginning at a point 323.5 feet West of the Southeast corner of Section 4, Township 4 South, Range 1 East, Salt Lake Base and Meridian, and running thence West 59 feet; thence North $30^{\circ} 30'$ West 770 feet; thence North 35° East 320 feet; thence North 394.5 feet to the North line of the Southeast Quarter of the Southeast Quarter of said Section 5; thence East 588.8 feet; thence South 529.5 feet; thence West 172 feet; thence South 44° West 500 feet; thence South $30^{\circ} 30'$ East 500 feet to the South line of said Section; thence West 58 feet to the place of beginning.

EXHIBIT C
TRAILS DRAWINGS









Legend








-  Trail Signs
-  Existing Trailheads
-  Draper Trails
-  Salt Lake Aqueduct Corridor
-  Salt Lake Aqueduct
-  City Boundary
-  MWDSLS-owned property



EXHIBIT D
CONSTRUCTION STANDARDS

CONSTRUCTION STANDARDS

The following Standards are meant to supplement the Protection Standards in Chapter 16 "Regulations for Non-District Use of Salt Lake Aqueduct and Point of the Mountain Aqueduct Rights of Way", adopted September 15, 2008.

A. If unusual conditions are proposed for the Improvements or unusual field conditions within the Corridor are encountered, as designated and characterized by the District, the District may, at its discretion, impose conditions or requirements which are different from or more stringent than those prescribed in these Guidelines.

B. All backfill material within the Corridor shall be compacted to ninety percent (90%) of maximum density, unless otherwise allowed or required by the District. Mechanical compaction shall not be allowed within six inches (6") of any of the District's facilities and pipeline(s). Mechanical compaction using heavy equipment, as designated and characterized by the District, will not be allowed over District facilities and pipeline(s) or within eighteen inches (18") horizontally.

C. Backfilling of any excavation or around any facilities or pipeline(s) within the Corridor shall be compacted in layers not exceeding six inches (6") thick to the following requirements: (1) cohesive soils to 90 percent (90%) maximum density specified by ASTM Part 19, D-698, method A; (2) noncohesive soils to 70 percent (70%) relative density specified by ANSI/ASTM Part 19, d-2049, par. 7.1.2, wet method.

EXHIBIT E
INSURANCE/BOND REQUIREMENTS

**INSURANCE AND BOND REQUIREMENTS FOR
PARTIES ENTERING INTO COOPERATION AGREEMENTS WITH
METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY**

A. MINIMUM LIMITS OF INSURANCE

Except as approved in writing by District in advance of the work to be performed, Applicant, and all of Applicant's contractors, and all subcontractors of Applicant's contractors, shall maintain limits no less than:

1. **GENERAL LIABILITY:** \$1,000,000 combined single limit per occurrence, personal injury and property damage, \$2,000,000 Aggregate, Broad Form Commercial General Liability, (ISO 1993 or better), to include Products - Comp/OP, aggregate of 2,000,000, limits to apply to this project individually.

2. **AUTOMOBILE LIABILITY:** \$1,000,000 per occurrence, "Any Auto" coverage required.

3. **WORKERS' COMPENSATION and EMPLOYERS LIABILITY:** Workers' compensation statutory limits as required by the Workers Compensation Act of the State of Utah. Employers Liability limits of \$1,000,000 per occurrence.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retention must be declared to and approved by the District in writing. At the option of the District, either; the insurer may be required to reduce or eliminate such deductibles or self-insured retention as respects the District, its trustees, officers, and employees; or the Applicant may be required to procure a bond guaranteeing payment of losses and related investigations, claim distribution and defense expenses. The District does not ordinarily approve deductibles in an amount exceeding 2.5% of the required minimum limits described above or \$25,000, whichever is less. The District does not ordinarily approve self-insured retentions in an amount exceeding 1.0% of the required minimum limits described above or \$10,000, whichever is less.

C. PERFORMANCE AND PAYMENT BONDS

All persons and entities performing any work on District lands or rights of way will provide performance and payment bonds for the full sum of their contracts, naming the District as co-obligee.

D. OTHER INSURANCE PROVISIONS

The General Liability and Automobile Liability Coverages are to contain, or be endorsed to contain, the following provisions:

1. District, its trustees, officers, and employees are to be covered as additional insureds as respects: liability arising out of any activities conducted on District lands or interests in lands. The coverage shall contain no special limitations on the scope of protection afforded to District, its trustees, officers, and employees.

2. The insurance coverage of Applicant's contractors and subcontractors, shall be a primary insurance as respects to District, its trustees, officers, and employees. Any insurance or self-insurance maintained by District, its trustees, officers, and employees shall be in excess of the insurance described here, and shall not contribute with it.

3. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to District, its trustees, officers, and employees.

E. ACCEPTABILITY OF INSURERS

Insurance and bonds are to be placed with insurers admitted in the State of Utah with a Bests' rating of no less than A-, IX, and in the limits as listed in this document, unless approved in writing by the authorized representative of the District.

F. ADDITIONAL INSURED ENDORSEMENT

Applicant will procure an endorsement listing District, its Trustees, officers, and employees as additional insureds for liability coverage for claims arising out of Applicant's use of the POMA or SLA corridor. Such coverage for District and its Trustees, officers and employees shall be primary to any other coverage for District

G. VERIFICATION OF COVERAGE

Applicant and all of Applicant's contractors and all subcontractors of Applicant's contractors shall furnish District with certificates of insurance and with original endorsements effecting coverage required by this clause. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be provided on forms acceptable to the District before work commences. District reserves the right to require complete, certified copies of all required insurance policies, with all endorsements, at any time. Applicant shall provide an insurance certificate and an endorsement evidencing compliance with this provision at least annually. From time to time District may increase the requirement for a liability limit by providing reasonable written notice to Applicant of such a change

H. APPLICANT STRICTLY LIABLE FOR COMPLIANCE OF CONTRACTORS

Applicant shall see that each of Applicant's contractors, and each of their subcontractors, complies with these insurance requirements, and Applicant shall be strictly liable for any failure of such contractors and subcontractors to meet these requirements.

EXHIBIT F
APPLICANTS' AUTHORITY RESOLUTIONS

Agenda Item:

Consider approval of a capital budget contingency transfer.

Objective: For the Board to authorize the transfer of \$132,000.00 from the Capital Budget Contingency line item to cover additional costs which exceed the current fiscal year budget.

Background: The OCIP – Outstanding Claims line item for FY 2011 was budgeted at \$75,000. Costs to date related to claims have totaled \$73,646.13. Staff anticipates additional costs for claims through the remainder of FY 2011. The \$132,000 request is the estimate of these expected costs.

FY2011 Capital Budget Contingency	\$986,000
Contingency Transfer Request #1 (to 1834-10)	\$132,000
Remaining Contingency	\$854,000

Committee Activity: The Engineering Committee reviewed and discussed the contingency transfer request at the May 4, 2011 Engineering Committee meeting.

Recommendation: Staff recommends the Board approve the transfer of \$132,000 from FY 2011 Capital Contingency.

**Engineering Committee
Reporting Items
May 16, 2011**

1. Project Contracts, Task Orders, and Change Orders
 - a. Action items (recommendations to Board of Trustees):
 - i. None.
 - b. Action items (consider acceptance by Engineering Committee):
 - i. None.
 - c. Reporting Items (approved by General Manager):
 - i. None.
2. Licensing program:
 - a. Salt Lake Aqueduct – considered appeals
 - i. Sorf
 - b. Discussed changes to FY 2012 fee schedule (waive fees for member cities).
 - c. Discussed Draper City trails agreement
 - d. Report on completed license agreements
 - e. Report on survey projects
3. Discussed capital budget contingency transfer for Owner Controlled Insurance Program (OCIP) related costs
4. Capital Project Report
5. Approved Engineering Committee meeting minutes dated April 11, 2011
6. Modified upcoming meeting schedule

Metropolitan Water District of Salt Lake & Sandy CAPITAL PROJECT REPORT

May 2011

Last Updated: April 28, 2011

Capacity Improvement Projects

Owner Controlled Insurance Program

Project Data:

Owner Controlled Insurance:	Liberty Mutual
Date Program Began:	October 2003
Final Obligation Date:	December 30, 2010
Budget (FY11):	\$75,000.00
Invoiced FY11:	\$73,646.13

Diane Richards (GL)

Routine Non-Capacity Improvement Projects

Terminal Reservoir Replacement Project – Final Design

Project Data:

Design Engineer:	Bowen, Collins & Associates
Contractor:	N/A
Notice to Proceed:	November 30, 2009
Substantial Completion Date:	N/A
Final Completion Date (Design):	June 30, 2011
Estimated Project Cost:	\$33,500,000.00
Engineering Contract Amount:	\$699,850.00
Engineering Change Orders:	\$35,430.00
Construction Contract Amount:	\$32,602,179.00 (begin FY2011)
Construction Change Orders:	N/A
Project Total:	\$33,311,929.00
Percent Change Orders:	0.05%

Engineer continues to make progress towards the 90% submittal. Staff to prequalify General Contractors for the project. Proposals due May 9th. Review and short listing of General Contractors to occur May 11th.

Little Cottonwood Water Treatment Plant – Site Support Heating, Ventilation, and Air Conditioning Lab Area Improvements Project

Project Data:

Design Engineer:	Staff, Heath Engineers
Contractor:	Chad Husband
Notice to Proceed:	April 27, 2011
Substantial Completion Date:	June 30, 2011
Final Completion Date:	July 15, 2011
Estimated Project Cost:	\$547,400.00
Engineering Contract Amount:	\$32,000.00
Engineering Change Orders:	\$3,000.00
Construction Contract Amount:	113,061.00
Construction Change Orders:	n/a
Project Total:	\$148,061.00
Percent Change Orders:	0.02%

The HVAC Lab Area Improvements project contract was awarded to Chad Husband. Construction to begin in May 4th and be complete by June 30, 2011.

Utah Lake Pump Station Replacement Project

Project Data:

Design Engineer:	Bowen, Collins & Associates
Contractor:	n/a
Notice to Proceed:	n/a
Substantial Completion Date:	n/a
Final Completion Date:	October 2012 - expected
Estimated Project Cost:	\$8.5 million (unconfirmed)
Engineering Contract Amount:	\$879,746.00
Engineering Change Orders:	\$6,958
Construction Contract Amount:	n/a
Construction Change Orders:	n/a
Project Total:	\$886,704.00
Percent Change Orders:	0.008%

Engineer has begun Final Design. A meeting was held on April 19th at the Natural resources building to further discuss the permitting requirements for the project and June Sucker and determine State land delineations. As a result of several meetings, it was determined that the ULPS Replacement Project would not require a sovereign lands permit. The Engineering is analyzing flow hydraulics using a Computerized Flow Dynamic (CFD) model.

Little Dell Dam – Capital Improvements

Salt Lake City Public Utilities continues to develop an asset management plan for this facility.

The following Capital Improvements were requested by Salt Lake City Department of Public Utilities for FY2011:

- **New Adit Ventilator** - \$10,000. The new adit ventilator has been installed.
- **Crack-seal and Seal the Access Roads** - \$21,000 Crack Repair, \$70,000 Slurry Seal. Work scheduled for spring 2011.
- **Upgrade Instrumentation System** - \$99,000. Salt Lake City Public works and MWDSLS have been working together to determine scope and approach to the Little Dell SCADA upgrades. In general, the scope includes 3 new PLC's, 2 RTU's and PLC software and HMI license. These items are planned to be procured this FY with the possibility of PLC programming extending into FY2012.

Total Budget FY2011: \$200,000

Other Capital Projects**Jordan Aqueduct System and 150th South Pipeline – Capital Projects**

The following Capital Improvements were approved by Jordan Aqueduct System management committee for FY2011 for the Jordan Aqueduct System:

- Jordan Valley Water Treatment Plant Chlorine Dioxide Project – Project is on-going and will have a “testing” phase or a “Pre-Compliance Sampling period” around February 2012 to March 2012. Final completion anticipated by March 2012.
- Jordan Valley Water Treatment Plant Filter and Chemical Building Seismic Upgrade – Project is 99% complete.
- Jordan Aqueduct Chlorine Booster Station – Project was scheduled to go out for bid in April. We are waiting to hear of the revised Bid Date. Improvements expected to be complete by the following Spring (2012). The plan is to bring this project on-line on or before the Chlorine Dioxide Project.
- Jordan Aqueduct – Reach 2 pig launch modifications. – Design complete as part of the Southwest Aqueduct project. Construction contract awarded to Allied Construction. Work to be complete by June 2011.
- Jordan Valley Water Treatment Plant generator replacement. – Project was returned to this year's Capital Projects List.
- Normal Capital Improvements at Jordan Valley Water Treatment Plant, Jordan Aqueduct, and Jordan Aqueduct Terminal Reservoir. – Nothing to report
- A new capital expense has been identified for this fiscal year. As a betterment to the UDOT Mountain View Corridor (MVC) project, a new access into the JWTP from the MVC is requested. MWDSLS portion of cost is estimated at \$30,857.00.

Total Request FY2011: \$1,678,447

Revised Mid-Year Estimate FY2011: \$700,000

Provo River Project – Provo Reservoir Canal Enclosure

The Provo River Water Users Association (PRWUA) has contracted with Ames construction for the project. As of April 16, 2011 - Northwest pipe has successfully manufactured (rolled, hydro tested, and approved for surface prep) 43,420 feet of 126-inch diameter welded steel pipe (approximately 42.3% of the project total). Polyurethane lining and coating of the previously rolled pipe has begun with approximately 41,000 feet lined and coated (approximately 40%). Work has begun with installing the large diameter pipe with approximately 26,274 feet installed (25.7%) and 23,411 feet backfilled. Welding of joints has begun with approximately 17,646 ft of joints welded. Contract time elapsed to date (as of Dec. 10, 2010) is 30.3%. Recent communications with the project team indicate the contractor is behind schedule. Projected runoff in Battle Creek and Grove Creek may require the Contractor to demobilize so that runoff flows can be directed into the PRC out to the Point of the Mountain.

2011 License Program Report

Last updated: April 25, 2011

Aqueduct License Applications

Calendar Year	Applications Received	Under Review ¹	Denied			Legal ²	Closed ³	Agreement Executed	Pending @ Period End ⁴
			GM	EC	BT				
To Apr 25, 2011	16	34	2	1	0	0	4	9	37
Oct 2006 - 2010	135						33	68	34
Totals	151						37	77	

¹ Includes all open applications, less those under appeal or with legal counsel

² Current appeals or with legal counsel, not cumulative.

³ Application denied and/or Applicant did not pursue an appeal and/or existing improvements removed (no agreement executed or needed)

⁴ Pending is the sum of Under Review, GM, EC, and BT Appeals, and Legal

Mailings

	Anticipated 2011 Mailing	Notices Sent	District Contacted	Latest Staff Contact/Meeting	Council Presentation
Salt Lake County					
Draper City	May 2011	TBD	TBD	8/4/09	TBD
Sandy City	May 2011	TBD	TBD	8/10/09	8/25/09, 9/8/09
Comm. 21	May 2011	TBD	TBD	2/4/10	Open House
Cottonwood Hghts	May 2011	TBD	TBD	2/15/11	12/29/09
Holladay	May 2011	TBD	TBD	11/3/09	TBD
Canyon Cove HOA				11/25/09	
Jim Palmer Dist. 5				11/17/09	
S�Co.				11/12/09	
Granite Comm.	May 2011		TBD	TBD	TBD
ACCT					12/10/09
Mt. Olympus	May 2011	TBD	TBD		1/19/10
East Millcreek	May 2011	TBD	TBD		2/4/10
Canyon Rim	May 2011	TBD	TBD		1/19/10
Utah County					
Orem City	May 2011	TBD	TBD	3/22/11	3/22/11
Lindon City	May 2011	TBD	TBD	2/8/11	3/1/11
Pleasant Grove	May 2011	TBD	TBD	2/8/11	2/9/11
Cedar Hills City	May 2011	TBD	TBD	3/22/11	TBD
Alpine City	May 2011	TBD	TBD	2/22/11	3/8/11
Highland City	May 2011	TBD	TBD	3/22/11	Not desired
Provo City	May 2011	TBD	TBD	TBD	TBD
Utah County	May 2011			TBD	TBD
Wasatch County					
Wasatch County	May 2011	TBD	TBD	4/7/10	TBD
Total		0	0		

Completed License Report

Last updated: April 25, 2011

Executed License Agreements

From: April 5, 2011

To: April 25, 2011

Application	Applicant	Description of Improvements
S-10-1094	Granite Hollow Sub.	Water utility line.
S-10-1123	Cindi Howell	Existing landscaping.

Current Survey Projects Report

Last updated: April 25, 2011

Task Order	Execution Date	Tract	Consultant	Total	Total Paid to Date	Percent Paid	Percent Progress
09.01.08	2/15/2011	LCC Alignment	RBB	\$5,062.00	\$3,866.00	76%	100%
09.06.06	1/10/2011	337 - 338	PEC	\$4,655.00	\$0.00	0%	100%
09.07.05	1/10/2011	228 - 301	Stanley	\$21,247.00	\$17,491.20	82%	95%
09.01.07	10/28/2010	Provo Canyon SLA	RBB	\$6,773.00	\$0.00	0%	90%
09.01.05	7/28/2010	319 - 330	RBB	\$18,380.00	\$0.00	0%	90%
09.02.04	12/9/2009	469A (IOB)	Cornerstone	\$10,982.50	\$10,719.75	98%	95%

FY2011 Total Spent: \$85,351.85

FY2011 Total Budget: \$100,000.00