

SUMMIT COUNTY SERVICE AREA #3

REGULATION NO. 2018-4

**WATER SERVICE REGULATION OF SUMMIT COUNTY SERVICE AREA #3,
AMENDING AND REPLACING REGULATION 2017-07 TO ALLOW FOR THE
DEDICATION OF WATER RIGHTS TO THE SERVICE AREA FOR RESIDENTIAL
DEVELOPMENTS**

BE IT KNOWN AND REMEMBERED THAT, the Board of Trustees for Summit County Service # 3 ordains as follows after holding a public hearing on April 16, 2018:

Preamble

WHEREAS, it is necessary for the orderly administration of the facilities of the Summit County Service Area #3 (the “**Service Area**”) to adopt rules and regulations governing water service and operations, the transfer of water rights into the Service Area, the construction and extension of distribution mains, storage and treatment facilities, and the transfer of water sources, facilities and appurtenant easements to the Service Area; and

WHEREAS, to enhance the viability, source capacity, concurrency, water quality, economies of scale, and reliability of water in Silver Creek Estates, the Service Area water system was formed to provide a means to facilitate this goal; and

WHEREAS, the Service Area has long allocated its available water supplies on a per lot basis to its constituents in accordance with its water rights, allocating 0.75 acre-feet for platted lots served by water system and allocating 1.0 acre-foot to platted lots that use individual wells approved by the Utah Division of Water Rights to withdraw water in accordance with the Service Area’s water rights; and

WHEREAS, the Service Area has sufficient water rights and water system capacity to supply the platted lots within its jurisdiction, but lacks sufficient water rights to provide more than the 0.75 and 1.0 acre-foot limitations; and

WHEREAS, it is essential for the Service Area to ensure that proposed developments that will utilize its water rights will not exceed the terms and conditions of the Service Area’s water rights; and

WHEREAS, because of growth in the Service Area, it is necessary for the Board of Trustees to update its rules and regulations regarding the use and governance of its water rights and water system to better serve its customer base and ensure continued water service; and

WHEREAS, many recent proposed residential developments in the Service Area have estimated water demands that exceed the Service Area’s 0.75 and 1.0 acre-foot limitations, and the Service Area expects this trend to continue for the foreseeable future; and

WHEREAS, in some cases where the Service Area has been unable to provide all of the water demands of proposed residential developments with large water demands, those developments have obtained water rights of their own and secured permission from the Utah

Division of Water Rights to install wells that do not rely on the Service Area's water rights or water system, sometimes installing wells near the Service Area's water distribution lines; and

WHEREAS, the Board of Trustees is concerned about the proliferation of wells within the Service Area and desires to enact policies and procedures whereby property owners seeking approval for residential developments with water demands that exceed the Service Area's water rights may dedicate valid water rights to the Service Area to cover any estimated overages; and

WHEREAS, the Service Area's engineers have completed a water master plan of the Service Area's water system and have determined that the accepting dedicated water rights to accommodate larger water demands for single residential developments (not including condominiums, apartment buildings, and other such multi-unit developments) will not negatively affect the operation, function, or capacity of the water system; and

WHEREAS, Utah Code Ann. § 17B-1-120 authorizes the Service Area to require water right dedications if the dedication is roughly proportionate in nature and extent to the impact of providing water service to developments that exceed the Service Area's water rights; and

WHEREAS, to cover the costs the Service Area may incur in reviewing applications to dedicate water to the Service Area for single residential developments, the Board of Trustees desires to enact a \$1,500.00 application fee for each application to dedicate water rights and to also require applicants to pay or reimburse the Service Area for any expenses the Service Area may incur in excess of this amount, provided that the Service Area will return any unused funds that it receives to applicants; and

WHEREAS, the Board also desires to update the process by which it will inspect meters and connections to the Service Area's water system when properties are sold to new buyers to better serve its customers and to facilitate a more streamlined process by clarifying that the seller rather than the buyer is responsible for ensuring compliance with the Service Area's metering and connection requirements; and

WHEREAS, the Board desires to consolidate the separate \$75.00 inspection fee and \$75.00 resumption of service fee that it currently charges as part of a sale into one \$150.00 "inspection and transfer of ownership fee" to be paid by the seller; and

WHEREAS, rather than requiring the buyer to pay a refundable \$2,000 deposit at the time of sale regardless of the condition of the property's meter or connection to the water system, the Board desires to charge the seller a refundable \$2,500 deposit that will only be required in situations where the Service Area will incur costs bringing a property's meter or connection into compliance; and

WHEREAS, to account for the extra costs associated with larger service lines, the Board desires to require new developments with service lines that are larger than ¾ inches to pay a meter fee of \$575 instead of the standard \$375 fee that is due to the Service Area prior to construction; and

WHEREAS, the Board will continue to review its water service regulations and policies to account for the needs of its customers and the findings of the water master plan and will make additional changes as needed.

NOW, THEREFORE, be it **RESOLVED** by the Board of Trustees of the Summit County Service Area #3 that effectively immediately:

1. That the Service Area lacks sufficient water rights to provide more than 1.0 acre-foot per year to lots serviced by individual wells and 0.75 acre-feet per year to service lots connected to its water system; and
2. That requiring proposed developments with water needs that exceed the Service Area's water right limitations to dedicate sufficient water rights to the Service Area to supply the expected overage is essential to the Service Area's legitimate interests in ensuring that it has enough water rights to satisfy its residents' water needs; and
3. Regulation 2017-07 is repealed in its entirety and replaced with the regulation attached to this resolution as **Exhibit A**, which the Service Area will implement in accordance with Utah Code Ann. § 17B-1-120 and all other applicable laws and regulations;
4. The water right dedication application and accompanying notice attached to this resolution as **Exhibit B** are hereby approved to process water right dedication requests and will be included in the Service Area's construction packets;
5. The forms and fee schedules attached to this regulation as **Exhibit C** are hereby approved and will be included in the Service Area's construction packets; and
6. The water right dedication fee required in Section 16 of the newly adopted water service regulation is hereby set at \$1,500.00; and
7. The inspection and transfer of ownership fee required in Section 4.4.2 of the newly adopted water service regulation is set at \$150.00; and
8. The refundable water metering security deposit required in Section 4.4.3 of the newly adopted water service regulation is set at \$2,500.00; and
9. The Service Area staff will revise and update all applicable forms to account for these

[Execution on following page]

ADOPTED AND APPROVED by majority vote at a duly called meeting of the Board of Trustees on this 16th day of April, 2018.

SUMMIT COUNTY SERVICE AREA NO. 3


Suzanne Carpenter, Chair
Board of Trustees

ATTEST:


Larry Finch, Board Clerk

VOTING

Trustee Carpenter voting
Trustee Finch voting
Trustee Galoostian voting
Trustee Keblish voting
Trustee Montgomery voting
Trustee Olson voting
Trustee Pao-Borjigin voting

YES
YES
YES
YES
NOT PRESENT
YES
NOT PRESENT

EXHIBIT A

SUMMIT COUNTY SERVICE AREA #3

WATER SERVICE REGULATION

Revised 4/16, 2018

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SECTION 1.0 Service Extension Costs, Budgeting, Additional Facilities and General Regulations.

1.1 Application of Regulation. This Water Service Regulation of the Service Area applies to the central water system of the Service Area and each of the additions, extensions or enlargements to the system, subject to special conditions for the extension or enlargement of the system which may be approved from time to time by the Board of Trustees of the Service Area or to such other central water systems as the Service Area may acquire or construct. This Water Service Regulation also applies to the water rights owned by the Service Area used for individual wells, with the exception of Sections 2.0, 3.0, 4.0, 10.1, 10.2, and 11.0.

1.2 Financial Policy. The Service Area will establish a separate enterprise fund under the governmental accounting system rules for Special Districts of the State of Utah for all charges, receipts, reserve funds and other directly related financial transactions for the extension, operation, maintenance and/or construction of the central water system governed by this Regulation. Rates for service will be established on a cost of service basis with adequate reserves for maintenance and capital improvements required by sound management, engineering, and accounting practices.

1.3 Drinking Water Division Jurisdiction. The water system is under the jurisdiction of the Utah State Department of Environmental Quality Drinking Water Division and will at all times comply with the rules and regulations of the Drinking Water Division of the State of Utah Department of Environmental Quality.

1.4 Charges for System Expansion. Every extension, enlargement or capital improvement to the existing system, as required to service new dwelling(s) or non- residential property, will be provided by the Developer of the new dwelling(s) or non- residential property. Developer responsibility includes all costs associated with the extension, enlargement or capital improvement to the system, including but not limited to engineering costs, permitting costs, construction of required water mains, construction of required storage facilities and obtaining incremental water rights as required to service the incremental units. All extensions and enlargements must comply with construction standards as prescribed by the Service Area.

1.5 Amendments to the Regulation. This Regulation may be changed and amended from time to time by appropriate action of the Board. No exceptions to this Regulation will be permitted without the prior written approval of the Board of Trustees of the Service Area.

1.6 Savings Clause. If any section, subsection sentence, clause or phrase of this Regulation is for any reason held to be, invalid by a court of law, such determination will not affect the validity of the remaining portions of this Regulation, which will remain binding and enforceable against the Customers of the Service Area.

SECTION 2.0 Definitions.

2.1 Applicant for Additional Central Water System Service. An entity, project sponsor or developer which owns real property proposed for central water system service within the Service Area and proposed for water service in connection with the water rights or facilities of the Service Area.

2.2 Applicant for Water Service or Applicant. A party owning real property within the area served by a central water system under the jurisdiction and ownership of the Service Area applying for central water service connection to facilities of the Service Area.

2.3 Approved Backflow Assembly. A backflow assembly approved by the Utah State Drinking Water Division, as meeting an applicable specification or as suitable for the proposed use.

2.4 Auxiliary Water Supply. Any water supply on or available to the premises other than the Service Area's public water supply will be considered as an auxiliary water supply. These auxiliary waters may include water from another public potable water supply or any natural source, such as a well, spring, river, stream, harbor, irrigation water, "used waters" storage tanks or reservoirs which may or may not originate within the Service Area. These waters may be contaminated or polluted or they may be objectionable and constitute an unacceptable water source over which the Service Area does not have authority for sanitary control.

2.5 Back-pressure. The flow of water or other liquids, mixtures, or substances under pressure into the distribution pipes of a potable water supply system from any source or sources other than the intended source.

2.6 Back-siphonage. The flow of water or other liquids, mixtures or substances under pressure into the distribution pipes of a potable water supply system from any source other than the intended source, caused by the reduction of pressure in the potable water supply system.

2.7 Backflow. The reversal of the normal flow of water caused by either back- pressure or back-siphonage.

2.8 Backflow Prevention Assembly. An assembly or means designed to prevent backflow. Specifications for backflow prevention assemblies are contained within the Utah Plumbing Code, Chapter 10 (appendix J) and the Cross Connection Control Program of Utah. All backflow prevention assemblies must be approved by the Utah State Drinking Water Division, prior to installation. A listing of these approved backflow prevention assemblies may be found in the Cross Connection Control Program for Utah.

2.9 Board. The Board of Trustees of the Service Area.

2.10 Capital Improvement Reserve Fund. A reserve fund for capital improvements which is funded from revenues provided by water sales, connection fees or special assessments arising from water service to properties connecting to the system.

2.11 Commitment of Service Letter. A letter issued by the Service Area to Summit County on behalf of an applicant or developer, indicating the Service Area's willingness and capability to provide water distribution services to applicant's property. This letter will be issued in a form and manner that is consistent and compliant with the applicable Summit County concurrency Regulation.

2.12 Contamination. An impairment of the drinking water quality of the potable water supply by any physical or chemical change in water or by sewage, industrial fluids or waste liquids, irrigation or other non-potable water, compounds or other materials to a degree which creates a violation of primary and/or secondary drinking water standards or an actual or potential hazard to the public health through poisoning or through the spread of disease.

2.13 Cross Connection. Any physical connection or arrangement of piping or fixtures between two otherwise separate piping systems, one of which contains potable water and the other

of which contains water from a non-Service Area source or non-potable water or storage tanks or reservoirs of questionable safety, through which, or because of which, backflow may occur into the potable water system, including any temporary connections such as swing connections, removable sections, four-way plug valves, spools, dummy sections of pipe, swivel or change-over devices or sliding multiport tubes.

2.14 Cross Connection—Containment. The installation of an approved backflow assembly at the water service connection to any user's premises where it is physically and economically infeasible to find and permanently eliminate or control all actual or potential cross connections within the user's water system, or the installation of an approved backflow prevention assembly on the service line leading to and supplying a portion of a user's water system where there are actual or potential cross connections which cannot be effectively eliminated or controlled at the point of the cross connection.

2.15 Cross Connection—Controlled. A connection between a potable water system and water from a non-Service Area source or a non-potable water system with an approved backflow prevention assembly properly installed and maintained so that it will continuously afford protection from contamination to the public water supply.

2.16 Customer/ Water User. The owner of an existing residential or nonresidential use structure or property that is connected to the water distribution system for the purpose of receiving retail water service from the Service Area.

2.17 Dedicator. A party owning real property within the Service Area applying for permission to dedicate water rights to the Service Area pursuant to Section 16.

2.18 Distribution Mains. The Service Area water pipes in the roads and other easements, including the main transmission lines to which an individual service line is connected for the purpose of receiving water distribution services.

2.19 Non-residential Water Service. The sale of water through the central water system of the Service Area to non- residential properties.

2.20 Service Area. Summit County Service Area #3, a special district of the State of Utah created by Summit County.

2.21 Service Area Governing Board or Board. The Board of Trustees of Summit County Service Area #3.

2.22 Service Area Water Manager. The Service Area Water Manager is an individual who may be an employee or contract agent of the Service Area who is vested with the authority and responsibility for the administration and enforcement of the Service Area Water Service Regulation.

2.23 Service Area Water System or Water System. The primary water storage transmission lines, wells, pump stations and other off-site water system improvements and appurtenant facilities owned by the Service Area to develop, transport and distribute water to individual Water Users within Service Area boundaries.

2.24 Service Lines/Water Laterals. The water service pipe from the Service Area system that provides water to a Water User. The service line and Backflow Prevention Assembly is the property of the Water User. The Water User is responsible for the maintenance of the service line and Backflow Prevention Assembly. A service line is also known as a water lateral.

2.25 Standby Maintenance Fee. A fee imposed upon the owner of the property which can be served by the Service Area, not connected to the system, to partially offset the cost of maintaining water distribution system capacity for a property to receive water services upon connection.

2.26 Theft of Service. Any unauthorized connection to the Service Area's water system or where water service is obtained by deception, threat, force, or any other means knowingly designed to avoid the due payment for the services. Theft of service will be criminally prosecuted. Under state law, criminal penalties for theft of service can range from a class B misdemeanor to a third degree felony, depending upon the amount of the theft as designated in state law.

2.27 Unmetered Water Usage. Water usage that is not measured through a meter: including but not limited to; inoperative meter, bypassed meter, fire hydrant water, irrigation connected to the water system before the meter, and/or a meter that has been tampered with or otherwise bypassed. The Service Area reserves the right to estimate and collect for loss of revenue due to unmetered water usage whether deemed willful or not.

2.28 Water User/ Customer. The owner of an existing residential or nonresidential use structure or property that is connected to the water distribution system for the purpose of receiving retail water service from the Service Area.

2.29 Well, Private/Individual. Wells that are operated under water rights owned by the Service Area and approved for use on individual lots by the Utah State Engineer.

SECTION 3.0 Water System Connection Requirements.

3.1 Services to be Provided. The Service Area will provide retail water distribution services to single family residential and non-residential properties which qualify for such service where the water system is available. Service will be provided through facilities, systems and property that may be acquired for this purpose through transfers of property and assets, construction, purchase, lease, contract, rental, donation, gift or condemnation or any combination of the foregoing, or through any other lawful means available to the Service Area under its express or implied powers.

3.1.1 The Service Area was not established to provide water service to non-residential properties and therefore permitting such connections requires augmentation of the water rights of the Service Area by the service applicant at no cost to the Service Area and compliance with specific requirements defined on a case by case basis and continuing compliance with conditions for water service established by the Service Area. Service to properties which are non-residential in use will be permitted only after the applicant for such service has demonstrated compliance with the following requirements.

3.1.1.2 After the application is complete and executed by the applicant, the Service Area will cause a plan of service to be prepared which will define the demands on the water system which will result from the approval of the application, any special needs of the applicant and every other matter reasonably related to the legitimate issues concerning service to the applicant. The plan of service will be prepared by a registered professional engineer who will certify by the engineers seal, the accuracy of the information and data in the plan of service, and will be signed by the applicant.

3.1.1.3 After the plan of service is received the Board will submit the plan of service for comment to such professional evaluators and regulatory agencies and relevant governmental

services such as the Service Area's engineer and legal counsel as well as the Summit County Health Department and Summit County Development Services as deemed necessary by the board for approval and/or consistency review. After the receipt of a response from the parties from whom comment is invited, the Board will consider the plan of service, responses from evaluators and the public after a public hearing on the proposed service.

3.1.1.4 After public hearing and consideration by the board, the board may grant the application, deny the application or grant the application in part with specific conditions and/or requirements. All specific requirements will be documented in writing and the applicant may be required to deposit cash collateral with the Service Area to assure compliance with the conditions and requirements defined by the board in connection with the action of the board on the application.

3.1.1.5 If the application for non-residential service is granted the applicant will be required to enter an agreement with the Service Area which will define the terms and conditions of service deemed appropriate by the board of trustees to assure that the service rendered to the applicant will be consistent with the representations of the applicant to the service Area, will be in the public interest, will comply with Service Area rules and regulations and applicable laws, and will not be detrimental to the existing service which is the primary priority of the Service Area water system.

3.2 Backflow Prevention and Cross Connection Control. All water connections to the Service Area's system, regardless of when made, will have installed a back-flow prevention assembly in order to protect the safe drinking water quality of the system. All such assemblies will be of a type or kind approved by the Utah Division of Drinking Water and included in the International Plumbing Code as amended and adopted by the State of Utah. Installation will be subject to the inspection and approval of the Service Area. All users will comply with the backflow prevention and cross connection rules as promulgated by the Utah Division of Drinking Water. These rules are currently located at R305-105-12 U.A.C.

3.2.1 An approved backflow prevention assembly will be installed on each service line to a user's water system immediately down line of the water meter, but in all cases before the first branch line leading off the service line.

3.2.2 The type of backflow assembly required will depend upon the degree of hazard which exists at the point of cross connection, i.e., whether direct or indirect, as defined in the International Plumbing Code with amendments as adopted by the State of Utah.

3.2.3 All presently installed backflow prevention assemblies which do not meet the requirements of this Regulation but were approved assemblies for the purposes described herein at the time of installation and which have been properly maintained, will, except for the inspection and maintenance requirements listed in the next section, be excluded from the requirements of this Regulation so long as the Service Area believes that such assembly will satisfactorily protect the public water system. Whenever the existing assembly is moved from the present location or requires more than minimum maintenance or when the Service Area finds that the maintenance of this assembly constitutes a hazard to health, the unit will be replaced by the user with an approved backflow prevention assembly meeting the requirements of this Regulation.

3.2.4 No water service connection to any premises will be installed by any user of the Service Area's potable water system or maintained by the user unless the water supply is protected as required by applicable regulation, and the provisions of this Regulation, including but not limited to Section 3.3 herein. Service of water to any premises will be discontinued by the user if a backflow prevention assembly required for control of backflow and cross connections is not installed, tested and maintained, or if it is found that a backflow prevention assembly has been removed or by-passed, or if an unprotected cross connection exists on the premises, or if water lines are added before passing through the meter. Service will not be resumed to or by any user until such conditions or defects are corrected, and the Service Area will not furnish potable water to the premises of any user known by the Service Area to be lacking an approved backflow prevention assembly.

3.2.5 The user's system will be open for inspection at all reasonable times to authorized representatives of the Service Area to determine whether cross connections or other structural or sanitary hazards, including violations of this Regulation, exist. When such a condition becomes known, the Service Area will deny or immediately discontinue service to the premises by providing a physical break in the service line until the Customer has corrected the condition in conformance with State Statutes and this Service Area Regulation.

3.2.6 If, in the judgment of the Service Area Water Manager, an approved backflow prevention assembly is required at the user's private water system for the protection of the public potable water distribution system from contamination or pollution due to the backflow or contaminants through water service connections, the Service Area or its designated agent, will give notice in writing to such user to install an approved backflow prevention assembly at a specific location or locations on his/her premises. Within ten (10) days after receipt of written notice, the user will install or cause to be installed such approved assembly at the user's own expense, and failure, refusal or inability on the part of the user to install, have tested, and/or maintain said assembly will constitute grounds for discontinuing water service to the premises until such requirements are met.

3.2.7 The Summit County Building Official is responsible for reviewing building plans and inspect plumbing as it is installed and to prevent cross connections from being designed and built into structures which will connect to the water system. Where the review of building plans suggests or indicates potential for a cross connection being made an integral part of the plumbing system the building inspector will require such cross connections to either be eliminated or provide with an approved backflow prevention assembly in accordance with the plumbing code.

3.2.8 When employed by the user or the Service Area to test, repair, overhaul and/or maintain backflow prevention assemblies, a backflow assembly technician will have the responsibility and obligation:

- a. To ensure that acceptable testing equipment and procedures are used for testing, repairing, or overhauling backflow prevention assemblies.
- b. To make reports of such testing and/or repair to the user and the Service Area, such reports to include the list of materials or replacement parts used.
- c. To ensure at replacement parts are equal in quality to parts originally supplied by the manufacturer of the assembly being repaired.
- d. To not change the design, material, or operational characteristics of the assembly during repair or maintenance.
- e. To perform the work and be responsible for the competence and accuracy of all tests and reports.

f. To ensure that his license is current, and that the testing equipment being used is acceptable to the State of Utah and the Service Area and is in proper operating condition.

g. To report a failing assembly to the Service Area within five working days from the date the failure was detected.

h. To be equipped with and be competent in the use of all necessary tools, gauges, and other equipment necessary to properly test, repair, and maintain; backflow prevention assemblies.

i. To tag each double check valve, pressure vacuum breaker, reduced pressure backflow assembly and air gaps, showing the serial number, date tested and by whom. The technician's license number must also be on such tag.

j. In the case of a user requiring a commercially available technician, any certified technician is authorized to make the test and report the results of the same to the user and the Service Area. If such a commercially tested assembly is in need of repair, the same will be performed by a plumber licensed pursuant to Utah Statutes.

3.2.9 It is the duty and responsibility of the user at any premises where backflow prevention assemblies are installed to have certified inspections and operational tests made at least once per year at the user's expense. In those instances where the Service Area deems the hazard to be great, it may require certified inspections and tests at more frequent intervals. All inspections and tests will be performed by a certified backflow assembly technician, licensed through the State of Utah, and will be made in accordance with the standards set forth by the Utah State Division of Drinking Water.

3.2.10 Backflow prevention assemblies will be installed in water supply lines to provide at least the degree of protection provided in the International Plumbing Code as amended and adopted by the State of Utah. All backflow prevention assemblies will be exposed for easy observation and be readily accessible.

3.2.11 All backflow prevention assemblies installed in a potable water supply system for protection against backflow will be maintained in good working condition by the user or other person or persons having control of such assemblies. The Utah State Division of Drinking Water and the Service Area may inspect such assemblies and if found to be defective or

inoperative, will require the replacement thereof. No assembly will be removed from use, relocated, or another assembly substituted without the approval of the Service Area.

3.2.12 Each user will cause all backflow prevention assemblies to be tested within ten working days of installation.

3.2.13 No backflow prevention assembly will be installed so as to create a safety hazard, i.e., installed over an electrical panel, steam pipes, boilers, pits, or above ceiling level.

3.2.14 The Service Area intends to provide for an orderly transition to the consistent enforcement of this Regulation, which will assume the safe operation of the water system; therefore, except for the provisions of Sections 3.2.6 and 3.2.15 which will be enforceable in all cases, the requirements of this Section 3 concerning Backflow Prevention will be consistently enforced against properties connected before January 1, 1993 per the criteria as outlined in Section 10.4.

3.2.15 If the Service Area has reason to believe that an imminent danger to the public health, safety or welfare exists because of a violation of this Regulation, or if the user violates the provisions of this Regulation, the Service Area will disconnect service to the user in violation without notice.

3.2.16 If the public health safety or welfare is not in imminent danger due to a violation of the Regulation, the Service Area will provide written notice of violation to each user in violation of this Regulation and state that service will be terminated ten (10) days from the date of the notice unless the user complies with the terms of this Regulation.

3.2.17 If a user believes that the notice of violation is issued in error or that the user is in compliance with this Regulation, the user may appeal the notice of violation by filing a notice of appeal with the Service Area within ten (10) days of receipt of the notice.

3.2.18 The Service Area Board or its designated hearing appeal officer will hear all appeals filed under the provision of subsection 3.2.17 above within thirty (30) days of receipt of the Notice of Appeal and render a decision within ten (10) days of the close of such hearing.

3.3 0.75 Acre-Feet Limitation. Platted lots that exist on the official plat map of the Silver Creek Estates Subdivision on file in the Summit County Recorder's Office that connect to the Service Area's water system will be entitled to 0.75 acre-feet of water per lot per year to ensure compliance with the Service Area's water rights. The Board of Trustees will not provide water in

excess of this amount and will not approve connections for residential developments with estimated water demands that exceed 0.75 acre-feet per year, unless the Applicant dedicates sufficient water rights to the Service Area to cover any estimated overages pursuant to Section 16.

3.3.1 When evaluating the estimated water demands of a proposed residential water development, the Service Area will use the Utah Division of Water Rights' estimates for the following uses:¹

- a. Domestic (indoor use only): Water diversions for a fulltime, permanent residence will be evaluated at 0.45 acre-feet per residence, subject to the provisions of Section 3.3.2.
- b. Accessory Units (indoor use only): Water diversions for an accessory dwelling unit or any other extended family dwelling unit will be evaluated at 0.25 acre-feet per unit.²
- c. Irrigation (any outside watering): Water diversions for any outside watering will be evaluated at 3.0 acre-feet per acre per year.
- d. Stockwatering: If applicable, the Service Area Board may, in its sole discretion, consider anticipated stockwatering use in accordance with the Utah Division of Water Rights stockwatering estimates, which are:

<u>Estimated Annual Use</u>	<u>Acre-feet</u>
Horse or Cow	0.028
Pig, Sheep, Goat, Elk, or Moose	0.0056
Ostrich or Emu	0.0036
Llama	0.0022
Deer, Antelope, Mountain Goat/Sheep	0.0014
Chicken, Turkey or Sage Hen	0.00084
Mink or Fox	0.00005

¹ The Division's Water Use estimates are available at: <http://www.waterrights.utah.gov/wrinfo/policy/wateruse.asp>.

² The Division's 0.25 acre-foot per family duty for season or recreational domestic use is the most applicable estimate for accessory units.

3.3.2 If the total estimated indoor, outdoor, and stockwatering water use of a proposed residential development exceeds 0.75 acre-feet, the Service Area the Service Area will limit the amount of water the proposed development can use for stockwatering or outdoor irrigation to ensure that the combined uses of the proposed development are less than 0.75 acre-feet. The Service Area will consider the applicant's preferences in determining how to ensure compliance with the 0.75 acre-foot limitation, where possible, but the Board will have ultimate decision-making authority and responsibility regarding compliance with the 0.75 acre-foot limitation. In no event will the Service Area approve a connection to the Service Area's water system for a proposed residential development if the estimated water use exceeds 0.75 acre-feet, unless the applicant dedicates water to the Service Area to cover any estimated overages pursuant to Section 16.

3.4 Wasting of Water Prohibited. It is a violation of this Regulation to waste water and to allow any appliance, fixture, equipment, sprinkler system, faucets, or other similar water using facility to leak, overflow or operate in a wasteful manner; or for a user to use water for purposes other than the approved use. In addition to the remedies for wasting of water set forth in this Regulation at Section 5.2 Conservation Violations, the Service Area will be entitled to file an action to force compliance with the prohibition on wasting of water by injunctive and other appropriate relief.

3.5 Emergency Situations. In times of water shortage due to drought or any other natural or man-made conditions or occurrences, the Service Area will have full authority to declare a water emergency, and to ration or otherwise regulate the distribution and use of water from the Service Area's system. Such action by the Board may include a moratorium on new water connections until the emergency has been alleviated.

3.6 Service to Customers. Each Customer or Water User will apply to the Service Area for water service and must sign a water service agreement on a form provided by the Service Area. Each Water User must agree therein, to pay the water service fees and other charges imposed for water delivered to Customer and to comply with the Regulations of the Service Area as they now exist or as they may be amended in the future.

SECTION 4.0 New Connections/Fees.

Each applicant for service to a new connection must pay a connection fee in the amount enacted by Regulation of the Board of Trustee from time to time, complete and sign an application and agreement for service on the form required by the Service Area and agree to the following requirements prior to commencing any work to construct a service connection:

- (1) Secure Written permission from the Service Area or other entity having jurisdiction over the roads to cut the road and excavate in the roadway and agree to indemnify the Service Area against any claim for any damage to the road or to other property;
- (2) Maintain strict compliance with the applicable entities standards for excavation and restoration of the road;
- (3) Cause the work to construct the service connection to be performed on a licensed, bonded and insured contractor approved by the Service Area in accordance with provisions of section 4.1 below;
- (4) Notify the Summit County Sheriffs' Office Dispatcher of road closing routing of emergency vehicles;
- (5) Install an appropriate thermal expansion device in the building plumbing system; and
- (6) Provide a diagram of the proposed service and meter location for approval by the Service Area which will ensure compliance with all requirements and specifications of the Service Area, including, but not limited to, those requirements set forth in Section 4.2 of this Regulation.

4.1 Requirements for Service Line Contractors. Service connections to the Service Area water system for new residential units and repairs to existing service lines will be excavated and constructed by only contractors qualified under the provisions of this section. No individual, entity, contractor or other party may connect to the Service Area water system or make repairs to the Service Area system or service lines connected to the Service Area system without having first qualified under the provisions of this section.

4.1.1 Every contractor, person or entity intending to perform work in the Service Area to connect individual service lines to the Service Area system or to repair existing service

lines connected to the Service Area system must first apply to the Service Area for qualification to work on facilities to be connected to or facilities which are connected to the Service Area system. The application must be completed on a form supplied by the Service Area which includes the name, business name, contractor license number, insurance company, principal owner or supervisor of the work and the name and telephone number of every person supervising a crew which will be qualified to work within the Service Area. The application must also require evidence of adequate insurance and must include a written statement to be signed by the applicant which affirms that the applicant has read, understands and will comply with the Service Area Regulation regarding service line installation and repair.

4.1.2 The application must be completed and when the application is submitted. The application must be accompanied by a bond in favor of the Service Area in an amount to be determined by the Service Area but not less than \$5,000 to ensure that the applicant must comply with all Regulations, rules and regulations of the Service Area. The compliance bond may be a cash bond or may be a corporate surety bond by a qualified insurer licensed to do business in the State of Utah.

4.1.3 If the applicant completes the application, furnishes the required bond, and is not subject to contractor license complaints, other known noncompliance or workmanship complaints and demonstrates satisfactory knowledge of the procedures necessary to complete the work in a satisfactory manner, the Service Area may find that the applicant is qualified to perform work as required by this section.

4.2 Approval of Connection. Upon the Service Area's inspection and approval of the metered connection and its written receipt of all applications, agreements and required fees, the Service Area must turn water on to Customer. The service line and meter connection must be installed by applicant at applicant's expense. No water will pass through the meter until Service Area has inspected and approved the connection. Upon the Service Areas inspection and approval of the metered connection and its written receipt of all required fees, the Service Area will refund to Customer the security deposit less all inspection fees and costs of ensuring compliance. A shutoff valve must be installed on the service lateral at the connection to the service line and the property or street right-of-way line. The isolation valves in a meter box within the street right of

way fulfills this requirement. The meter must be installed in the road right of way in a vault located, prescribed, and specified by the Service Area.

4.3 Maintenance Obligation. The Service Area will have no obligation for operation and maintenance of the service line. The Water User will be responsible for the maintenance of the service line, except for the meter. The meter will be the responsibility of the Service Area.

4.4 Sale or Transfer of Ownership.

4.4.1. Prior to the sale of a property that receives water from the Service Area, the Customer selling the property will provide the Service Area's business office with written notice of the pending sale or transfer of any property. Upon receipt of this written notice or other notice that a property receiving water from the Service Area is for sale, the Service Area will read and inspect the property's meter as well as any applicable connections to the Service Area's water system to ensure proper installation and compliance with applicable laws, regulations, and Service Area requirements. The Service Area will read and inspect the meter and any applicable connections to the Service Area's water system as soon as possible before the sale of the property is finalized. Where it is not possible to read the meter, the Service Area will estimate the metered use of the Customer as provided in Section 10.2 herein.

4.4.2 The Customer is subject to a non-refundable Inspection and Transfer of Ownership Fee, as determined by the Board. The fee will cover the costs the Service Area will incur in performing the inspections required in Section 4.4.3 and in transferring the account for the property to the new owner.

4.4.3 Where there is no meter or the meter and/or connection is not compliant with applicable laws, regulations, and Service Area requirements, the Service Area will require the Customer to bring the meter or connection into compliance, subject to further inspections by the Service Area to verify compliance. Where the Customer will not or cannot bring the connection or meter into compliance, the Service Area will require a refundable deposit, as determined by the Board, to be withheld at the transfer of ownership. The deposit will cover costs the Service Area incurs in bringing the particular meter or connection into compliance. All remaining portions of any deposits paid by the Customer, if any, will be refunded to the Customer less any expenditures for compliance enforcement and new standards compliance.

4.4.5 The buyer will be required to make a formal application to receive service for the property on a form provided by the Service Area. As a condition of service, the buyer will also sign a service agreement on a form provided by the Service Area in which the buyer agrees to pay all fees, services and other charges imposed by the Service Area and to comply with all applicable laws and regulations, including but not limited to this Water Service Regulation and all other Service Area Regulations.

4.4.6 . Upon compliance with all of the foregoing terms and conditions of this Regulation, water service will be provided to the property after the sale of the property to the buyer pursuant to the terms of the service agreement.

4.5 Collection of Delinquent Service Charges. In accordance with the service agreement and this Regulation, any service fees or other charges lawfully imposed by the Service Area, including reasonable attorney's fees incurred for collection and enforcement, that are delinquent as of June 1 of any year will be certified to the County Treasurer of Summit County for collection with property taxes.

SECTION 5.0 Water System Service Fees and Other Charges.

The Service Area, in accordance with Utah law, will adopt and enact rates for water service, inspections and other charges incidental to property development or to the collection of fees, including connections fees, impact fees, inspection fees, service call fees, disconnection and reconnection fees, removal of meter fees, delinquent payments and liens, shut off notices, theft of service/illegal connection fees, retroactive collection for use of unmetered water including penalties, fines and violations as well as the enforcement of this Regulation and any future Regulations.

The Service Area will impose a water service fee for water used by each water system service connection for water use to individual properties on a rate per property that recovers the cost of such annual contracts, other costs of water and the administration, operation, maintenance, replacement, rebuilding or construction of capital improvements to the water system delivering water to each Customer. The water system service fee charges will be set by the Board of the Service Area, by separate Regulation in an open meeting and may be changed from time to time. The service fee will be billed monthly or on such other interval as established by the Board, and

will be billed in addition to all other fees such as overage charges lawfully imposed by the Service Area. The Service Area may impose late charges and interest on any past due service charge fee or any unpaid portion thereof which may be revised from time to time. The record owner of any property will be liable for all water service fees and standby fees assessed or charged by the Service Area.

5.1 Stand-by Maintenance Fee. The Service Area may impose a stand-by maintenance fee against each property contiguous with a water main but not connected to the system to compensate the Service Area for the facilities and personnel necessary to assure that the Service Area has adequate distribution system capacity to serve the property which is charged the fee. The stand-by maintenance fee will be charged monthly, quarterly, or yearly at the discretion of the Board of the Service Area. The stand-by maintenance fee is subject to change from time to time by the Board of the Service Area by separate Regulation.

5.2 Conservation and Water Use Violations. Violations of Section 3.3 and 3.4 of this Regulation regarding waste or excessive use of water will constitute a conservation violation. Conservation violations will be determined by the Board.

5.2.1. For a first violation, the Service Area will issue a warning by written notice to the Water User of first violation and provide educational materials on water conservation and the written policy for the watering schedule to the Water User. The Service Area may also make additional contacts and notifications to the Water User prior to the determination of a conservation violation.

5.2.2 For a second conservation violation occurring within a twelve (12) month period following a notice of first violation, the Service Area will issue a written notice to the Water User of second violation and a fine as specified in the current Service Area Rate Regulation will be charged to the Water User. The Service Area may also make additional contacts and notifications to the Water User prior to the determination of a conservation violation.

5.2.3 For a third conservation violation occurring within a twelve (12) month period following a notice of second violation, the Service Area will issue a written notice to the Water User of third violation and a fine as specified in the current Service Area Rate Regulation will be charged to the Water User. The Service Area may also make additional contacts and notifications to the Water User prior to the determination of conservation violation.

5.2.4 For a fourth conservation violation occurring within a twelve (12) month period following a notice of third violation, the Service Area will issue a written notice to the Water User of fourth violation and a fine as specified in the current Service Area Rate Regulation will be charged to the Water User. The Service Area may also make additional contacts and notifications to the Water User prior to the determination of a conservation violation.

5.2.5 For subsequent conservation violation occurring following a notice of fourth violation and within twenty-four (24) months after the date of issuance of notice of first violation, the Service Area will charge a fine as specified in the current Service Area-Rate Regulation. In addition, the Service Area may impose a security deposit on the Water User, or discontinue water service to the Water User upon thirty (30) days written notice. The Service Area will also be entitled to seek compliance with this Regulation by injunctive and other appropriate legal relief. If water service is discontinued to any lot serviced by the water system pursuant to this Section, the Service Area will not be liable for any expenses or other damage, whether direct or indirect, related to the termination of water service under the circumstances described in this Regulation.

SECTION 6.0 Connections and Individual Well Service.

The Service Area provides water service through a central distribution system and is additionally responsible under Utah Code Ann, § 73-5-4 for the ownership and administration of water rights owned by the Service Area for the use of individual wells which are the property of lot owners in the Service Area.

6.1 Connections Pre-constructed. Connections to the Service Area central water system are located on the distribution system line and are preconstructed to avoid unnecessary road cuts and excavation. Service connections may not be made to the Service Area system at locations which are not preconstructed without specific written approval of the Service Area Board of Trustees in advance.

6.2 Larger Connections Prohibited. Service lines larger than three quarter (3/4) inch are prohibited unless authorized in writing by the Service Area Manager.

6.3 Individual/ Private Well Meters. All individual/private wells drilled and operated under water rights owned by the Service Area and approved for use on individual lots will submit an "Application for Authorization to Drill/Deepen/Rehabilitation or Renovation of a Well" and

“Well Metering Security Deposit” to the Service Area for new wells and wells requiring maintenance. The Security Deposit as set by the Board of the Service Area is required to ensure the installation and inspection of a totalizing meter on the new well or existing well in compliance with the regulations of the Utah State Engineer, and Utah Code Ann. § 73-5-4. The totalizing meter will be installed in the water line from the well prior to any water use connection, such as a freeze-free hydrant for outdoor water use, and will be located in a manner where it can be read by the Service Area and within four (4) feet of the well head, where possible. The meter and installation require final inspection by the Service Area Water Manager. All deposits, less the amount of the Inspection fee(s), will be refunded upon receipt of the “Certificate of Occupancy” for new wells and ‘Certificate of Completion’ on existing wells and approval of the Board of Trustees.

All individual/private wells operated under water rights owned by the Service Area and approved for use on individual lots will be open for inspection at all reasonable times to authorized representatives of the Service Area to inspect for the installation of the required totalizing meter, to read the meter, and to ensure compliance with this Regulation. If an owner of an individual/private well refuses or neglects to install an appropriate measuring device, the Service Area may take appropriate action, including imposing restrictions on the use of water, until the owner complies.

6.3.1 The Well Metering Security Deposit will be required on ownership transfer of all properties with individual private wells for inspection and reading of meter and to ensure compliance with this Regulation. If meter is not in compliance or no meter is installed, a letter of non-compliance will be sent to the owner of record and deposits will be held until property is in compliance and final inspection complete.

6.4 1.0 Acre-Foot Limitation: All individual/private wells operated under water rights owned by the Service Area and approved for use on individual lots will be entitled to 1.0 acre-foot per year per lot in accordance with the Service Area’s water rights. The Service Area will use the process in Section 3.3.1 to determine the estimated water usage of a proposed residential development that will utilize individual/private wells. If the total estimated indoor and outdoor water uses of a proposed residential development exceed 1.0 acre-foot, the Service Area will limit the amount of water the proposed development can use for stockwatering or outdoor irrigation to ensure that the combined uses of the proposed development are less than 1.0 acre-foot. The Service

Area may consider the applicant's preferences in determining how to ensure compliance with the 1.0 acre-foot limitation, but the Board will have ultimate decision-making authority and responsibility to ensure compliance with the 1.0 acre-foot limitation. In no event will the Service Area approve the use of Service Area water rights for a proposed residential development that will rely on individual/private wells if the estimated water use exceeds 1.0 acre-foot, unless the property owner dedicates water to the Service Area to cover any estimated overages pursuant to Section 16.

6.5 Fees for Reading Meters. The Service Area may impose a fee for the cost of reading the meters on individual/private wells and ensuring compliance with the terms of this Regulation.

6.6 Conservation and Water Use Violations. The Service Area will follow the process set forth in 5.2 to address situations in which individual wells that rely on Service Area Water Rights exceed the 1.0 acre-foot limitation set forth in Section 6.4 herein. If water service is discontinued to any lot as a result of a determination by the Board that insufficient water resources are available to provide excess water beyond the allocated amount for such lot, the Service Area will not be liable for any expenses or other damage, whether direct or indirect, related to the termination of water service under the circumstances described in this Regulation.

SECTION 7.0 One Meter Per Lot

Each lot will have a maximum of one meter connection to the water system. Anyone using water through unmetered or meter bypassed connection, without the express prior authorization of the Service Area, will be prosecuted under the theft of services statutes of the State of Utah. The Service Area reserves the right to estimate and collect upon demand for the loss of revenue due to unmetered water usage whether deemed willful or not.

SECTION 8.0 Service Area to Own Distribution System.

The Service Area will hold title to the main transmission system and will maintain, repair and replace the system in perpetuity. Each Water User will own and will bear the sole responsibility for repair, upkeep and maintenance of the service line from the point of connection to the main line to the premises being served. The Service Area will not accept nor bear any responsibility nor grant any reductions in charges due to sprinkler or irrigation leaks, unmetered

water, or problems for house hold plumbing leaks nor damages caused by leakage, in the service line. Each Water User is responsible for the service line from the main connection with the system line in the road to their dwelling. Each Water User will be solely responsible to maintain the service line; however, the Service Area may, without incurring liability, make emergency repairs to service lines in order to prevent damage, prevent waste of water, and to prevent contamination of the water supply. Any such repairs will be at the expense of the Water User and will be billed to the Water User by the Service Area, payable within 30 days.

SECTION 9.0 Additional Customer Responsibilities.

The customer must maintain a reliable pressure reducing device on the property to protect customer plumbing and fixtures from pressure fluctuations and surges caused by water line breaks, construction damages, and system equipment failures. The Service Area will not be responsible for damage to customer properties, including culinary, irrigation, and fire protection water systems, due to pressure fluctuations. The customer is responsible to take whatever means necessary to prevent damage to their culinary, irrigation, and fire protection water systems from pressure fluctuations.

SECTION 10.0 Meter Readers and Meter Maintenance.

The Service Area is responsible for inspecting all water meters and readouts for problems and replacing those that need repair. Customers will not obstruct in any way the access of authorized Service Area personnel to water meters for periodic inspections, reading and maintenance. The cost of removing physical obstructions to access to the meter will be charged to the Customer. Meters on the central water system will be read as directed by the Service Area. Individual well meters will be read once each year by either a State District Engineer or the Service Area designee. By using water from a private, individual well or connecting to the Service Area water system, each user indicates their agreement to comply with all Service Area Regulations and will be deemed to have granted private property access to the District Engineer or the Service Area designee for the purpose of reading water meters on a monthly to other periodic basis.

Meters will be read monthly starting on or about May 1st, weather permitting, through on or about October 1st of each year. Overages are invoiced and sent with the regular monthly billing

to Water Users on or about the 15th of the month in which they are read. The overages will be reported to the Water User in gallons exactly as shown on the meter readings and will be billed according to the current Service Area Rate Regulation.

Water Users with delinquent monthly accounts will be notified of the delinquency by the 15th of the following month. Water Users with delinquent annual accounts will be notified of the delinquency by January 30th of the following year. Unpaid delinquent annual accounts will be submitted to Summit County for collection with property taxes and will include 18% interest per annum and a collection fee. Winter overages that average over the base amount as established by the Service Area Rate Regulation during the winter months when meters are not read will be charged accordingly for the overages.

10.1 Meter Error on Meter Bypass—Service Area Water System Meters Only. In the event that a meter malfunctions or it is discovered that there is unmetered water use and a reliable reading is not possible to obtain, or due to weather conditions physical condition or placement of the meter, it is not possible to read the meter, charges will be estimated by comparing the water usage through the water meter to that of adjoining or similar properties where prior water usage can be established, or, by reference to the prior water usage through the water meter during a corresponding time of the year. Where such data is unavailable, estimates will be made by comparing the prior water usage on similar or adjoining properties, and averaging the same. The Service Area reserves the right to estimate and collect for the loss of revenue due to unmetered water usage whether deemed willful or not. The Service Area will collect estimated fees for usage of unmetered water upon demand.

10.2 Meter Testing—Service Area Water System Meters Only. If a Customer contests the accuracy of the water meter serving the property, the Service Area will charge a deposit of \$75.00 before performing the service necessary to verify the accuracy of the meter. If the meter proves to be accurately calibrated or under-reading, any costs incurred by the Service Area in the removal, replacing, testing and recalibrating of a meter will be deducted from the deposit and the balance refunded. If the water meter is over-reading, there will be no charge for the repair to the meter. Appropriate adjustments will be made to the Customer's next water bill. Adjustments will not be made for any period greater than three months. Meter errors of three percent (3%) or less will be deemed to be accurate readings, warranting no adjustments. If, upon a second meter reading

(as requested by Customer) within a six (6) month period for the purposes of determining meter error and the meter is found to be accurately calibrated, a rereading charge of \$75.00 will be included in the next billing to Customer.

10.3 Meter Tampering/Meter Bypass. It will be a violation of this Regulation to tamper with or bypass any water meter for the purpose of causing it to produce inaccurate readings or for bypassing the meter so as to obtain unmetered water. Willful consumption of water through a water meter known to be damaged, bypassed or tampered with, will constitute a theft of service and will be punished in accordance with the laws of the State of Utah. The Service Area reserves the right to estimate and collect upon demand for the loss of revenue due to unmetered water usage whether deemed willful or not.

10.4 Relocation/Replacement of Water Meters. All relocation/ replacement of water meters for existing connections will meet the requirements for new service installations set forth in this Regulation. It is the responsibility of a Water User having an existing connection to relocate /replace the water meter under any one of the following circumstances:

- (1) Where the Water User constructs alterations or improvements to property which require a building permit, as determined by Summit County, and which building permit has a construction value in excess of \$50,000.00;
- (2) Where the Water User constructs alterations or improvements to property which can be expected to result in a material increase in water use, including but not limited to, the addition of a bathroom, additional kitchen, installation or expansion of a sprinkler system, or addition of water service to an outbuilding;
- (3) Upon discovery of evidence that the water meter has been tampered with, damaged, bypassed or not installed in conformance with applicable plumbing codes, or not installed in conformance with manufacturer specifications.

10.4.1. At its election, the Service Area may require the relocation of an existing water meter at any time for access or health and safety reasons, or to comply with the requirements for new service installations set forth in this Regulation, or for reasons that may vary from those outlined above.

SECTION 11.0 Temporary Suspension of Service.

The Service Area hereby reserves the right at any time to shut off the water anywhere within its water system for the purpose of making any repairs and/or extensions, or for other temporary purposes, and no claim or cause of action will be made against the Service Area by reason of any shutting down of any water line for repair and maintenance purposes, or by reason of the stoppage of water or interruption of water service due to the scarcity of water, damage to any water work or facility of the Service Area, or any other cause beyond the reasonable control of the Service Area. The Service Area will use all reasonable means to notify Water Users of work which will require the system to be shut off for service. No notice will be required for work caused or required by emergency repairs.

SECTION 12.0 Grounds for Termination of Services for Non-Payment of Fees.

The record owner of any property will be liable for all water service fees and standby fees assessed or charged by the Service Area. In the event of nonpayment of service charges and other fees as imposed by the Service Area or the violation of the Regulation for water service or the Service Agreement, the Service Area may terminate water service to any Customer after first providing Customer with written notice of the delinquency or violation and providing Customer an opportunity to cure the default prior to the service being terminated. The Customer may request a hearing of the Board regarding any such delinquency, which hearing will be held before service is terminated. In the event a delinquency is not cured within the notification period, the Service Area will terminate water services to the premises involved. The Customer will be required to pay all deposits and fees as defined in Sections 4.4 and 4.5, in addition to curing the delinquencies, as a condition to the resumption of water services.

SECTION 13.0 Fire Hydrants.

An individual may not withdraw water from any fire hydrant without the written permission of the Service Area and if granted must be in compliance with the Fire Code adopted by Summit County. The Park City Fire District is hereby authorized to withdraw water from any fire hydrant or hydrants for hydrant testing and inspection purposes and in the case of fire, to use the water for fire suppression without any prior notice to the Service Area. Any unauthorized

connection to and use of water from a fire hydrant will be a violation of this Ordinance and will constitute a theft of services. The Service Area reserves the right to estimate and collect for the loss of revenue due to unmetered water usage whether deemed willful or not.

Property owners will keep the area around and in front of all fire hydrants and valves clear of debris, obstructions, obstacles, overgrowth and landscaping.

SECTION 14.0 Construction of New Water System Extensions.

14.1 Project sponsor required information. The owners of property in the Service Area may apply to the Service Area for the approval of a project to construct or enlarge the Service Area water system serving the sponsor's property to be owned by the Service Area and constructed under the supervision of the Service Area, provided that the Service Area will not approve connections to the water system if the proposed connection will impair its existing water system or water rights or if the connection is otherwise not in the best interests of the Service Area. Each application for project approval and construction will be in writing and will:

- (1) State the name;
- (2) Telephone number;
- (3) E-mail address, if any;
- (4) Address of the authorized contact agent for the project sponsors;
- (5) The name of each project sponsor;
- (6) Contain a legal description of the area which defines the area to be served;
- (7) A map of the legal description;
- (8) Provide the name each property owner within the area;
- (9) The number of residential units to be served;
- (10) A general statement of the proposed construction and facilities;
- (11) The estimated water use and water source for the project. The owner will be required to calculate the extent of water use on each proposed separate property proposed for development, restrictions on irrigation and total use, verification of the hydrologic capacity of sources proposed for transfer or dedication to the Service Area. The Board may request such verification of water source capacity as it deems advisable under the circumstances; and

(12) Provide such other information as the Board deems advisable to ensure compliance with Section 3.3 of this Regulation and with water quality standards for drinking water and the Service Area may be required to propose a differential service fee rate structure to serve the property proposed for service.

14.2 Dedication of Water Rights for New Water Systems. All property owners desiring to construct a new water system within the Service Area must dedicate at no cost to the Service Area sufficient water rights or other alternative contract rights approved by the Board to supply water to the project. Dedication of such water rights to the Service Area will be pursuant to Section 16.

14.3 Transfer of Improvements- Service Area to Assume Operation and Maintenance Responsibilities. Each water system project will be required to construct at its own expense all required internal water system improvements necessary to serve the proposed project. The internal water distribution system will be constructed in accordance with the Service Area's specifications. These improvements will not be connected to other Service Area systems, if any, until they have been inspected and approved by the Service Area engineers and accepted by the Service Area. Title to these improvements will be transferred to the Service Area upon their inspection and approval in consideration for the Service Area's assumption of the perpetual obligation of operation, maintenance, repair and replacement of these improvements and its obligation to provide service to the development project in accordance with its Regulations.

14.4 Pipeline Easement Locations. Where possible, provision will be made for the construction of all line extensions and subdivision water system improvements within public streets and easements. However, where the lines must cross private property, the project sponsor will obtain at its sole expense all required and necessary easements in form and substance acceptable to counsel for the Service Area. Title to any required storage, pump station or other facilities along with the perpetual rights of ingress and egress for operation, maintenance, repair and replacement of the same will be transferred to the Service Area.

14.5 Transfer of Title to Water Rights, Facilities, and Property. The project sponsor will convey to the Service Area, free and clear of all liens and encumbrances, except for those specifically agreed to in writing by the Service Area, and by a conveyance instrument acceptable to the Service Area, the following items:

The project distribution system and all appurtenant facilities specifically including but not limited to all distribution lines, pumps, storage facilities, booster pumps, and any required treatment facilities, together with all appurtenant easements and rights-of-way for the operation, maintenance, repair and replacement of the same.

Title to all storage and well sites, together with any and all easements and appurtenances in connection therewith, including any required protection zone easements to protect water sources, pipeline and utility easements and rights-of-ways.

Section 16 will govern the transfer of title to any water and water rights transferred to the Service Area.

SECTION 15. Use of Service Area Water.

Under no circumstances will any lot owner use the water allocated to their lot by the Service Area for any purpose other than to use said water on that owner's immediate lot area. Any intended use of water resources under the jurisdiction and control of the Service Area by an individual lot owner outside the geographic boundaries of his lot will be unlawful unless permission of the Board is obtained for intended use. In considering an application for use of allocated water beyond the lot boundaries, the Board will consider the public convenience and necessity above all other issues.

SECTION 16 Dedication of Water Rights.

If the Service Area determines that a proposed residential development will exceed the limitations in Section 3.3 and Section 6.4, the Service Area may, in its discretion, allow the property owner to dedicate sufficient water rights to the Service Area to cover any estimated overages as a condition for approving the use of the Service Area's water rights or connection to its water system (if applicable) pursuant to the following requirements, which the Service Area will implement in accordance with Utah Code Ann. § 17B-1-120 and all other applicable laws and regulations. In the event of a conflict between the following requirements and Utah Code Ann. § 17B-1-120 or any other applicable law or regulation, Utah Code Ann. § 17B-1-120 or the applicable law or regulation will govern.

16.1 Application Required. Subject to Section 16.3, the Service Area will consider for dedication any valid water right, provided that the property owner must complete and submit a

written application on forms prepared and approved by the Service Area. For the purposes of this Section, the term “water right” will mean:

- (1) An existing, perfected right to appropriate surface water or groundwater that has been approved, decreed, or otherwise certified under the laws of the State of Utah;
- (2) A share(s) in good standing with a water or irrigation company with a service area that encompasses the property in question; or
- (3) A valid exchange application and related contract in good standing.

16.2 Application Compliance, Filing Fee, and Costs. Dedicators seeking to dedicate water to the Service Area must pay a filing fee as set by the Board to cover the costs of the Service Area’s review of any water right and comply with all requirements of the application, including payment or reimbursement of all costs that the Service Area may incur in reviewing the water right, including but not limited to attorney fees, engineering fees, water application filing fees, recording fees, and title insurance premiums. The Service Area will return any amounts that exceed its actual costs in reviewing and accepting a water right for dedication.

16.3 Service Area to Approve Proposed Water Rights. Upon receiving a completed application pursuant to Section 16.1, the Service Area will evaluate the proposed water right and may refuse to accept any water right which it believes to be insufficient in amount, flow, priority, title, or any other reason that makes the water right unsuitable for the Service Area. In performing its evaluation of a proposed water right, the Service Area will obtain a title commitment from a title company, perform a legal review of the water right, and take any other steps the Service Area deems necessary to evaluate the water right. The Service Area will notify property owners in writing whether a water right is acceptable and if the application can move forward. If a water right proposed for dedication is not acceptable, the Service Area will explain in writing the reasons why the water right is unacceptable.

16.4 Execution of Warranty Deed and Change Application. If the Service Area determines that a water right is suitable for dedication, the dedicator will execute a warranty deed and change application prepared by the Service Area. The Service Area will only accept warranty deeds for dedicated water rights and will not accept any other form of title conveyance, including but not limited to quit claim deeds. For dedications involving shares in a water company, the dedicator must also fully endorse the underlying share certificate to the Service Area in accordance

with the water company's policies. Upon receipt of the warranty deed and change application, the Service Area will file the change application with the Utah Division of Water Rights and will hold the warranty deed and/or share certificate (if applicable) in escrow, pending an approval of the change application by the Division of Water Rights in a manner that is acceptable to the Service Area. The Service Area will be responsible for moving the change application through the approval process with the Division of Water Rights, provided that the dedicator will provide all assistance the Service Area may require.

16.5 Review of Adverse Decisions by the Division of Water Rights. The Service Area will not be under any obligation to appeal or request reconsideration of decisions by the Division of Water Rights that deny a change application. If the Service Area declines to appeal or request reconsideration of a Division of Water Rights decision the Service Area will return the warranty deed, share certificate (if applicable), and any amounts that remain from the dedication application fee, if any. If the Service Area has incurred costs that exceed the dedication application fee, the Service Area will submit an invoice to the dedicator, which the dedicator will promptly pay.

16.6 Review of Division of Water Rights Decision Approving Change Application. After the Division has approved a change application and the approval is final and non-appealable, the Service Area will review the approval to determine if it is acceptable and will adhere to the following process:

16.6.1 If the Division of Water Rights' approval is not acceptable to the Service Area, the Service Area will notify the dedicator in writing of the problem and will schedule a meeting to address the issues and outline a course of action that must be followed.

16.6.2 If the Division of Water Rights' approves the application but does not approve sufficient quantities of water, the Service Area will notify the dedicator in writing of the shortage, and the dedicator will have thirty (60) days to start this process over again for a water right to cover the shortage.

16.6.3 If the Division's approval is acceptable, the following steps must take place before the Service Area will issue final approval of the dedication of the water right or any other approvals needed for the proposed development under Section 16.6:

(1) The title company selected by the Service Area will complete a final title check and notify the Service Area that it is appropriate to record the warranty deed;

- (2) The Service Area will record the warranty deed and, for dedications involving shares in a water company, obtain an updated certificate from the company in the Service Area's name;
- (3) The Service Area will file a report of conveyance with the Division of Water Rights to update title on the Division's records;
- (4) The title company will send an invoice to the dedicator for the title premium and any other costs associated with the water right title insurance (less any amounts already paid), which the dedicator will pay and after which the title company will issue the water right title insurance; and
- (5) The Service Area will return any amounts that may remain from the dedication application fee, if any, or send an invoice to the dedicator for any costs the Service Area has incurred that exceed the application fee, which the dedicator will promptly pay.

16.7 Final Acceptance. Following the satisfactory completion of the process required in Section 16.1 through 16.6 and any other requirements needed to obtain water service from the Service Area, the Service Area will issue a final written notice accepting the water right and approving the dedicator's use of the Service Area's water rights, as well as any other approvals required under this Regulation for the dedicator to connect to the Service Area's water system (if applicable) or otherwise use the Service Area's water rights for its residential development.

16.8 Limitation on Amount to be Dedicated. The Service Area will not require the dedication of water rights that exceed the difference between the applicable limitations in Section 3.3 (0.75 acre-feet per lot per year) and Section 6.4 (1.0 acre-feet per lot per year) and the combined estimated water demands of the proposed residential development.

16.9 Return of Application Fee, Deed, and Share Certificate: If the Division of Water Rights denies a change application or if the dedicator declines to pursue the dedication, the Service Area will promptly return to the application the unused portion of the dedication application fee (if any), the warranty deed, and any share certificate(s) (if any) that the dedicator has provided to the Service Area. If the application fee is insufficient to cover the costs the Service Area has incurred in processing the dedication, the Service Area will provide the dedicator with an invoice showing the amount owing, which the dedicator will promptly pay.

16.10 Water Service Rates, Fees, and Charges. Property owners who dedicate water to the Service Area pursuant to this Section will pay the same applicable water service fees, rates, and charges the Service Area assesses on other water users, meaning the property owners who dedicate water rights for an individual/private well will pay the same rates, fees and charges assessed against other individual/private well owners and property owners who dedicate water rights to connect to the Service Area's water system will pay the same rates, fees and charges assessed against other property owners connected to the water system.

SECTION 17 Concurrency Compliance.

The Service Area will implement this Regulation in accordance with the Summit County Board of Health's concurrency requirements, as set forth in Title 1, Chapter 5, Section 2 of the Summit County Code of Health, or applicable successor ordinance. In the event of a conflict between this ordinance and the concurrency requirements determined pursuant to Section 1.6 of this Regulation, the concurrency requirements will govern.

SECTION 18 Effective Date.

This Regulation is effective upon the date of its adoption.

EXHIBIT B

**Summit County
Service Area #3**
7215 Silver Creek Road
Park City, UT 84098
(435) 649-7949
email _____

Application for Dedication of Water To Summit County Service Area #3

Fee amount paid \$ _____
Date paid _____

Applicant Name _____
Phone# _____
Email _____
Mailing Address _____
Lot Number _____

Summit County Service Area #3's water dedication requirements are described in Section 16 of Regulation # [REDACTED]. If the estimated water needs of your single residential development exceed 0.75 acre-feet for a lot served by the Service Area's water system or 1.0 acre-foot for an individual/private well that relies on Service Area water rights, you must dedicate water rights sufficient to cover the difference between these amounts and the estimated water needs of your development. Pursuant to Section 3.3 of Regulation # [REDACTED], the Service Area will determine the water needs of your development in accordance with the policies of the Utah Division of Water Rights. To begin the dedication process, please complete and submit this application to the Service Area. The following water right information should be obtained from the records of the Utah Division of Water Rights or the applicable water company.

Water right number for water offered for dedication _____

Owner of water right _____

Water right limits _____ cfs/ _____ acre feet. Priority date _____

Change application number(s) _____

Application(s) status _____

If a water share is being dedicated:

- Name of water company _____
- Water share certificate number _____
- Number of shares _____
- Current uses of water right or water share _____
- Place of use of water right or water shares _____

Please include the following documents and information with this application:

- \$1,500 application fee.
- Copy of recorded deed(s) showing ownership of water right.

- Copy of recorded deed(s) showing ownership of land where water right is used.
- Division of Water Rights data printout for water right.
- Copy of water share certificate (if applicable).
- Calculation of necessary water per Service Area Ordinances.³
 - 0.450 acre per residence _____
 - 0.250 acre-feet per accessory unit _____
 - 3.0 acre-feet per acre of outdoor irrigation _____

Total Estimated Water Use: _____

Amount of Water to be Dedicated _____

Please calculate the amount of water to be dedicated by subtracting the amount of water you are entitled to receive from the Service Area from the estimated water needs of your development.

Lots connecting to the Service Area's water system are entitled to receive 0.75 acre-feet per lot, while lots that withdrawal Service Area water rights through individual/private wells receive 1.0 acre-feet.

For instance, if the estimated water needs of your development total 2.0 acre-feet, you would need to dedicate 1.25 acre-feet for a lot connecting to the water system ($2.0 - 0.75 = 1.25$ acre-feet) or 1.0 acre-foot for a lot withdrawing Service Area water rights through an individual/private well ($2.0 - 1.0 = 1.0$ acre-feet).

I verify that the information in this Application is true and accurate to the best of my knowledge and belief, and agree to abide by the Service Area's policies, procedures, and regulations as they pertain to the dedication of water rights for my development. I further affirm that I have reviewed and understand said policies, procedures, and regulations.

Dated this _____ day of _____, 20____.

Signature of Applicant or Authorized Representative

³ Section 3.3 of Ordinance 2018-_____ requires Applicants to use the Utah Division of Water Rights' water use estimates, available here <http://www.waterrights.utah.gov/wrinfo/policy/wateruse.asp>. The Service Area generally does not consider the water needs of stock, but may consider stockwatering needs if it has reason to believe that anticipated stockwatering needs will cause a project to exceed its water rights when combined with a project's anticipated indoor and outdoor water needs. If the Service Area does consider the water needs of stock, it will use the Division of Water Rights' water use estimates.

Summit County Service Area No. 3

7215 N. Silver Creek Rd.
Park City, Utah 84098

Notice to Applicant Regarding Dedication Process

The following is a summary of the steps necessary to finalize a dedication of water to Summit County Service Area #3 (the “**Service Area**”):

- (1) The Applicant submits a completed Application for Dedication of Water to Summit County Service Area #3 and supporting documents (the “**Application**”), along with a \$1500 Application Fee to the Service Area. The \$1500 Application Fee begins the dedication process, but is not intended to cover all of the fees and costs associated with the dedication process. The Applicant remains responsible for all costs of the dedication process, including but not limited to filing fees with the Utah Division of Water Rights (the “**Division**”), document preparation fees, attorney fees, engineering fees, recording fees, and title insurance costs above the \$1500 Application Fee.
- (2) The Service Area will send copies of the Application to the Service Area’s general manager, along with the \$1500 Application Fee. The Service Area will hold the \$1500 Application Fee in escrow and will use the Application Fee to cover filing fees, attorney fees, engineering fees, recording fees, title insurance costs, and other costs associated with the dedication process.
- (3) The Service Area’s attorneys will review the water right for acceptability to the Service Area and research the water right information on file with the Division. (Please take note that the Service Area’s attorneys represent the Service Area, and not the Applicant, with respect to the dedication process. The Applicant is encouraged to seek independent counsel, if desired.)
- (4) The Service Area will send copies of the Application to a title company, along with an appropriate amount from the Application Fee to cover the title company’s initial costs, likely around \$500. If the dedication is completed and a title insurance policy is issued, the amount paid to the title company will be applied to the policy premium amount due. If the dedication is not completed and a title insurance policy is not issued, the title company will retain the amount paid to cover its title research expenses.
- (5) The title company will research title to the water right and will issue a Title Commitment.
- (6) The Service Area’s attorney will review the Title Commitment issued by the title company and will conduct any additional research necessary to determine if the water right is acceptable to the Service Area for dedication. If the water right is acceptable, the Service Area’s attorneys will issue an opinion letter to the Service Area and the Service Area will notify the Applicant in writing that the dedication process can move forward.
- (7) The Service Area’s attorneys will prepare a Water Right Warranty Deed (the “**Deed**”) and an Application for Permanent Change of Water (“**Change Application**”) for the Applicant’s signature. The Service Area will only accept warranty deeds and will not accept any other form of title conveyance, including but not limited to quit claim deeds.

(8) The Applicant will execute the Deed and Change Application, and return them to the Service Area. If the dedication involves shares in a water company, the Applicant must properly endorse the share certificate for conveyance to the Service Area and provide the endorsed certificate to the Service Area.

(9) The Service Area will hold the Deed and share certificate (if applicable) in escrow pending an approval of the Change Application that is acceptable to the Service Area.

(10) The Service Area will sign the Change Application and file the Change Application with the Division.

(11) The Service Area will move the Change Application through the approval process with the Division, with the assistance of the Service Area's attorneys and Applicant, as needed.

(12) When the Division makes a final, non-appealable decision regarding the Change Application, the Service Area's attorneys and the Service Area will review the decision to see that it is acceptable. The Service Area will not appeal or request reconsideration of the Division's decision.

(13) If the Division denies the change application, the Service Area will return the warranty deed and share certificate (if applicable) as well as any amounts remaining from the \$1,500 application fee, if any. If the Service Area has incurred costs that exceed the \$1,500 application fee, the Service Area will provide the Applicant with an invoice, which the Applicant will promptly pay.

(14) If the Division's approval is not acceptable to the Service Area, the Service Area will notify the Applicant of the problems in writing and schedule a meeting to address the issues and outline the course of action for the Applicant to follow.

(15) If the Division approved the application, but approved insufficient quantities of water, the Service Area will notify the Applicant of the shortage, and the Applicant will have thirty (30) days to start this process over again for a water right to cover the shortage.

(16) If the Division's approval is acceptable to the Service Area:

(a) The title company will complete a final title check and will notify the Service Area that it is appropriate to record the Deed.

(b) The Service Area will record the Deed and, if applicable, surrender any share certificates with the water company to obtain a new certificate in the Service Area's name.

(c) The Service Area will file a Report of Conveyance with the Division to update title on the Division's records.

(d) The title company will send an invoice to the Applicant for the title premium and any other costs associated with the water right title insurance (less any amounts already paid), which the Applicant will promptly pay. After the Applicant has paid these amounts, the title company will issue the water right title insurance policy.

(e) The Service Area's attorney will send an invoice to the Service Area for attorney fees and other costs above the \$1500 Application Fee. The Service Area will pay the invoice, and then bill the Applicant for reimbursement of these fees and costs. The Applicant will promptly reimburse the Service Area for all outstanding fees and costs.

(17) The Service Area will not issue a final acceptance of the dedication nor will it issue any other approvals needed for the Applicant to use the Service Area's water rights or connect to its water system unless and until:

- (a) The Applicant has reimbursed the Service Area for all fees and costs;
- (b) The Applicant has paid the title company for the title premium and all other costs associated with the water right title insurance; and
- (c) The Applicant has complied with all other requirements needed to obtain water service from the Service Area.

I have read the foregoing and I understand and agree that I will be responsible for all fees and costs associated with the Service Area's water dedication process, including but not limited to filing fees with the Utah Division of Water Rights, recording fees, attorney fees for the Service Area's attorneys, engineering fees for the Service Area's engineers, and water right title insurance costs. I understand that these costs may exceed the \$1500 Application Fee, and I agree to promptly pay for all fees and costs upon receipt of invoice, even if the Utah Division of Water Rights does not approve the change application needed to dedicate water rights to the Service Area in a satisfactory manner.

Dated this _____ day of _____, 20____.

Signature of Applicant or Authorized Representative

EXHIBIT C

Summit County Service Area No. 3

7215 N. Silver Creek Rd.

Park City, Utah 84098

RELEASE FORM – WATER SYSTEM CONNECTIONS

As the property owner/representative of Lot _____, I have paid the following to Summit County Service Area No. 3 (the “Service Area”) prior to starting construction of any structure at that site:

- Construction Services Fee.....\$1,500.00
- Driveway/Culvert Security Deposit.....\$3,500.00
- Water Service Connection Fee.....\$5,165.00
- Water Metering Security Deposit.....\$2,500.00
- Meter Fee:
 - Service lines $\frac{3}{4}$ inches or less.....\$375.00
 - or
 - Service lines larger than $\frac{3}{4}$ inches.....\$550.00

Check to Service Area Water Dept.....\$8,040.00 (\$8,215.00 for large connections)

Check to Service Area Roads Dept.....\$5,000.00

TOTAL FEELS/DEPOSITS.....\$13,040.00 (\$13,215.00 for large connections)

I understand the driveway/culvert security deposit is refundable upon final inspections of the driveway and culvert installation and completion of construction on the property. The well metering security deposit is refundable with final inspection of the water metering installation and water system connection.

I am in receipt of the Building Packet for Homeowners and Contractors from the Service Area, containing pertinent information on building in Silver Creek Estates, including but not limited to the Water Service Notice. I have read and am aware of the ordinances in effect within the Service Area at this time, and agree to abide by the regulations that are available on the Service Area’s website (<http://www.summitcounty.org/923/Documents>), including but not limited to the Service Area’s stand-by fee requirements and its requirements that annual water use per residential connection is limited to 0.75 acre-feet for lots served by the Service Area water system.

I agree to abide by the regulations of the Service Area and Summit County, and am aware that I will be directly responsible for the costs of appropriate repairs for any damage proven to have been caused by construction activities on my lot. I also agree to schedule a pre-construction meeting with the Road and Water Departments.

Name of Applicant/Authorized Agent print) _____

Property Address _____

Mailing Address _____

Phone _____ Email _____

Signature of Applicant/Authorized Agent _____ Date _____

Service Area No. 3 Representative _____ Date _____

Summit County Service Area No. 3

7215 N. Silver Creek Rd.

Park City, Utah 84098

RELEASE FORM – INDIVIDUAL WELLS

As the property owner/representative of Lot _____, I have paid the following to Summit County Service Area No. 3 (the “Service Area”) prior to starting construction of any structure at that site:

- Construction Services Fee.....\$1,500.00
- Driveway/Culvert Security Deposit.....\$3,500.00
- Meter Fee.....\$420.00
- Well Metering Security Deposit.....\$2,500.00

Check to Service Area #3 Water Dept.....\$2,920.00

Check to Service Area #3 Roads Dept.....\$5,000.00

TOTAL FEELS/DEPOSITS.....\$7,920.00

I understand the driveway/culvert security deposit is refundable upon final inspections of the driveway and culvert installation and completion of construction on the property as evidenced by a Certificate of Occupancy issued by the Summit County Building Department. The well metering security deposit is refundable with final inspection of the well metering installation.

I am in receipt of the Building Packet for Homeowners and Contractors from Summit County Service Area, containing pertinent information on building in Silver Creek Estates, including but not limited to the Water Service Notice. I have read and am aware of the ordinances in effect within the Service Area at this time, and agree to abide by the regulations that are available on the Service Area’s website (<http://www.summitcounty.org/923/Documents>), including but not limited to the Service Area’s stand-by fee requirements and its requirements that annual water use for lots served by individual wells supplied by the Service Area’s water rights is limited to 1.0 acre-foot.

I agree to abide by the regulations of the Service Area and Summit County and that I will be directly responsible for the cost of appropriate repairs for any damage proven to have been caused by construction activities. I also agree to schedule a pre-construction meeting with the Road and Water Departments.

Name of Applicant/Authorized Agent print) _____

Property Address _____

Mailing Address _____

Phone _____ Email _____

Signature of Applicant/Authorized Agent _____ Date _____

Service Area No. 3 Representative _____ Date _____

Summit County Service Area No. 3

7215 N. Silver Creek Rd.

Park City, Utah 84098

WATER SERVICE NOTICE

The amount of water Service Area No. 3 can provide for your development depends on whether the project will connect to the Service Area's water system or whether it will be serviced by an individual well. In general, lots located in the lower portion of Silver Creek Estates will connect to the water system, while lots located in the upper portion will be served by individual wells. The Service Area has sufficient water rights to supply *0.75 acre-feet of water per year to lots connecting to the water system* and *1.0 acre-feet per year to lots serviced by individual wells*.

The Service Area will not approve the use of its water rights or connections to its water system for developments with estimated water demands that exceed the above amounts. Provided, however, that if your development's water needs will exceed the Service Area's water rights, you may acquire water rights to cover any estimated overages and dedicate those rights to the Service Area pursuant to Section 16 of the Service Area's water service regulation, which is attached to this notice. Please review this regulation to ensure compliance with the Service Area's water service requirements.

The Service Area will use the Utah Division of Water Right's duty calculations⁴ to determine your project's anticipated water demands. Those calculations are as follows:

- Indoor Use – Single Family Residence: 0.45 acre-feet per year.
- Indoor Use - Accessory Units: 0.25 acre-feet per year per unit.
- Outdoor Irrigation: 3.0 acre-feet per acre of land irrigated (e.g., irrigating 0.10 acres of landscape will require 0.30 acre-feet).
- Stockwatering: The Service Area does not generally consider the water needs of stock, but may exercise its discretion to consider stockwatering needs if it has reason to believe that anticipated stockwatering needs will cause a project to exceed its water rights when combined with a project's anticipated indoor and outdoor water needs. If the Service Area does consider the water needs of stock, it will use the Division of Water Rights duty calculations, including but not limited to:
 - Cow or horse: 0.028 acre-feet per animal per year
 - Pig, sheep, or goat 0.0056 acre-feet per animal per year
 - Chickens and Turkeys 0.00084 acre-feet per animal per year

⁴ The Division's duty calculations are available here: <http://www.waterrights.utah.gov/wrinfo/policy/wateruse.asp>.