

**FIRST AMENDMENT TO
WATER AND SEWER AGREEMENT**

THIS FIRST AMENDMENT TO WATER AND SEWER AGREEMENT (this "Amendment") is made as of February __, 2021 (the "Amendment Date"), by and between BIG PLAINS WATER AND SEWER SPECIAL SERVICE DISTRICT (the "SSD") and LITTLE CREEK LAND COMPANY, LLC, a Utah limited liability company ("LCLC") and JEPSON CANYON RESORT DEVELOPMENT CO., INC., a Utah corporation ("JCRDC") (LCLC and JCRDC collectively referred to herein as "Developer").

RECITALS:

WHEREAS, the SSD and Developer entered into that certain Water and Sewer Agreement, dated as of June 12, 2019 (the "Agreement"); and

WHEREAS, Seller and Purchaser have agreed to amend the Agreement as set forth herein; and

WHEREAS, except as otherwise expressly provided for herein, capitalized terms used herein shall have the meanings set forth in the Agreement.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the SSD and Developer agree as follows:

1. Section 2.00 of the Agreement is amended to read as follows:

2.00 PROJECTED WATER USE AND SSD INFRASTRUCTURE: The SSD anticipates that the Project as described in the Master Plan will require 360 acre feet of water rights. The SSD represents and warrants that water lines and related infrastructure are in place, or will be installed prior to completion of the Water Facilities (defined below), to ensure delivery of water to the Property in the capacity needed for the Intended Uses.

2. Section 3.01 of the Agreement is amended to read as follows:

3.01 Water Facilities. Within eighteen (18) months after beginning construction on the first phase of the Project, Developer shall design and construct, at Developer's expense, a water tank to be located on a one-acre site on the southern edge of the Property, as depicted in the Master Plan (the "**Water Tank**"). The required capacity of the Water Tank shall not exceed one million gallons, unless otherwise agreed by Developer. Developer shall also design and construct, at Developer's expense, a water line connecting the Water Tank to the SSD's existing water line along State Highway 59, together with such valves, air vac stations, fire hydrants, blow off valves, flow meter and other appurtenances that may be required to connect all residential and commercial buildings in the Project to the SSD's existing water line along State Highway 59 (the "**Internal Water Connections**", referred to collectively with the Water Tank as the

"Water Facilities"). All Water Facilities shall be designed and constructed in accordance with the SSD's engineering standards at the time of construction. If the SSD requires the Water Tank to have a capacity in excess of what is needed to service the Project exclusively, the SSD shall provide Developer a credit against impact fees applicable to the Project in an amount equal to the difference in cost between constructing a water tank with the minimum capacity required to service the Project and the cost of constructing a water tank with the capacity required by the SSD. Such cost difference shall be determined in a manner mutually agreeable to Developer and the SSD.

3. Section 3.02 of the Agreement is amended to read as follows:

3.02 Sewer. Developer shall cause to be designed and installed, at Developer's expense, a comprehensive sewer treatment system manufactured by Aquatech, or other vendor approved by the SSD in its reasonable discretion, to accommodate and treat all Project sewage (the "Sewer System"). The Sewer System shall be designed and constructed in accordance with the SSD's generally applicable engineering standards at the time of construction and final plans therefor shall be subject to the SSD engineer's review and approval. In addition, the Sewer System shall be in conformance with applicable law, including the requirements of the Department of Environmental Quality ("DEQ"). The Sewer System may be installed in phases, provided the Sewer System has sufficient capacity at all times to cover existing build out at the Project. On or before the later of (i) four (4) years after installation of the initial phase of the Sewer System, and (ii) the date on which a public sewer system serving the SSD is operational with capacity to meet the sewer treatment capacity requirements of the Project, the SSD and Developer shall evaluate the performance of the Sewer System and mutually agree whether to continue private sewer treatment at the Project or connect the Project to the public sewer treatment system.

4. Entirety and Amendments. The Agreement, as amended hereby, embodies the entire agreement between the parties and supersedes all prior agreements and understandings between the parties. There are no oral agreements or understandings between the parties that are not expressly set forth in the Agreement, as amended hereby.

5. Ratification. Except as specifically herein amended, all terms, provisions, conditions and exhibits contained in the Agreement are hereby confirmed, ratified and restated and shall remain unmodified and in full force and effect. In the event that any provision of this Amendment shall conflict with the terms, provisions, conditions, and exhibits of the Agreement, the terms, provisions, conditions and exhibits of this Amendment shall govern and control.

6. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of Utah.

7. Counterparts. This Amendment may be executed in any number of identical counterparts, or with multiple signature pages which, when assembled as a single document or, if not so assembled, when taken together shall be deemed to be fully effective and operative as an

original document; provided, however, that in making proof of this Amendment, it shall not be necessary for any Party hereto to produce or account for more than one such counterpart.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, each of Seller and Purchaser has caused this Amendment to be duly executed effective as of the Amendment Date.

THE SSD:

**BIG PLAINS WATER AND SEWER SPECIAL
SERVICE DISTRICT**

By: _____
Name: _____
Title: _____

STATE OF UTAH)
) ss.
COUNTY OF WASHINGTON)

On this ____ day of February, 2021, before me personally _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is signed on the preceding document, and acknowledged before me that he signed it voluntarily for its stated purpose.

NOTARY PUBLIC

[SIGNATURES CONTINUED ON THE FOLLOWING PAGE]

DEVELOPER:

LITTLE CREEK LAND COMPANY, LLC

By: _____
Henry Isaksen, Jr., Manager

**JEPSON CANYON RESORT
DEVELOPMENT CO., INC.,**

By: _____
Henry Isaksen, Jr. President

STATE OF UTAH)
) ss.
COUNTY OF WASHINGTON)

On this ____ day of February, 2021, before me personally appeared Henry Isaksen, Jr., personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is signed on the preceding document, and acknowledged before me that he signed it voluntarily for its stated purpose.

NOTARY PUBLIC

[END OF SIGNATURES]