

Contract #
SRF Loan # 3F2017E
Amount: \$2,500,000.00
Recipient: Granger-Hunter Improvement
District
Tax ID # 87-6112008

RECIPIENT CONSTRUCTION PRINCIPAL FORGIVENESS AGREEMENT

DRINKING WATER STATE REVOLVING FUND

STATE OF UTAH

Department of Environmental Quality
Drinking Water Board

This Recipient Construction Principal Forgiveness Agreement (the "Agreement") is entered into by and between the State of Utah, Department of Environmental Quality, Drinking Water Board (hereinafter the "BOARD") and

Granger-Hunter Improvement District

an applicant for construction funding under the Drinking Water Board provisions contained in R309-705 of the Utah Administrative Code as authorized by Utah Code Title 73, Chapter 10c, (hereinafter the "RECIPIENT"). Pursuant to the provisions of the Statute, and the powers and functions of the Drinking Water Board, the BOARD hereby finds and determines, based upon the formal application of the RECIPIENT, the evidence provided by the RECIPIENT to the BOARD and its staff, and information developed by the BOARD in its own investigations and at the hearings on the application of the RECIPIENT, the following, that:

1. The RECIPIENT is a political subdivision of the State of Utah or a Utah Corporation.
2. The BOARD has determined that construction principal forgiveness is necessary to complete the proposed Project as described hereafter as Exhibit-1.
3. The RECIPIENT has been authorized by the BOARD pursuant to Section R309-705 of the Utah Administrative Code and as authorized by Utah Code Title 73-10c-4 to receive funding for the project.

Based upon these findings, the BOARD is authorized and empowered to, and does hereby, enter into the following Agreement with the RECIPIENT.

GENERAL PROVISIONS

1. The BOARD shall provide the RECIPIENT the amount of \$ 2,500,000.00 (PRINCIPAL FORGIVENESS AMOUNT) for the completion of the Project as described in Exhibit-1, Work Description and Cost Breakdown.
2. The RECIPIENT shall complete the Project described in Exhibit-1, Work Description and Cost Breakdown. If work on the Project is not completed by Dec 2026 this Agreement may be canceled by written notice from the BOARD to the RECIPIENT. No work completed after receipt of the notice shall be reimbursable.
3. The RECIPIENT shall notify the BOARD in writing of any proposed modifications to the Project which alters Exhibit-1, Work Description and Cost Breakdown. If such notification is not received, the cost of the proposed modification will be disallowed.
4. The PRINCIPAL FORGIVENESS AMOUNT shall be deposited with other funds, including other principal forgiveness or loan monies, necessary to complete the Project into a supervised escrow account at the time this Agreement is executed and shall be disbursed only after all other funds have been disbursed on a pro-rata basis with other monies. All disbursements from the escrow account must be reviewed and approved in advance by the RECIPIENT and the BOARD. Any unused funds remaining in the escrow account upon completion of the Project, limited to the PRINCIPAL FORGIVENESS AMOUNT or a pro-rata share, must be returned to the BOARD. Surplus funds returned to the BOARD shall be applied as a reduction of the PRINCIPAL FORGIVENESS AMOUNT.
5. The RECIPIENT shall comply with all laws which normally govern its affairs in regard to contracts, fiscal procedures and procurement procedures.
6. The RECIPIENT shall indemnify and hold harmless the State of Utah, the Department of Environmental Quality, the Division of Drinking Water, the BOARD and their officers, agents and employees from and against any and all loss, damage, injury, liability, and claims, including claims for personal injury or death, damages to personal property and liens of workmen and materialmen, howsoever caused, resulting directly or indirectly from the performance of this Agreement by the RECIPIENT, or the operations of the Project and the culinary water system for which this Project is a part including attorneys fees and costs in the investigation or defense of any claim, whether or not the claim has merit.
7. The RECIPIENT shall be an independent contractor, and, as such, shall have no authorization, express or implied, to bind the State of Utah, the Department of Environmental Quality, the Division of Drinking Water, or the Drinking Water Board to any agreement, settlement, liability, or understanding whatsoever, nor to perform any acts as agent for the State of Utah, except as herein expressly set forth.

8. RECIPIENT expenditures under this Agreement determined by audit to be ineligible for reimbursement because they were not authorized by the terms and conditions of this Agreement, or that are inadequately documented, and for which payment has been made to the RECIPIENT will be immediately refunded to the BOARD by the RECIPIENT upon written demand of the BOARD. The RECIPIENT further agrees that the BOARD shall have the right to withhold any or all subsequent payments under this or other contracts to RECIPIENT until recoupment of overpayment is made.
9. This Agreement may be altered, modified, or supplemented only by written amendment, executed by the parties hereto, and attached to the original signed copy of this Agreement. No claim for services furnished by the RECIPIENT, not specifically authorized by this Agreement will be allowed by the BOARD.
10. If it is determined that in any manner the construction agreement was improperly made or entered into, or if the monies are or were used improperly or contrary to the terms of this agreement, the RECIPIENT shall pay to the BOARD the amount of all monies and benefits received by the RECIPIENT by the BOARD.
11. The RECIPIENT agrees, in accepting the proceeds, to comply with all applicable state and federal regulations related to the Utah State Revolving Fund administered by the Drinking Water Board. These requirements include, but are not limited to, Title XIV of the Safe Drinking Water Act of 1996, OMB Circular A-133, the Utah Federal State Revolving Fund Program (R309-705 of the Utah Administrative Code), the Utah Money Management Act, the Utah Procurement Code and the State of Utah Legal Compliance Audit Guide.

EXECUTION

NOW, THEREFORE, by virtue of the authority contained in Utah Code Title 73, Chapter 10, as amended, the parties hereto mutually agree to perform this Agreement.

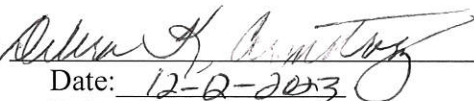
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this 12 day of December, 2023. This Agreement will take effect upon approval as evidenced by the appropriate signatures.

RECIPIENT


STATE

Granger-Hunter Improvement District
2888 South 3600 West
West Valley City, UT 84119

APPROVED - DRINKING WATER BOARD

By: 
Date: 12-12-2023
Debra Armstrong
Chair

By: _____
Date: _____
Michael J. Grange, P.E.
Assistant Executive Secretary

By: 
Date: 12-12-2023
Austin Ballard
Controller/Clerk

APPROVED - DIVISION OF FINANCE
By: _____
Date: _____
Sheri Witucki

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STATE OF UTAH)
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) :ss
COUNTY OF:)

On this 12 day of December, 2023, personally appeared before me Debra Armstrong and Austin Ballard, who being by me duly sworn did say they are the duly authorized Chair and Controller/Clerk, respectfully, of Granger-Hunter Improvement District, a political subdivision of the State of Utah or a Utah Corporation, and that the foregoing instrument was signed in behalf of said political subdivision or corporation by authority of a motion of its governing body passed on the 12 day of December 2023, and said persons acknowledged to me that said political subdivision or corporation executed the same.



Kristy Johnson
Notary Public, residing at:
Salt Lake City
Date: 12/12/23

My Commission Expires:
October 11, 2027

Exhibit No. 1

WORK DESCRIPTION & COST BREAKDOWN

Granger-Hunter Improvement District

RECIPIENT CONSTRUCTION PRINCIPAL FORGIVENESS AGREEMENT

PROJECT DESCRIPTION

Granger-Hunter Improvement District has requested and been approved for construction principal forgiveness from the Drinking Water Board. This principal forgiveness is for the construction of the Anderson Treatment Plant for Granger-Hunter Improvement District. To partially fund this work, the Board authorized construction principal forgiveness of \$2,500,000.00 to the Granger-Hunter Improvement District.

SCOPE OF WORK

(Please attach a copy of the scope of work)