

**UNIFORM RULES AND REGULATIONS
FOR THE DISTRIBUTION OF WATER OF
SUMMIT PARK WATER SPECIAL SERVICE DISTRICT**

WHEREAS, it is necessary, for the orderly administration of the facilities of the District, to adopt rules and regulations governing water service, the transfer of water rights into the District, the construction and extension or distribution mains, storage and treatment facilities by developers; and the transfer of water sources, facilities and appurtenant easements to the District.

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ALAN SPRIGGS, SUMMIT COUNTY RECORDER
1996 OCT 03 11:20 AM FEE \$1.00 BY DMG
REQUEST: SUMMIT COUNTY CLERK

NOW, THEREFORE, be it resolved by the Governing Board of Summit Park Water Special Service District as follows:

Section 1. Title. The District adopts the following Uniform Rules and Regulations of the Summit Park Water Special Service District. The legal authority to interpret and enforce these rules and regulations is delegated to the Summit Park Water Special Service District Administrative Control Board.

1.1 Amendments to These Rules. These rules and regulations may be changed and amended from time to time by appropriate action of the Governing Board. No exceptions to these rules will be permitted without the prior written approval of the Governing Board of District.

1.2 Savings Clause. If any section, subsection, sentence, clause or phrase of this resolution is for any reason held to be invalid by a court of law such determination shall not affect the validity of the remaining portions of this resolution, which shall remain binding and enforceable against the customers of the District.

1.3 Effective Date. In consideration of the rapid development of the land within the District's service area, District believes that an emergency exists and that it is necessary for the health, safety, peace and general welfare of those individuals requesting service from the District that this resolution take effect immediately. Therefore this resolution shall be in full force and effect from and after the date of passage and adoption by the Governing Board of the Summit Park Water Special Service District.

DEFINITION OF TERMS

Section 2. Definitions.

2.1 Administrative Control Board. A board consisting of at least three and no more than seven members, each a qualified elector of the district which may be either appointed or elected. The powers of the Administrative Control Board are those set forth in §11-23-24, Utah Code Annotated, 1953 and those necessarily implied.

2.2 Applicant for Water Service. A party owning real property within the boundaries of the Summit Park Water Special Service District (the District) applying for water services from the District.

2.3 Applicant for Annexation. A party which owns real property proposed for annexation to the District and proposed for water service in connection with the facilities of the District.

2.4 Commitment of Service Letter. A letter issued by the District to Summit County on behalf of an applicant, indicating the District's willingness and capability to provide water distribution services to applicant's property.

2.5 Customer or Water User. The owner of an existing residential, industrial or commercial structure that is connected to the water distribution system for the purpose of receiving retail water service from the District.

2.6 District. The Summit Park Water Special Service District, a political subdivision of the State of Utah, organized and existing pursuant to the authority of Title 11, Chapter 23, Utah Code Annotated (1953), as amended. Renumbered 17-A-2-1301 et seq. 1990.

2.7 Governing Board. The board of County Commissioners of Summit County, acting in its capacity as the Governing Board of the Summit Park Water Special Service District. The powers of the Governing Board are those set forth in §11-23-12 through 13 Utah Code Annotated (1953), and those necessarily implied. Renumbered as 17-a-2-1301 et. seq. 1990.

2.8 Main System. The primary water storage, transmission lines, wells, pump stations and other off-site water system improvements and appurtenant facilities owned by District and to develop transport and distribute water to individual water users within District boundaries.

2.9 Service Lines. The water service pipe from the District system which terminates at the property line of a lot owner to the structure provided retail water service. The service line from the property line to the owners structure shall be owned and maintained by the property owner of the lot.

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

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

2.12 Capital Improvement Reserve Fund. A reserve fund for capital improvements which is funded from revenues provided from water sales and connection fees from properties connecting to the system.

Section 3. Purpose. This resolution has been adopted to promote the orderly construction, operation, maintenance, repair, replacement and enlargement of the water system operated by the District and to establish a uniform set of rules which are contractual conditions for the District to provide water service to water users.

3.1 Services to be Provided. District shall provide retail water distribution services to all properties located within its political boundaries. Service will be provided through facilities, systems and property that may be acquired for this purpose through construction, purchase, lease, contract, rental, donation, gift or condemnation, or any combination of the foregoing, or through any other lawful means available to the District under its express or implied powers.

3.2 Back-Flow Prevention and Cross-Connection Control. All water connections to District's system, regardless of when made, shall have installed a back-flow prevention device in order to protect the safe drinking water quality of the system. All such device shall be of a type or kind approved by the Utah Department of Health. Installation shall be subject to the inspection and approval of District. All customers shall comply with the back-flow prevention and cross connection rules and regulations of the Safe Drinking Water Committee of the State of Utah.

3.3 Wasting of Water Prohibited. It is a violation of these rules and regulations 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 customer to use water for purposes other than those for which the customer paid for upon requesting service. District shall be entitled to file an action to force compliance with these rules and regulations by injunctive and other appropriate relief.

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

Section 4. Service to Individual Customers. Except as provided in Section 4.1, each individual customer and applicant must apply to District for water service and shall sign a water service agreement on a form provided by the District. Each water user shall agree therein, to pay the water service fees and other charges imposed for water delivered to customer and to comply with the lawful rules and regulations of the District as they now exist or as they may be amended in the future.

4.1 Service to New Customers. Each applicant for service to a new connection shall pay a security deposit of \$1,500.00 and a connection fee in the amount of \$ 4,800.00, complete an application for service and agree to the following requirements prior to commencing any work to construct a service connection:

1. Secure a permit from Summit County to cut the road and excavate in the roadway;
2. Maintain strict compliance with Summit County standards for excavation and restoration of the road;
3. Provide a current certificate of Insurance demonstrating that the contractor who will perform the work has in force a comprehensive liability policy with limits of not less than \$10,000,000.00 per occurrence and \$1,000,000.00 per individual for payment of loss;

4. Notify the Summit County Dispatcher of road closing for re-routing of emergency vehicles;
5. Install an appropriate thermal expansion device in the plumbing system;
6. Provide a diagram of the proposed service and meter location for approval.

In the event the required connection fee increases in the future prior to the commencement of continuous service use and the payment of monthly metered service charges, the difference between the amount paid for the connection fee and the then current connection fee shall be collected prior to the commencement of service.

4.1.1 Requirements For Service Line Contractors. Service connections to the

District water system for new residential units and repairs to existing service lines shall 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 District water system or make repairs to the District system or service lines connected to the District system without having first qualified under the provisions of this section.

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4.1.2 Every contractor, person or entity intending to connect individual service lines to the District system or to repair existing service lines connected to the District system

shall first apply to the District for qualification to work on facilities to be connected to or facilities which are connected to the District system. The application shall be completed on a form supplied by the District 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 District. The application shall also require evidence of adequate insurance and shall include a written statement to be signed by the applicant which affirms that the applicant has read, understands and will comply with the District rules and regulations regarding service line installation and repair.

4.1.3 The application shall be fully completed and when the application is submitted it shall be accompanied by a bond in favor of the District in an amount of not less than Five Thousand Dollars (\$5,000.00) to assure that the applicant will comply with all rules and regulations of the District. 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.

4.1.4 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 general manager may find that the applicant is qualified to perform work as required by this section.

4.2. Approval of Connection. Upon District's inspection and approval of the metered connection and its written receipt of all required fees, District shall turn water on to customer. The service line and meter connection shall be installed by applicant at applicant's expense. No water shall pass through the meter until District has inspected and approved the connection. Upon District's inspection and approval of the metered connection and its written receipt of all required fees, District shall refund to customer the security deposit less all inspection fees and costs of ensuring compliance. A shutoff valve shall be installed on the service lateral at the connection to the service line and the property or street right-of-way line. The meter shall be installed at the corporation stop on the water users side of the shutoff valve.

4.3. Maintenance Obligation. District's obligation for operation and maintenance of service lateral shall terminate at the street side of the water meter or the street property line. The water user shall be responsible for the maintenance of the service lateral from the customer's side of the water meter to the structure receiving water service. The meter, meter set and appurtenances shall be the sole property of District.

4.4 Sale or Transfer of Premises. Each customer shall report to the District's business office, the sale or transfer of any property and request the termination of service to the property. The District, upon receipt of this written notice and request, shall read the meter, weather conditions permitting, and shall at its option close the shut off valve and terminate water service to the unit or facility. Where it is not possible to read the meter, district shall estimate the metered use of customer as provided in Section 10.1 hereof. The subsequent water user who may be a purchasers, or transferees of the commercial, industrial or recreational facility shall be required to make a formal application for renewed service to the home or structure on a form provided by the District. As a precondition to renewed service, the proposed water user shall sign a service agreement on a form provided by District in which it agrees to pay all fees, services and other charges imposed by District and to comply with the lawfully adopted rules and regulations of the District. The subsequent customer shall also pay to the District a deposit of \$300.00 to insure compliance with new meter standards and cross connection control rules. The deposit amount, which amount is subject to change from time to time by the Administrative Control Board, to cover the costs incurred in reestablishing water service to the particular service connection involved. Subject to a resumption of service fee of \$50.00, upon compliance with all of the foregoing terms and conditions of this subsection, water service shall be restored to the premises.

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

Section 5. Service Fees and Other Charges. District shall impose a water service fee upon each service connection for the purpose of compensating for the costs of operating, maintaining, replacing, rebuilding or making capital improvements to the water system delivering water to each customer. The water service fee charges shall be set by the governing board of the District, or its Administrative Control Board, by separate resolution and may be changed from time to time. The service charge shall be composed of a base fee and upon the quantity of water used. Unoccupied structures and unmetered service connections shall be billed the same amount applicable to service connections of similar size and nature. The service fee shall be billed monthly or on such other interval as established by the Governing Board, and shall be in addition to all other fees and charges lawfully imposed by District. District 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 amount of any such service charge and interest rate shall be imposed by separate resolution of the governing authority of the District.

5.1 Stand-by Maintenance Fee. The District may impose a stand-by maintenance fee against each property not connected to the system to compensate the District for the facilities and personnel necessary to assure that the District has adequate distribution system capacity to serve the property which is charged the fee. The stand-by maintenance fee shall be charged monthly or quarterly at the discretion of the Governing Board of the District, and shall be chargeable from and after the time the applicant makes application for service until such time as a service connection is made and service charges for connected properties are applicable. The stand-by maintenance fee is subject to change from time to time by the Governing Board of the District by separate resolution.

Section 6. Connections. Any connection larger than a two (2) inch meter shall be made only upon prior written approval of District. The connection and meter fees shall be determined by the Governing Board on an individual basis.

Section 7. One Structure Per Meter. All uses of water from District's system, except fire hydrants, shall be metered. Not more than one structure or building shall be connected to any one meter without the prior written approval of District. Multiple dwelling units may be served by a single metered connection. Anyone using water through an unmetered connection, without the express prior authorization of District, shall be prosecuted under the theft of services statutes of the State of Utah.

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Section 8. District to Own Distribution System. District shall hold title to the main transmission system, the service lines or mains and the service connections from the service mains to the property line of each individual customer, including the meter, meter box, back-flow prevention device and shutoff valve. District shall maintain, repair and replace the same in perpetuity. Each customer shall own and shall bear the sole responsibility for repair, upkeep and maintenance of the service lateral from the property side of the water meter to the premises being served. District shall not accept nor bear any responsibility for any leaks, or damages caused by leakage, in the service lateral. Customer shall be solely responsible to maintain the service lateral upon his property. District may, without incurring liability, make emergency repairs to service laterals in order to mitigate damage, prevent waste or water, and to prevent contamination of the water supply. Any such repairs shall be at the customer's expense and shall be billed to customer by District. Customer shall pay any such bill within 30 days of its date.

Section 9. Owners Liability for Charges. The record owner of any property shall be liable for all water service fees and standby fees assessed or charged by the District.

Section 10. Meter Readers and Meter Maintenance. Customers shall not obstruct in any way the ability of authorized District personnel to gain access to water meters for periodic inspections, reading and maintenance. The cost of removing any physical

obstructions will be charged to the customer. Meters shall be read a minimum of three times per year. By connecting to the District water system, each water user indicates agreement to comply with all rules and regulations and shall be deemed to have granted access to their property to the District meter reader for the purpose of reading water meters on a monthly or other periodic basis.

10.1 Meter Error. In the event that a meter malfunctions and a reliable reading is not possible to obtain, or due to weather conditions it is not possible to read a meter, charges shall be estimated by comparing the past known water usage through the water meter to that of adjoining or similar properties where past and current months use is known, or, by reference to the past water usage through the water meter during a corresponding time of the year. Where such data is unavailable, then estimates shall be made by comparing the past known water usage on similar or adjoining properties, and averaging the same.

10.2 Meter Testing. If a customer contests the accuracy of the water meter serving the property, the District shall charge a deposit of \$50.00 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 District in the removal, replacing, testing and recalibrating of a meter shall 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 shall not be made for any period greater than three months. Meter errors of three percent (3%) or less shall 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 \$50.00 shall be included in the next billing to customer.

10.3 Meter Tampering. It shall be a violation of this resolution 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, shall constitute a theft of service and shall be punished in accordance with the laws of the State of Utah.

Section 11. Temporary Suspension of Service. District hereby reserves the right at any time to shut off the water any where 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 shall be made against District 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 district, or any other cause beyond the reasonable control of district.

Section 12. Termination of Services for Nonpayment. In the event of nonpayment or service charges and other fees as imposed by the District, District may terminate water service to any customer after first providing customer with written notice of the delinquency, and providing customer an opportunity to cure the default prior to the service being terminated. Customer may request a hearing of the Governing Board regarding any such delinquency, which hearing shall be held before service is terminated. In the event a delinquency is not cured within the notification period, District shall terminate water services to the premises involved. The customer shall be required to pay all deposits and fees as defined in Section 4.4, in addition to curing the delinquencies, as a condition to the resumption of water services.

Section 13. Fire Hydrants. An individual may not withdraw water from any fire hydrant without the written permission of the District and in compliance with the Uniform Fire Code adopted by Summit County. The Park City Fire Protection District or any other fire department is hereby authorized to withdraw water from any fire hydrant or hydrants for hydrant inspection purposes and in the case of fire, to use the water for fire suppression without any prior notice to District. Any unauthorized connection to and use of water from a fire hydrant shall be a violation of this resolution and shall constitute a theft of services.

Section 14. Sale of Water Outside District's Boundaries. It is the policy of District to provide water services only to those properties within its political boundaries. Any individual or entity desiring water service for property located outside the boundaries of District must annex into the District and comply with the following regulations regarding the expansion of the water system and extending water distribution services to newly annexed areas as a condition to receiving water service.

14.1 Prior to filing any petition for annexation to the District with the Summit County Board of Commissioners, the owner of the property proposed for annexation shall arrange a conference with the Administrative Control Board to describe the proposed project, the area proposed for annexation, the number of connections to serve the proposed project and any other relevant information requested by the Administrative Control Board at the conference. At or after the conference, the District may request that the developer sign an agreement to pay the costs of consideration of the annexation and supply in writing specific details concerning the property, the facilities, transmission lines, storage reservoirs, water sources, easements or other property interests and water rights which the owner proposes to dedicate to the District upon annexation. The District request shall constitute a requirement for information which is a condition which must be satisfied before a petition for annexation will be advertised to begin the process of annexation.

14.1.1 The District may require the owner to make a deposit of funds in an amount determined by the Administrative Control Board to be adequate to compensate the Board for the services of a District engineer, hydrologist, attorney, accountant or other service professional deemed advisable by the Administrative Control Board to assist the Board in reviewing the application by the owner for annexation and the Board may require that a deposit in the amount of the funds required shall be made to the District to compensate the District for the cost of such professional assistance in the course of reviewing and considering the application for service.

14.1.2 The Administrative Control Board shall hold such hearings as the Board deems advisable to disclose the annexation proposal and related issues to the public and to receive public comment on the proposal for annexation and upon the demands or impacts of the annexation upon the District and its facilities and resources. The Board may request additional information from time to time and may require additional studies, engineering, design or consideration of other material matters by the owner during the process of review of the annexation application; the owner shall provide all requested information at the owners expense.

14.1.3 The owner may be required to calculate the extent of 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 District and the Administrative Control Board may request such verification of water source capacity as the Board deems advisable under the circumstances. The owners shall be required to provide such information as the Board deems advisable for compliance with water quality standards for drinking water and the owner may be required to propose a differential service fee rate structure to serve the property proposed for annexation. The District shall make a recommendation to the Summit County Commission concerning the proposed annexation and define the requirements of the District to be fulfilled prior to annexation. If the Administrative Control Board does not vote to approve the annexation, the annexation shall be found to be not in the best interest of the District.

14.1.4 All property owners desiring to annex to the District shall be required to donate at no cost to the District sufficient decreed water rights approved for use by the District in a quantity sufficient to meet the anticipated indoor and outdoor water needs of the development project. Transfer of such water rights to the District shall occur upon such terms and conditions and upon such forms as may be required by counsel to the District.

14.1.5 No application for annexation shall be granted unless the Administrative Control Board makes a finding approving the water sources, water rates,

easements, property interests, water rights and all other matters determined by the Administrative Control Board to be required to serve the area proposed for annexation.

14.1.6 The Administrative Control Board may require donation to the District of all facilities, water sources, water rights, easements and interests in property, water storage and transmission facilities at no cost or expense to the District.

14.1.7 The finding of available water rights and water sources which is at the discretion of the District may be based upon either water rights and sources owned or controlled by District, or, upon water rights and/or water sources that are owned by the Developer which are to be transferred to District as provided by Section 14.2 hereof.

14.1.8 The finding of available water distribution and storage system capacity at the discretion of the District shall be based either upon the existing system capacities of District, or, upon the expansion and extension of the main transmission system and the augmentation of storage capacity constructed by Developer as approved in advance in writing by the District and transferred to District with the written approval of the District in lieu of Developer's payment of the water system connection fee as provided by Section 14.3 hereof.

14.2 Donation of Water Rights. All annexing developers shall donate sufficient water rights to the District to meet the anticipated domestic and irrigation water needs of the development project. The water rights to be donated shall have been approved for domestic use by the State Engineer prior to their donation to District. The Developer shall transfer title to the donated water rights to District without cost, and by an appropriate instrument of conveyance acceptable in form to District. This conveyance shall be made free and clear of all liens and encumbrances, except as may be expressly agreed to and accepted by District. Thereafter, District shall appear as the record owner of the water rights involved. The water rights shall then be commingled and become a part of the water rights and water supply of District through which all of its customers will be served, including the proposed development.

14.3 Water System Connection Fee. Each annexing Developer shall pay a water system connection fee in an amount to be determined by the Administrative Control Board.

14.4 Donation of Subdivision Improvements/District to Assume Operation and Maintenance Responsibilities. Each annexing development project shall be required to construct at its own expense all required internal (subdivision) water system improvements necessary to serve the proposed development. The internal water distribution system shall be constructed in accordance with the District's specifications. Any booster stations,

pressure reducing valves and/or storage facilities shall be placed at elevations which will be compatible with existing pressure zones within District's system. These improvements shall not be connected to District's main transmission system until they have been inspected and approved by District's engineers and accepted by District. Title to these improvements shall be transferred to District upon their inspection and approval in consideration for the District'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 rules and regulations.

14.5 Pipeline Easement Locations. Where possible, provision shall 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, Developer shall obtain at Developer's sole expense all required and necessary easements. 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 shall be transferred to District.

14.6 Transfer of Title to Water Rights, Facilities and Property. Developer shall convey to District, free and clear of all liens and encumbrances, except for those specifically

agreed to in writing by District, and by a conveyancing instrument acceptable to District, the following items:

14.6.1 The internal subdivision 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.

14.6.2 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.

14.6.3 Title to any water and water rights donated to District as provided in Section 14.3.

Section 15. ~~Adjustment to Increase Connection Fee for Relief under Special Assessment District.~~ All properties within the District have been assessed under special assessment districts of Summit County and specifically titled as follows: *Summit Park Water Special Improvement District* and *Summit Park Water Special Service District Water Rights*

Improvement District; with the exception of certain properties which were exempted from assessment because such properties were not expected to benefit from the improvements for which assessments were made. In the event any property which was exempted from assessment under any special assessment district is developed and requires a connection to the water system, the District shall add to the connection fee the amount of assessment in each assessment district which escaped assessment for the benefits provided to the property. Assessments shall be collected on the basis of one residential unit per assessment for each assessment district. The amount of such assessment shall be calculated and shall increase the connection fee by the amount of each assessment for benefits.

Adopted this 30th day of September, 1996.

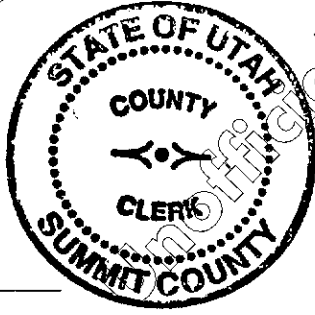
GOVERNING BOARD:


COUNTY COMMISSIONER


COUNTY COMMISSIONER


COUNTY COMMISSIONER

ATTEST:



Clerk

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