



SMSSD Water Plan

2025

SKYLINE SPECIAL SERVICE DISTRICT

Skyline Mountain Special Service District Water Plan Reviewed, Discussed, and Approved on January 7, 2026 Approval and Agreement

The December 3, 2025 Water Plan has been prepared by the Skyline Mountain Special Service District (SMSSD) and Skyline Mountain Resort (SMR) to guide long-term water supply planning, system management, and coordination with Sanpete County. Adoption of and commitment to this Plan signifies acceptance of its analyses, assumptions, and recommendations as a planning document.

By signing below, the SMSSD Board hereby approves, adopts, and commits to the Skyline Mountain Special Service District Water Plan (Plan). This approval confirms that the Plan represents SMSSD's official water planning agreement with Sanpete County and may be relied upon for planning, coordination, communications, and regulatory review purposes. This approval is intended to be legally binding on the SMSSD with respect to its adoption of the Plan, subject to future amendments, updates, or revisions approved by the SMSSD Board in accordance with applicable law.

Specific actions and commitments, highlighted from the Plan, include:

- The SMR Subdivision was approved in 2014 by Sanpete County with enough water to meet state standards.
- SMR and SMSSD recognizes and adheres to all historically accepted and approved official documents and agreements that remain applicable to the 2014 subdivision approval discussed in Section 1.0 and listed and attached in Appendix C of the Water Plan, i.e.:
 - 1994 Dry Subdivision Ordinance No. 01-07-03 (with clarifications below)
 - 1998 Skyline Mountain Special Service District Approval
 - "Bill of Sale", dated 28th February 2009,
 - "Water right Deed", dated 28th February 2009,
 - "Agreement", Dated 12th July 2010 (with page 22 Water Plan clarifications)
 - "License Agreement", Dated 5th December 2012,
 - "Water System Operating Agreement", dated February 3rd 2013,
 - "Skyline Mountain Resort Water Requirements", document as accepted and approved with subdivision in 2014.
- All required water rights (SMSSD) and water shares remain protected, available, and committed to SMR/SMSSD.
- Confirms with clarifications that Sports Haven International, dba Skyline Mountain Resort, was approved as a Dry Subdivision, unless changed in the future. The Water Plan Section 3.0 clarifies that Area 1 (Valley) full-time lots are to hook up to the pressurized central water system and part-time lots in the Dry Subdivision areas - Area 2 (Upper Mountain) and Area 3 (Birch Creek) - are served by hauling water from multiple year-round fill stations.
- There is no requirement for SMSSD to put pressurized water in SMR's seasonal/recreation areas unless members want it, are willing to pay for it, and it is financially feasible.
- As stated in the 2013 Water Operating Agreement, SMSSD and SMR Boards will maintain open communication and ongoing collaboration.
- Each Board member of SMSSD and SMR has a responsibility to avoid misinformation and misrepresentation that could undermine trust among SMR, SMSSD, and/or Sanpete County.

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- Sanpete County will refer homeowners association and water-related questions and issues to the respective governing boards.
- Every two (2) years, SMSSD will update the SMR water allocation data and growth projections and will provide the updated analysis to Sanpete County.
- If additional water needs are projected within a five (5) year planning horizon, water rights will be secured in advance through conversion of Birch Creek Irrigation Company water shares or through purchase of water rights.
- When required, funding for water rights acquisition or conversion will be obtained through impact fees, water rates, grants, or bonds, in advance of any constraint on building permits.
- An orientation and training program, using this Plan and related governing documents, will be developed for new SMSSD and SMR Board members to ensure clear understanding of roles, responsibilities, timing, and implementation.

Name: Barry Godwin
Title: SMSSD Board Chair
Date: 2-17-2026

Name: Johnny L. Barnes
Title: SMR Board President
Date: 2-17-26

Agreement by Sanpete County

By signing below, Sanpete County acknowledges receipt, review, and approval of the 2025 Skyline Mountain Special Service District Water Plan. This approval confirms that the County recognizes the Plan as SMSSD's adopted Water Plan for purposes of land use coordination, communications, development review, and intergovernmental planning. With the agreement, the County will refer association and water questions and issues to the SMR and/or SMSSD Boards respectively. This agreement does not constitute County approval of specific water rights, infrastructure projects, or regulatory permits, nor does it create an obligation for Sanpete County to fund or implement the Plan. The agreement is intended to formally recognize the Plan as an adopted planning document that may be relied upon in County decision-making processes, consistent with applicable laws and ordinances.

Name: Scott Bartholomew
Name: [Signature]
Name: [Signature]
Date: 2/17/2026

Title: Commission Chair
Title: Commissioner
Title: Commissioner

Notary

State of Utah, County of Sanpete

On this 17th day of February, in the year 2026, before me, Linda Christiansen, a Notary Public, personally appeared Scott Bartholomew, Jim Cheney, Mike Bennett proved on the basis of satisfactory evidence to be the person(s) whose name(s) (is/are) subscribed to this instrument, and acknowledged (he/she/they) executed the same. Witness my hand and official seal.

Notary Public: Linda Christiansen - Sanpete
My Commission Expires: 04/13/2029



SMR APPROVAL AND AUTHORIZATION

OF THE SANPETE COUNTY AGREEMENT

REGARDING THE DECEMBER 3, 2025, WATER PLAN

This Water Plan Approval and Authorization to sign with Sanpete County is made as part of the Agreement regarding the December 3, 2025, Water Plan (the "Agreement") by and among the Skyline Mountain Resort Association ("SMR"), the Skyline Mountain Special Service District ("SMSSD"), and Sanpete County.

IN WITNESS WHEREOF, and by signing below, the undersigned SMR Board of Directors and General Manager have hereby approved and adopted the Water Plan Agreement with Sanpete County and appoint Johnny Barnes, President of the Board of Directors, to execute the Water Plan Agreement with Sanpete County, effective as of February 11, 2026, the date of board adoption. Signatures below may be executed on separate dates.

SMR BOARD – Signature Approvals to the right of each name

Johnny Barnes, President	Signed by: <u>Johnny Barnes</u> 560303505F5242F... DocuSigned by:	Date: <u>2/12/2026</u>
Kelley Paystrup, Director	Signed by: <u>Kelley Paystrup</u> ABAD130724384B8... Signed by:	Date: <u>2/14/2026</u>
Kevin Hoskins, Director	Signed by: <u>Kevin Hoskins</u> 8DE2359DDF1A4A0... Signed by:	Date: <u>2/13/2026</u>
Glen Herzog, Director	Signed by: <u>Glen Herzog</u> D80D5B8358AD463... Signed by:	Date: <u>2/12/2026</u>
Jim Michaelis, Director	Signed by: <u>Jim Michaelis</u> 51B23278EA564F4... Signed by:	Date: <u>2/11/2026</u>
Mike Brems, Director	Signed by: <u>Mike Brems</u> E3545F1DE0A44D5... Signed by:	Date: <u>2/12/2026</u>
Parker Christensen, Director	Signed by: <u>Parker Christensen</u> D8091FD41D864C4... Signed by:	Date: <u>2/13/2026</u>
Kim Hansen, General Manager	Signed by: <u>Kim Hansen</u> 571E619D4E584C6... Signed by:	Date: <u>2/13/2026</u>

SMSSD APPROVAL AND AUTHORIZATION

OF DECEMBER 3, 2025, WATER PLAN AGREEMENT AND AUTHORIZING THE BOARD CHAIR, CRAIG GODWIN, TO EXECUTE THE AGREEMENT WITH SANPETE COUNTY

WHEREAS:

1. The Skyline Mountain Special Service District (SMSSD) is a duly organized and existing Special Service District under the laws of the State of Utah; and
2. Sanpete County, Skyline Mountain Resort (SMR), and SMSSD have collaborated regarding water planning, management, commitments, and related water projections and needs within the SMSSD service area boundaries; and
3. The Water Plan dated December 3, 2025, (the "Water Plan") has been prepared to address current and future water needs, coordination, planning, projections, and related matters between Sanpete County, SMR, and SMSSD; and
4. The SMSSD Board has reviewed the December 3, 2025, Water Plan and finds that approval of the Water Plan is in the best interests of SMSSD, SMR, and its constituents.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE SKYLINE MOUNTAIN SPECIAL SERVICE DISTRICT (SMSSD):

Section 1. Approval of Water Plan

By signing below, the SMSSD Board hereby approves the Water Plan dated December 3, 2025, between the Skyline Mountain Special Service District and Sanpete County, in substantially the form presented to Sanpete County officials and the SMSSD Board.

Section 2. Authorization to Execute

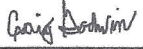
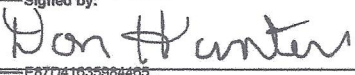
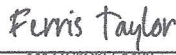
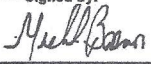
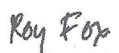
The Board hereby authorizes and directs Craig Godwin, Chair of the SMSSD Board, to execute the December 3, 2025, Water Plan Agreement on behalf of the Skyline Mountain Special Service District, and to sign any related documents with Sanpete County that are necessary to carry out the intent of the Water Plan Agreement.

Section 3. Effective Date

This Resolution shall take effect immediately upon its adoption.

APPROVED AND AUTHORIZED by the Board and Water Superintendent of the Skyline Mountain Special Service District as of February 11, 2026, the date of Board Adoption. Signatures below may be executed on separate dates.

SKYLINE MOUNTAIN SPECIAL SERVICE DISTRICT

By: <u></u> Craig Godwin SMSSD Board Chair	Date: <u>2/11/2026</u>
By: <u></u> Don Hunter SMSSD Board Vice Chair	Date: <u>2/11/2026</u>
By: <u></u> Ferris Taylor SMSSD Board Secretary	Date: <u>2/11/2026</u>
By: <u></u> Mike Brëms SMSSD/SMR Board Liaison	Date: <u>2/11/2026</u>
By: <u></u> Mont Pugmire SMSSD Board Member	Date: <u>2/12/2026</u>
By: <u></u> Roy Fox SMSSD Treasurer and Water Superintendent	Date: <u>2/11/2026</u>

December 3, 2025

Commissioner Jim Cheney
Scott Olsen, Building Administrator
160 North Main
Manti, UT 84642

Re: Skyline Mountain Special Service District - Water Plan

Dear Commissioner Cheney and Mr. Olsen,

Per our meeting with County staff and County Commissioner Jim Cheney on October 2, 2025, it was determined that an analysis and plan for Skyline Mountain Special Service District's (SMSSD) future was needed. This Water Plan (Plan), prepared in coordination with Skyline Mountain Resort (SMR) board members and with SMR Board approval, provides an overview of the following:

- Pertinent SMR Subdivision history
- Legal documents and agreements under which the SMSSD operates
- Detailed water rights, development projections, and analysis
- State mandates for water conservation
- State's assessment for SMSSD under its *Source and Storage Minimum Sizing Requirements*
- SMSSD's commitments to Sanpete County

We believe this Plan, with its supporting documents, demonstrates that the water needs of the full-time (FT) and part-time/recreational areas (PT) of the SMR subdivision have been appropriately addressed under existing contracts, approvals, water allocations, and the Sanpete County Dry Subdivision Ordinance. SMSSD and SMR have carefully structured this Plan to ensure full alignment with applicable state and county policies and regulations, while responsibly managing water resources for the benefit of all SMR members and SMSSD water customers. In preparing this Plan, it has been imperative to clearly identify and address key issues and clarify areas of misunderstanding. We believe these issues generally relate to the following:

- 1) Official Documents: Official documents must remain the foundation for defining obligations and commitments between the parties. Any future plans or agreements, including this Plan, must be formalized in writing, with dates and signatures from the authorized parties, to ensure clarity, accountability, and enforceability.
- 2) Trust: Trust between SMR and SMSSD declined between 2022-2024, during the Mecham transaction period. During that time, some concerns were elevated to legal counsel rather than being addressed collaboratively between boards, and there have been misunderstandings over contracts and agreements. These circumstances contributed to significant legal expenses, uncertainty and misalignment, which has, at times, extended to interactions with county staff and County Commissioners.

While perspectives differ on how these concerns arose, both boards are aligned today in their determination to move forward constructively, rebuild confidence in the processes, and work collaboratively with the County to ensure clarity, compliance, and transparency going forward.

- 3) Recollections/Assumptions/Intentions: During past County Commission meetings and the recent October 2nd meeting, several statements reflect personal recollections, interpretations, or assumptions regarding prior actions or intentions. In light of the differing opinions that have arisen, it is critical to rely on the official governing documents as the foundation for any plan. This Plan is grounded in those documents to provide a clear, factual, and defensible path forward.
- 4) Water Rights/Water Allocation: The water rights owned by SMSSD are detailed in the 2009 Water Right Deed. SMR now owns 59.5 water shares in Birch Creek Irrigation Company (BCIC), which is an increase from its 55.5 water shares included in the subdivision approval in 2014 as documented in the “Skyline Mountain Resort Water Requirements” dated October 15, 2014 (*2014 Water Requirements* document, see Appendix A). The water rights and water shares used at the time of subdivision approval are detailed in the *2014 Water Requirements* document. The analysis below is paramount to understanding the proposed Plan.

This Plan is grounded on the official documents of SMSSD, the Sanpete County Dry Subdivision Ordinance, State direction and regulations, and the results of a water rights analysis.

We respectfully request that the County consider this Plan as a complete well-supported representation of SMSSD’s operations and obligations. We welcome continued dialogue to address any remaining questions or concerns.

1.0 Official Documents

Over the years, various statements and interpretations have been made by County officials, staff, engineers, attorneys, and board members (both SMR and SMSSD) concerning SMSSD water rights, system buildout, and subdivision status. Nonetheless, a thorough review of the executed agreements between SMR and SMSSD, together with the official county-approved documents governing SMR, clearly establishes the governing facts. These documents constitute the legally binding and authoritative framework for the Plan. Informal statements, differing opinions, and superseded, terminated or consolidated agreements have no legal weight and are not binding. A key piece of information provided to SMSSD by the County on October 2, 2025, the *2014 Water Requirements* document, provides clarity and corrects prior inaccurate statements which further substantiates the official record. Below is a list of official documents.

1. June 21, 1994 – *Dry Subdivision Ordinance* No. 01-07-03
2. April 21, 1998 – *Creation of SMSSD* (recorded June 22, 1999)
3. February 28, 2009 – *Water Rights Deed*
4. February 28, 2009 – *Bill of Sale*
5. December 5, 2012 – *License Agreement*
6. February 1, 2013 – *Water System Operating Agreement*

7. October 15, 2014 – *Skyline Mountain Resort Water Requirements*
8. December 16, 2014 – Final SMR Subdivision Approval
9. April 2024 - *Little Manual for Special Districts and Special Service Districts*
10. Reference has also been made to other documents, including 2009 and 2010 Agreements, which were superseded by state-required language in the 2013 *Water System Operating Agreement*.

See Appendix B for a detailed review of the County's March 14, 2023 Skyline Mountain Resort Approval History. Appendix C includes all of the official governing documents. It should be noted that the referenced documents:

- Affirm that SMR is not required to construct a pressurized water system throughout the entire subdivision.
- Does not state if or when BCIC water shares need to be transferred from irrigation shares to underground water rights or how many.
- SMR's 2015 CC&Rs state which lots are FT and PT, consistent with the 2014 SMR Subdivision approval and the 2014 *Water Requirements*, and is independent of year-round water availability.

2.0 Requested Information

In response to Scott Olsen's request during the September 16, 2025, County Commissioner meeting, SMSSD completed the full inspection and audit of all 946 SMR properties. The resulting documentation, summarized below, was submitted to Scott Olsen via email on Friday, September 26, 2025. Scott Olsen has the full report.

Summary Analysis of the Audit of SMR Properties with Homes or Cabins by Location (September 2025)

Location	Homes	Cabins	Water Requirements
			FT: 0.45 ac-ft PT: 0.25 ac-ft
Full-time	170	-	76.05
Part-time	-	162	40.75
Total	170	162	116.80 (52.4%)
Remaining from 222.85 ac-ft	-	-	106.05 (47.6%)

In a call with Scott Olsen, he requested a meeting with those involved in the September 16th Commissioner's meeting to discuss the results and his water concerns. The follow-up meeting was held with him, Steven Jensen, and Commissioner Jim Cheney at 1:00 PM on Thursday, October 2, 2025. SMR and SMSSD were represented by Craig Godwin, Ferris Taylor, Roy Fox, Max Henrie, and Johnny Barnes.

During the meeting, Scott Olsen provided the 2014 *Water Requirements* document dated October 15, 2014 (see Appendix A), which had not previously been received by the SMSSD Board. He shared that the document had been given to prior SMR Board members and to Sanpete County Commissioners in his Skyline Mountain Resort Approval History dated March 14, 2023 (see Appendix B). The 2014 *Water*

Requirements document demonstrates that the SMR Subdivision was approved with sufficient water to meet state standards, as recorded in the October 21, 2014 County Commissioner minutes (see Appendix D).

The *2014 Water Requirements* document identifies a total 389.35 acre-feet of water available to SMR at the time of approval. This total consists of 222.85 acre-feet of water rights deeded from SMR to SMSSD in 2009 and 55.5 Class A BCIC water shares, equivalent to 166.5 acre-feet of water. The document also confirms subdivision approval was for 331 FT lots and 615 PT lots. Using the state standard of 0.45 ac-ft of water per FT lot and 0.25 ac-ft of water per PT lot, the total water rights required for SMR Subdivision approval equated to 302.75 acre-feet. The *2014 Water Requirements* document validates the County Commissioner minutes from October 21, 2014 (see Appendix D) that SMR was approved with enough water to meet state standards. Therefore, SMR was approved with an excess of 86.6 ac-ft of water beyond the state minimum requirements and SMR has acquired additional BCIC water shares.

The SMR and SMSSD boards agreed in the October 2, 2025, meeting to do an analysis of several options that were discussed, based upon contracts and regulations, and to provide a proposed plan to meet the water requirements at full buildout of SMR. The proposed Plan is to be provided by January 1st 2026, for County review, considerations, and approval.

3.0 Dry Subdivision Status

Skyline Mountain Resort (SMR) was included in Sanpete County's June 21, 1994 "Dry Subdivision" Ordinance No. 01-07-03 (See Appendix C). This designation was reaffirmed in the County's 2023 Subdivision Ordinance. As stated in Chapter 13.34.010 (*bold highlights added*):

1. A "dry" subdivision or development is defined as an approved subdivision or development with single-family dwelling lots **where a source of on-site potable water was not required for approval of the subdivision or the obtaining of a building permit.** On-site potable water is water delivered from a well on the property or delivered to the property from a central water system. **Lots in dry subdivision or developments were permitted either to have no water at all or a water tank serviced by the hauling of water to the property."**
2. "Whereas, the current County Zoning and Subdivision Ordinances do require an approved source of **on-site potable water delivered from a well on the property OR by a central water system in amounts as required by law.**"
6. Now therefore be it ordained by the Commissioners of Sanpete County as follows:
 - b. Single family dwelling building permits in these recognized dry subdivisions will continue to be allowed under the following conditions:
 - i. **The dwelling is a recreational summer home, meaning a dwelling lived in less than 181 days of the year [Part-time areas]. Dwellings lived in more than 181 days per year must have an approved source of on-site potable water from a well or water delivered from a central water system [Full-time area].**

ii. A water supply of 1,000 gallons per dwelling delivered/piped into the dwelling at not less than 25 psi. Piping must be 2 inches or larger and also brought to within 15 feet of any accessible road or driveway and fitted with a shut off valve followed by a 2 ½" male fire thread adapter. This fire outlet must be cleared of vegetation and clearly marked in 1 ½" letters as "Fire Fitting, 1000 gals, suction only."

The SMR subdivision is unique in that it has both FT residential lots (dwellings lived in more than 181 days of the year) served by a pressurized water system and seasonal/recreational lots (dwellings lived in less than 181 days of the year) classified as part-time use, which rely on central fill stations for hauled water. The FT and PT areas generally align with the Sanpete County Zoning designation at the time of Wildland Urban Interface (WUI) area in the SMR Subdivision Plat and are specified in SMR's 2015 CC&Rs. SMSSD's water system provides water to SMR and complies with the Dry Subdivision Ordinance by:

- Part-time (less than 181 days of the year) through "water tank serviced by the hauling of water to the property". *SSD provides two year-round water fill stations and has an option to acquire a third well that has additional water rights..*
- Full-time (more than 181 days of the year). SMSSD has approved sources from multiple wells of on-site potable water delivered through a pressurized water system, including state approved fire hydrants, that is accessible to all full-time lots.

The 2014 subdivision approval by Sanpete County allocated 0.45 acre-feet per lot for FT residential use and 0.25 acre-feet per lot for PT/recreational use. This is consistent with the County's Subdivision Ordinance (Title 13 (§13.24.205, adopted June 6, 2023) and more importantly, the Utah Division of Water Rights policy (*Utah Division of Water Rights, "Water Use Information for Water Right Applications"*) in effect at the time of the County's approval (December 16, 2014), see excerpt below. This water allocation is specified even for a dry subdivision. The 0.25 acre-feet allocation reflects the limited, seasonal occupancy typical of PT/recreational lots in dry subdivisions and provides a legally sufficient water right allocation, with no reference to requiring a pressurized water system.

DOMESTIC (inside use only): Water diversion for a fulltime (permanent residence) use is evaluated at 0.45 acre-foot per family. Parttime (seasonal or recreational) use is equated at 0.25 acre-foot per family. Depletion is generally 20% if using a septic tank or drain field system. It varies if the residence is connected to a community sewage system depending on the treatment method used and its distance away from the diverted source.

Source: <https://www.waterrights.utah.gov/wrinfo/policy/topic.asp#diversion-depletion-quantities>

While the FT residential area operates under a pressurized system with 0.45 acre-feet per lot, the PT/recreational area remains compliant through two year-round central fill stations and the 0.25 acre-feet allocation. The presence of a pressurized system in the FT area does not alter the "dry" status of the SMR or create a requirement for a water system where none is warranted under County approval or ordinance. This is further supported by the following statements from the 2014 *Water Requirements* document:

*"All the full time lots have water piped to the front of the lots.
All the part time lots have a filling station in the subdivision."*

Based on the County's subdivision designation as a dry subdivision, we understand that the engineered pressurized water distribution system requirement (per §13.24.210) is not applicable to the PT recreational lots served by two year-round central fill stations. Under this ordinance, for lots used seasonally (less than 181 days), a hauled-water or tank system is permitted rather than a full pressurized system.

4.0 Water Right Analysis

There are several valid approaches for evaluating whether additional water rights are needed, and more importantly when they are needed, to support future growth within the SMR Subdivision. This section evaluates four key factors independently:

1. **Historical growth trends** and projected timing for when additional water rights may be required, based on the original approved allocation of 0.45 acre-feet per FT lot and 0.25 acre-feet per PT lot.
2. **Water conservation efforts** and their measurable impact on system demand.
3. **Division of Drinking Water (DDW) source and storage sizing approvals**, which establish system-specific requirements in accordance with the 2018 Utah Code §19-4-114 *Source and Storage Minimum Sizing Requirements for Public Water Systems*.
4. **Actual metered water use data** collected by SMSSD and reported to the state.

In a conversation with the Utah Division of Water Rights, the state requires additional water rights by the time building exceeds the total amount of water right totals. Based on the rate of growth and use scenarios analyzed, SMSSD is projected to have sufficient water rights to meet system growth/demands until approximately 2042-2043 in the most conservative (high-demand) scenario and through 2069 or beyond in the most optimistic (low-demand) scenario.

4.1 Historical Growth Analysis

An analysis of the water rights was completed to determine when, if ever, additional water rights would be required by the SMSSD to support growth within SMR. The results below demonstrate that existing water rights, per the *2014 Water Requirements* document, are sufficient to support projected growth through full buildout. As presented, SMR is designated as a Dry Subdivision under the Sanpete County Subdivision Ordinance No. 01-07-03 and listed in the most recent Subdivision Ordinance, June 6, 2023. The FT area has a pressurized water system and the PT areas obtain water by two year-round central fill stations, which are in alignment with being a Dry Subdivision and Utah water rights policy.

The historic and projected growth within SMR estimates future water demand and identifies when additional water rights might be required. Between 2002 and 2025, SMR has had an average annual building growth rate of 3.4% in the FT area. The PT areas, Birch Creek and Upper Mountain, had building growth rates of 1.85 percent and 1.24 percent respectively (Sources: 2002 Water Master Plan and 2025 Cabin/Home assessment completed by SMSSD). Using a more aggressive growth scenario than observed historically, (5% for FT and 3% for PT - which is 47% to 140% faster growth rate), the FT area would reach buildout of 331 lots in 2038, the Birch Creek area in 2053 (160 lots), and the Upper Mountain in 2072 (455 lots). This

was done to serve as a worst-case scenario — to demonstrate even under faster-than-expected growth, when additional water rights would be needed.

Water right allocation was determined by applying water use factors of 0.45 acre-feet per house for FT areas and 0.25 acre-feet per cabin for PT areas. The results are shown in the table below. SMSSD currently holds 222.85 ac-ft of water rights, which will meet projected water demands until approximately 2042–2043 — about 17 years from now — even under inflated growth assumptions.

Historical Growth Analysis by Location

Year	Full-Time Lots	Birch Creek Lots	Upper Mtn Lots	Water Rights Required
2002	79	40	76	64.55
2025	170	61	101	116.8
Annual Growth Rate	3.39%	1.85%	1.24%	-
Growth Estimate	5%	3%	3%	-
2038*	331	97	157	212.45
2042-2043*	331	113	182	222.7
2053*	331	160	254	252.45
2072*/Full Buildout	331	160	455	302.7

**Estimated growth based on SMR's historical growth rate between 2002 and 2025.*

The 2042-2043 projections would mean, on average, the FT area would experience 9.5 building permits per year between now and 2042. The PT areas would incur 16.6 building permits per year and combined, SMR would have to process 26 building permits each of the next 17 years. To reach full buildout by 2072 would require on average 13 building permits per year for 47 years. As discussed in our meeting on October 2, 2025, the leadership of SMR and SMSSD do not believe that amount of growth every year will happen, as confirmed during an executive session including both boards on November 20, 2025.

4.1.1 Outdoor Use (Golf Course and Common Areas)

The 2002 Water Master Plan identifies 61 acres of common area golf course property, but current information suggests about 40 acres are irrigated. To remain conservative, this analysis assumes 50 common area irrigated acres. Under Utah Administrative Code R309-203-7, Fairview lies within Consumptive Use Zone 3, which corresponds to 1.66 acre-feet per irrigated acre annually. Thus, the golf course common areas would require approximately 83 acre-feet per year, which is fully covered by the BCIC water shares owned by SMR without affecting SMR full buildout water requirements.

At the time of the approved 2014 Skyline Mountain Resort Water Requirements, SMR owned 55.5 BCIC shares. SMR now owns 59.5 BCIC water shares, each valued at roughly 3 ac-ft/share (historical conversion rate).

- 28 shares (≈83 ac-ft) would remain dedicated to golf course irrigation.
- With coordination with SMR, the remaining 31.5 shares (≈94.5 ac-ft) could be transferred at some time in the future, providing more than sufficient supply for full buildout (317.35 ac-ft total available vs. 302.7 ac-ft required).
- Discussions are underway with BCIC on transferring water shares, if and when they are needed.
 - BCIC is concerned about setting a precedent contrary to their Bylaws, but recognizes that the water shares were part of the SMR Subdivision approval and would be transferred at some point in time. It is doubtful other entities will have a similar claim, thus diminishing precedent.
 - BCIC is also concerned that converting a large number of water shares at one time might allow downstream users to lay claim to the now available surface water transferred to underground use. This could remove water from the watershed and thereby flow from Sanpete County users to users in downstream counties. If BCIC will allow transfers, they most likely will want transfers over a longer period of time and as needed.
- SMSSD may ask Sanpete County to request BCIC to allow water share transfer as part of their approval of this plan and 2014 SMR Subdivision approval.

4.1.2 Historical Growth Analysis Summary

This analysis demonstrates that SMSSD currently holds adequate water rights to meet projected demands for at least the next 17 years. **No additional water rights acquisitions are needed at this time.** SMSSD will continue to monitor growth and water use trends closely and coordinate with Sanpete County to anticipate future needs. When additional water rights are required, they can be secured well in advance through existing mechanisms, including the transfer of BCIC water shares or the purchase of water rights from willing sellers, ensuring that the system remains fully capable of supporting buildout.

4.1.3 Assumptions:

- Dry Subdivision ordinance was and still is a foundational ordinance for SMR approval dating back to 1994. SMR as a Dry Subdivision was reaffirmed in 2001, in 2020, and again in 2023.
 - June 21, 1994 - Ordinance No. 01-07-03
<https://ahoa.org/wp-content/uploads/2011/08/CountyOrdinance.pdf>
 - Adopted 11/6/2001. Revised 4/7/2020.
https://sanpetecountyutah.gov/uploads/1/3/6/2/136253634/land_use.pdf
 - Adopted 6/6/2023
https://www.sanpetecountyutah.gov/uploads/1/3/6/2/136253634/sanpete_county_-_title_13_-_subdivisions_-_adopted_06.06.23.pdf
- Assumes all lots will have a dwelling (cabin/home) and all lots are buildable.
- Assumes SMR will sell all remaining 115 SMR owned lots (FT and PT areas).
- Uses the 2014 *Water Requirements* document that lists the water rights included in the subdivision approval including 222.85 ac-ft SSD water rights (see Water Right Deed Document) and SMR's 55.5 water shares in BCIC.

- Does not assume adoption of the State's System-Specific Minimum Sizing Standards for SMSSD, which provides a usage rate 0.17 ac-ft for SMR (See August 10, 2023 DEQ letter - Exhibit E in Appendix E).

4.2 Water Conservation

The State Division of Water Resources plans and goals for water conservation will impact this analysis and projections (see source references below). The November 2019 report, Utah's Regional M&I Water Conservation Goals (2019 water conservation report), recommends regional goals for municipal and industrial (M&I) water conservation and the impacts on water use over the next 40 years. The state's goal was to reduce water use by 25% by 2025 and the report provides goals for 2030, 2040, and 2065. Therefore, water conservation will have a significant impact on future water requirements, especially where the Sevier River Region which includes Sanpete County, was using the most water of any region in the State of Utah in 2015. The table below and excerpt on "Implementation" are directly from the 2019 water conservation report.

Proposed Regional M&I 2030 Water Conservation Goals and Future Goal Projections

Region	2015 Baseline (gpcd)	2030 Goal		2040 Projection		2065 Projection	
		Goal (gpcd)	Reduction from 2015	Projection (gpcd)	Reduction from 2015	Projection (gpcd)	Reduction from 2015
Bear River	304	249	18%	232	24%	219	28%
Green River	284	234	18%	225	21%	225	21%
Lower Colorado River North	284	231	19%	216	24%	205	28%
Lower Colorado River South	305	262	14%	247	19%	237	22%
Provo River	222	179	20%	162	27%	152	32%
Salt Lake	210	187	11%	178	15%	169	19%
Sevier River	400	321	20%	301	25%	302	24%
Upper Colorado River	333	267	20%	251	25%	248	25%
Weber River	250	200	20%	184	26%	175	30%
Statewide	240	202	16%	188	22%	179	26%

Note M&I = municipal and industrial; gpcd = gallons per capita per day based on permanent population. Reported per-capita use includes all residential, commercial, institutional, and industrial uses averaged over the permanent population in each region.

Source: 2019 Water Conservation Report, page ES-3

IMPLEMENTATION

The pursuit of the regional M&I water conservation goals will be an endeavor of immense magnitude but is nonetheless worthwhile for the future of our state. By engaging all parts of our community—not just water suppliers—over extended time periods, this is a challenge we can meet. We can and must do better. Since changing water use behavior, policies, and technologies will become more difficult and expensive with time, prompt action on water conservation will bring the most benefit. A few starting actions are recommended here.

State and Local Policy Leaders

Policy plays a vital role in motivating and enabling water conservation. State, county, and local policy leaders should establish policies which require accountability for efficient water use. Policy leaders' support must consider universal metering, water loss control, education, and other water conservation activities, as well as the necessary funds for success. Policy leaders must also decide whether they are willing to support the necessary land use changes that will be required to reach the water conservation goals. This will include working with and being responsive to market forces to reduce both overall lot sizes for residential development and the amount of turf grass allowed. Water suppliers should be consulted in land-use decisions to ensure alignment with water conservation efforts. Policy leaders can set or influence the pricing of water to promote conservation and reflect the cost of water scarcity. State and local governments should consider the water use impacts of proposed businesses and their plans for water-efficient fixtures, landscaping, and operations before approving construction or incentives.

Source: 2019 Water Conservation Report, page ES-5

The draft Sanpete County General Plan Water Element references Skyline Mountain SSD as a Water District stakeholder under Utah Code §73-10-32 and recent legislation — SB 110 (2022) and SB 76 (2023) — which requires all counties to develop and implement an integrated water use and preservation element within their general plans by December 31, 2025. These statutory requirements reflect the state's recognition that water and land use planning must be coordinated to support sustainable growth. SMSSD believes that recognizing water conservation goals is an important step toward aligning with current state regulations and policy, and that Sanpete County and SMSSD should work together in motivating water conservation.

Since building the SMR pressurized water system in 2013, SMSSD has been actively implementing measures consistent with the goals outlined in the State's water conservation initiatives. An extensive list of SMSSD water system improvements and activities is included in Appendix F. The effectiveness of SMSSD efforts is validated by a reported reduction in overall water use despite continued growth within SMR. As outlined in the Preface of the 2019 water conservation report (page v), the actions taken by SMR and SMSSD align with the conservation efforts expected of all entities responsible for implementing water conservation measures — including state and local elected officials, governing agencies, and local businesses.

In addition to submitting an annual SMSSD Water Conservation Plan to the State and posting the plan for SMSSD customers, SMSSD's ongoing efforts (in italics) are in direct alignment with the document's State's proposed efforts including but not limited to:

1. Reducing new lot sizes, as determined by both market forces and state or local elected officials setting land use policy;
 - a. *SMR Subdivision was approved with already reduced lot sizes*
2. Adopting water efficient practices and landscaping changes, including reductions in grass, as determined by both market forces and state or local elected officials through landscaping and water restricting ordinances;
 - a. *The SMR Subdivision water guidelines are specified in the governing documents.*
 - b. *SMSSD has a waterwise section on the website that continually gets updates.*
 - c. *SMSSD also uses a tiered rate schedule to incentivize water conservation.*
3. Installing secondary water meters and smart controllers on outdoor irrigation systems, as determined by water consumers through market forces and state or local elected officials; and
 - a. *SMSSD passed a resolution in 2017 on Secondary Water Service requirements for property owners who own BCIC water shares and updated the resolution in 2020.*
 - b. *BCIC irrigation meters have been recommended (not all have been installed) for SMR property owners who own BCIC water shares and are connected to the BCIC irrigation system.*
4. Increasing water pricing, as determined by municipal water retailers and state policies.
 - a. *SMSSD implemented a tiered water rate structure in June of 2020.*
 - b. *SMSSD's most recent water rate increase was in January of 2024, which included higher tier rate fees for water use.*

The final Sanpete County General Plan Water Element may show a more gradual transition incorporating water conservation, but the State 2019 water conservation report recommends progressive reductions in water use. We are aware Sanpete County, within the Sevier River Region, has the highest per capita water-use in the state. Specifically, the report identifies goals of reducing allocations and their impact on SMSSD's culinary water rights deficit is shown in the table below.

Water Right Requirements Under Current and Future Projections

	Current requirement (acre-feet)	2030	2040
Water Use/Water Use Goals	400 gpcd*	321 gpcd	301 gpcd
Full-time	0.45	0.36	0.34
Part-time	0.25	0.2	0.19
Full-time (331 lots)	148.95	119.16	112.54
Part-time (615 lots)	153.75	123	116.85
Total	302.75	242.16	229.39
Water Right Deficit	79.85	19.31	6.54

*gpcd = gallons per capita day

4.2.1 Water Conservation Summary

Applying these conservation targets, the SMSSD system would require approximately 119.5 acre-feet at buildout of the FT area in 2038, 190.6 acre-feet when the Birch Creek area reaches buildout in 2053, and 228.54 acre-feet when the Upper Mountain area builds out in 2072. **Additional water rights would not be needed until approximately 2069, allowing four decades of sustainable operation under SMSSD current water rights.** Incorporating these conservation-based allocations into County and SMSSD plans would contribute to Sanpete County's compliance with state mandates while advancing Utah's long-term goal of reducing water use.

If SMSSD uses the projected water conservation reduction goals for the Sevier Region/Sanpete County, and interpolates those to reduced water requirements for SMR, it drops SMSSD "deficiency" (on the current base assumption of being deficient 79.75 ac-ft) to 19.31 ac-ft deficient in 2030 and only 6.54 ac-ft deficient by 2040. If the County aligns with this analysis, on top of the growth rate analysis already outlined, SMR and SMSSD will not require additional water for decades beyond the current culinary water it already had allocated in the 2014 approval of the SMR Subdivision.

Sources:

<https://le.utah.gov/xcode/Title73/Chapter10/73-10-S32.html>

<https://water.utah.gov/integrated-water-land-planning/#:~:text=Integrating%20these%20two%20processes%20from,into%20the%20land%20planning%20process.&text=For%20general%20questions%20or%20comments,email%20Water%40utah.gov>

<https://conservewater.utah.gov/wp-content/uploads/2021/05/Regional-Water-Conservation-Goals-Report-Final.pdf>

4.3 Division of Drinking Water Source and Storage Sizing Approval

Utah Code Ann. §19-4-114, *Source and Storage Minimum Sizing Requirements for Public Water Systems*, required public water systems serving populations between 500 and 3,300 to establish a system-specific standard for source and storage sizing by October 31, 2023. In compliance with this requirement, SMSSD submitted three years of verified water use data to the Utah Division of Drinking Water (DDW). This data demonstrated that SMSSD's actual indoor water use is significantly below the usage rates assumed as state standards when the SMR Subdivision was approved in 2014.

As a result, the DDW issued a letter to SMSSD dated August 10, 2023 establishing SMSSD's system specific source and storage standard as follows (see Appendix E, Exhibit E in Craig Smith's letter of August 28, 2023):

- **Peak Day Source Demand:** 415 gallons/day/ERC
- **Average Annual Demand:** 55,000 gallons/year/ERC
- **Average Annual Demand (acre-feet):** 0.17 ac-ft/year/ERC
- **Equalization Storage:** 151 gallons/ERC
- **Fire Storage:** 210,000 gallons

4.3.1 State Engineer Clarification on 0.45 acre-feet

In a 2018 Memorandum, State Engineer Kent Jones, P.E. clarified that the commonly referenced 0.45 acre-foot standard is only to be used "**when there is no evidence that it should be different.**" The full memorandum states that 70 gallons per person per day — equivalent to approximately 0.28 acre-feet per year — "*may be a more reasonable indoor domestic use in Utah.*" This memorandum is included in Appendix E as Exhibit B in Craig Smith's August 28, 2023 letter.

4.3.2 State Requested Adjustment to County Policy

Attorney Craig Smith's letter communicating these findings was sent to the Sanpete County Commissioners on August 28, 2023 requesting that the County recognize the DDW system-specific standard for SMSSD and update the County's water requirement accordingly — 0.17 acre-feet/ERC for indoor residential use, instead of the outdated 0.45 acre-feet/ERC number (See Appendix E). No response has been received to date from the County.

4.3.3 Resulting Water Right Capacity for SMSSD

Using the DDW-approved rate of 0.17 acre-feet/ERC, SMSSD currently holds enough water rights to support approximately 1,310 building permits. The SMR subdivision contains only 946 lots. This reflects a surplus capacity of approximately 346 ERCs. In short; even using State-issued system-specific standards (instead of historic assumptions), SMSSD has enough water rights to meet the new State requirements. (See Craig Smith's letter in Appendix E and the highlighted sections on pages 4-5 from Utah Code 17-27a-507.)

4.3.4 Source and Sizing Summary

In light of these State Division of Drinking Water Sources and Sizing requirements, **SMSSD concludes it has more than sufficient water rights and there is no immediate technical or regulatory basis to convert BCIC water shares to culinary water rights or acquire additional water rights at this time.** Further, as noted in Craig Smith's letter to Kevin Daniels on May 22, 2025, this statewide change in 2018 has caused other municipalities to lower their water right dedication requirements.

4.4 Metered Water Use Data

As evidenced, actual metered water use within SMSSD has been consistently and significantly lower than County guidelines. The average annual water use for the period 2008-2024 is 64.48 acre-feet, while the most recent five-year average (2020-2024) is 50.47 acre-feet, reflecting a rebuilt pressurized water system, continued maintenance, enhancement and expansion of infrastructure as shown in Appendix F, and continued conservation and efficiency despite ongoing SMR development.

Breaking this down by source, the Clubhouse and Golf Course wells, which supply the FT and Birch Creek areas, provided an average annual use of 63.4 acre-feet over the full period of record and 49.5 acre-feet for over the most recent five years. The Thad's Peak Well, serving the Upper Mountain area, recorded only 1.10 acre-feet for the full period and 0.95 acre-feet for the past five years, which includes 101 cabins and an even greater number of summer trailers parked on properties. These trends confirm that even as growth has occurred within the FT and PT areas, overall water demand continues to decline, demonstrating effective water conservation practices.

Additionally, none of the 170 dwellings in the FT area use more than 0.26 acre-feet per year, well below state standards at the time of the 2014 subdivision approval. The 162 cabins in the PT area, if considered as the sole users of the Thad's Peak fill station, average only 3,500 gallons per year per cabin - equivalent to approximately 0.01 acre-feet per ½ ERC.

4.4.1 Metered Water Use Summary

The metered data demonstrates that actual system demand remains well within existing SMSSD water rights and capacity, again **confirming that no additional water rights are currently needed to support SMSSD's service area.**

4.5 Analysis Summary

SMSSD maintains that only official, adopted documents should be used to determine operational requirements. Key among these is the *2014 Water Requirements* document, which confirms that SMR's BCIC water shares were included in the subdivision's original approval, with no specified timeframe for transferring some of those water shares and that the PT area would be supplied water by hauling from filling stations in the subdivision. In alignment with the Dry Subdivision Ordinance, SMSSD also maintains that a pressurized water system is not, nor never has been a requirement of the SMR Subdivision.

Based on the water right analysis, SMSSD maintains that it presently holds sufficient water rights to meet all existing and foreseeable demands. Under the worst-case scenario — which assumes projected growth rates and the water allocation rates of 0.45 acre-feet per FT lot and 0.25 acre-feet per PT lot — additional water rights would not be required until approximately 2042. However, under the best-case scenario, using DDW's system-specific allocation of 0.17 acre-feet per ERC and/or State Water Conservation projections, no additional water rights would be needed in the future.

The State's findings confirm that SMSSD's actual metered water use is far below the assumptions applied when the subdivision was approved in 2014. The data are conclusive: SMSSD's existing water rights and a growing infrastructure are more than adequate to serve all current and future demand within the service area. Adopting the State-endorsed, conservation-based allocation of 0.17 acre-feet per ERC not only reflects responsible water management, it also aligns with Utah's water policy direction and demonstrates measurable results already being achieved through conservation. In short, there is no technical, regulatory, or practical basis for acquiring additional water rights at this time.

Mandating higher water allocations that do not reflect actual demand or historical usage would be fiscally irresponsible and financially imprudent, potentially requiring SMSSD to purchase unnecessary water rights at a cost of millions of dollars. These excess water rights would face the risk of forfeiture for non-use under Utah law, as the system could not demonstrate beneficial use within the required timeframe. By aligning County water allocations with verified metered water use and State-supported conservation standards, SMSSD can ensure responsible fiscal management, protect public funds, and support sustainable long-term water resource planning.

Additional options were discussed during the October 2nd meeting that were determined unfeasible, including:

- Buy 80 acre-feet - Not financially feasible (\$2.4-\$3 million) and per this analysis is not required at this time.
- Combine Lots - Would significantly reduce income for both SMR and SMSSD and would be cost prohibitive in legal fees, surveying, etc. It is also contrary to what has been stated that the County Commission would allow (See Scott Olsen's SMR Approval History, Appendix B, *paragraph #5*).

5.0 SMSSD's Water Plan

Based on the foregoing information and analysis, and in alignment with State law, County's Dry Subdivision Ordinance, and best practices for sustainable water management, SMSSD is committed to the following actions. These commitments demonstrate SMSSD's data-driven, decision-making, and ongoing collaboration with County staff and stakeholders to ensure compliance, transparency, and responsible stewardship of the SMSSD water system:

Monitoring and Reporting

- SMSSD will reassess the number of dwellings on lots within SMR in an ongoing way and every two years provide updated information to the County Building Department, ensuring water allocations remain aligned with actual development and ahead of any needed water rights, such as converting BCIC water shares.
- SMSSD will provide “Will Serve” letters to the County for building permit requests after the Impact Fee is paid.
- SMSSD will maintain the data to ensure development activity is current and properly tracked for any special County requests.

Water Rights Management

- SMSSD will acquire the Colledge Well along with its 3 acre-feet of associated water rights as funds become available (including Impact Fees) to strengthen system access and reliability.
- SMSSD will engage with BCIC and legal counsel as needed to determine transfer or sale options, ensuring prudent and compliant management of existing water shares.
- SMSSD will actively monitor the market for available water rights to maintain flexibility and long-term system sustainability.
- Should the need for additional water rights be required due to our long-term plan, the opportunity will be taken to obtain additional water rights or transfer BCIC water shares.
- If bi-annual projections show that within the next five years, that we will meet the total water rights available, we are committed to purchasing water.

Infrastructure and Funding

- SMSSD will continue to prepare engineering plans and pursue opportunities for system infrastructure improvements, referencing the Unified Water Infrastructure Priority Process (UWIPP) priority list to align projects with critical needs.
- SMSSD will track and apply for grant funds to accelerate improvements to the water system and community services where possible.
- SMSSD will collect impact fees that will be used for infrastructure development.

Communication and Collaboration

- SMSSD will coordinate and promote ongoing collaboration with County staff, SMSSD customers, and SMR property owners.
- SMSSD’s SMR liaison will provide regular updates to the SMR Board on SMSSD activities, promoting transparency, and assure open communication to SMSSD of SMR topics.
- Depending on discussions with BCIC, SMSSD may ask Sanpete County to request that BCIC allow SMR water shares to be transferred when determined that they are needed as part of this Plan.
- With respect to water related issues or questions, the County will refer any inquiries from individuals to SMSSD and SMR.

6.0 Summary

The SMSSD, in coordination with SMR, has prepared this Water Plan to provide Sanpete County with a transparent overview of the issues and challenges of the SMSSD's water system, requirements, and regulatory compliance. This Water Plan demonstrates that SMSSD fully operates within the legal framework established by the County and State, including SMR's designation as a "Dry Subdivision" under the 1994 ordinance, reaffirmed in 2001 and 2023.

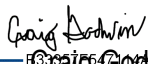
Through careful review of executed agreements, county-approved documents, water rights, water shares, and water allocations, it is clear that the PT/recreational and FT areas of SMR have been appropriately served and managed. The PT/recreational lots, served by two year-round central fill stations, comply with the Dry Subdivision Ordinance requirements and do not require a pressurized water system. The FT area is served by a pressurized system in accordance with State and County approval. Historic water use demonstrates that existing allocations are more than sufficient (currently only having committed 52.4% of the 222.85 acre-feet), and State-reviewed minimum system sizing standards confirm that SMSSD's water rights are adequate to meet current and projected demands for at least the next 17 years.

SMSSD's proactive commitments — including biennial dwelling reassessments, potential acquisition of additional water rights, evaluation and management of BCIC water shares, maintenance and enhancement of the water system, pursuit of funding for system infrastructure, and regular communication with SMSSD customers — underscore SMSSD's dedication to responsible water stewardship, regulatory compliance, and service to residents.

In summary, SMSSD respectfully asserts that this Water Plan represents a compliant, legally supported, and operationally sound approach to water management. It aligns with both County and State policies, preserves the integrity of the Dry Subdivision ordinance and framework, and demonstrates that SMSSD is responsibly planning for both current and future water needs. We respectfully request that the County accept this Plan as a complete and well-supported representation of SMSSD's operations and obligations and agree that, provided SMSSD complies with the terms of this Plan, the County will not deny building permits based on water availability and water rights, addressed herein. We welcome continued dialogue with County staff and Commissioners to address any remaining questions and to ensure ongoing collaboration.

Sincerely,

DocuSigned by:


Craig Godwin
SMSSD Chairman

Signed by:


Johnny Barnes
SMR President

APPENDICES:

Appendix A - 2014 Skyline Mountain Resort Water Requirements

Appendix B - Skyline Mountain Resort Approval History and Analysis

Appendix C - Governing Official Documents

Appendix D - October 21, 2014, November 18, 2014, and December 16, 2014 County Commission Meeting Minutes

Appendix E - Craig Smith August 28, 2023 letter on State Water Sources and Sizing

Appendix F - SMSSD's 2025 Water Survey Results and System Improvements

Appendix G - 2022 Water Master Plan

APPENDIX A

Skyline Mountain Resort Water Requirements

October, 15th 2014

Water owned

Archie's Hollow Chicken Track Spring 2 wells	= 222.85	acre feet
Birch Creek Irrigation Co. 55.5 class A shares	= 166.5	acre feet
		389.35
		acre feet

Water required 946 lots

Full time cabin requirements require .45 acre feet
Part time cabin requirements require .25 acre feet.

Full time lots = $331 * .45 = 148.95$ acre feet of water
Part time lots = $615 * .25 = 153.75$ acre feet of water

Total acre feet required = 302.70

All the full time lots have the water piped to the front of the lots.
All the part time lots have a filling station in the subdivision.

APPENDIX B

Skyline Mountain Resort Approval History

Dated this March 14th 2023

Compiled by Scott Olsen (Zoning admin. 2007-2017)

Skyline Mountain Resort Approval History for a 946 Lots, Plated Subdivision in December 2014.

Requested by Sanpete County Commission at the 03/07/2023 Commission meeting item for Skyline Mountain Resort (SMR) and Skyline Mountain Special Service District (SMSSD) water discussion.

1. Prior to 2014 Skyline Mountain Resort operated as Sports Haven International Inc. It was a conglomerate of parcels owned by multiple entities and individuals. Each individual owner was assigned a lot by the HOA with a surveyed description map and were percentage owned.
2. A. In 2009 the Skyline Mountain Special Service District was created. (Refer to "Bill of Sale" document, Dated 28th February 2009)
B. "Water Rights Deed" Document dated 28th February 2009, and recorded 8th September 2009. This document identifies the specific water rights acquired and assigned to Sports Haven International Inc. dba Skyline Mountain Resort.
C. "Agreement" Document Dated 12 July 2010, Specifically states (Bullet #3.) Protection of Water Rights.
D. "License Agreement" Dated 5th December 2012, states under "Grant of License" to operate a water system within SMR boundaries.
E. "Water System Operating Agreement" Dated February 3rd 2013, references previous documents A-D.
F. "Skyline Mountain Resort Water Requirements" document as accepted when approved in 2014.
3. October 14th 2014 Submittal of all document for application to Sanpete County Zoning office, to start the approval process for the SMR platted Subdivision.
4. Through the approval process with the county Planning and Zoning, and County Commission Exceptions too and agreements stated are as follows as to the Major Subdivision requirements.
A. The submittal of \$500 application fee was accepted based on a prior approval granting from the County Commission from the Major subdivision application fee of \$400 plus \$100 per lot. The \$500.00 application fee did not include the recording fees.
B. The requiring of "hard surfaced roads" was exempted.
C. The "lot sizes" as per the current zone was exempted from 40 acre lots to less than 2 acre lots, based on the previous surveyed accepted lots.
D. "Water requirements" were reduced from the required 1 acre ft. per full time living lots to .45 acre ft. for full time living lots (331) and .25 for part time lots (615). As per the .45 acre ft. of water per lot, no outside water from the culinary system would be allowed, based on the State's water usage limits and not meeting the current county subdivision water requirements.
E. Also presented to the county and agreed to by the P&Z and County Commission and as per the complete water operating agreements, All water presently owned and any further purchases of water rights was to remain within SMR/SMSSD and could not be used outside of or taken out of or SOLD by SMR/SMSSD.
5. Also discussed and accepted by P&Z and County Commission was that the platted lots and lot lines would not be re- divided, moved, changed, split or combined, except if it was determined that an existing cabin was built over a lot line at the time of approval of the platted subdivision.

Appendix B: SMSSD Response March 14th 2023 Approval History

The following section provides additional contractual references, supporting documents, and historical clarification that further explain and expand upon the SMR approval history document compiled by Scott Olsen at the direction of the County Commission on March 7, 2023.

Skyline Mountain Resort Approval History

Dated this March 14th 2023

Compiled by Scott Olsen (Zoning admin. 2007-2017)

Comments in blue by SMSSD (November 2025)

Skyline Mountain, Resort Approval History for a 946 Lots, Plated Subdivision in December 2014

Requested by Sanpete County Commission at the 03/07/2023 Commission meeting item for Skyline Mountain Resort (SMR) and Skyline Mountain Special Service District (SMSSD) water discussion.

Note, this SMR "Approval History" is not found as part of the public record for the meeting minutes as requested by the County Commissioners on March 7, 2023. It was provided to SMSSD on October 2, 2025.

The SMR Subdivision Plat was submitted around 1994 and over 20 years of back and forth and contract changes took place, leading up to the official approval of the SMR Subdivision at the October 21, November 18 and December 16, 2014 County Commissioner meetings (see Appendix D).

1. Prior to 2014 Skyline Mountain Resort operated as Sports Haven International Inc. It was a conglomerate of parcels owned by multiple entities and individuals. Each individual owner was assigned a lot by the HOA with a surveyed description map and were percentage owned.

Additionally, "Sports Haven, also known as Skyline Mountain Resort" is listed as one of the formally recognized dry subdivisions in the 1994 Dry Subdivision Ordinance No. 01-07-03 (See Appendix C) and reaffirmed in 2001 and 2023 (Title 13 (§13.24.205, adopted June 6, 2023).

2. A. In 2009 the Skyline Mountain Special Service District was created. (Refer to "Bill of Sale" document, Dated 28th February 2009)

The SMSSD was created in 1998 for "public health, convenience and necessity require the construction, repair, and maintenance of roadways and a culinary water system within a specified area

of the County, and it is desirable to incorporate said area into a Special Service District..." "...all property included within the boundaries of said proposed Special Service District will be benefited by the creation thereof; and..." (See Appendix C)

On February 28, 2009, SMSSD received the Bill of Sale of "...all of Seller's interest and title to the water storage and distribution system, including, but not limited to, its waterworks, plant, water lines, pipes, valves, appurtenances, tanks, reservoirs, purification and filtration systems, pumping stations, pumps, wells, hydrants, gauges, equipment, machinery, spare parts, materials, fittings, production fixtures, other fixtures and improvements, construction in progress, and all other tangible personal property, regardless of location, which are necessary for the diversion, storage, transmission, or sale of water," in order to operate the SMR water system. *The Bill of Sale included a revisionary clause for SMR if SMSSD ever dissolved.*

B. "Water Rights Deed" Document dated 28th February 2009, and recorded 8th September 2009. This document identifies the specific water rights acquired and assigned to Sports Haven International Inc. dba Skyline Mountain Resort.

The Water Rights Deed, given at the same time as the Bill of Sale of the SMR water system infrastructure, requires that SMSSD "first use the water under the foregoing water rights only within the boundaries of the Skyline Mountain Resort, to ensure that each residence within such boundaries receives at least 0.45 acre-feet for indoor culinary use if such residence is for year round occupancy or 0.25 acre-feet for indoor culinary use if such residence is for seasonal occupancy." *At no time was water detailed in this deed proposed to be used outside of SMR and SMSSD is on record as confirming that SMR deeded water rights will always remain exclusive to SMR.*

C. "Agreement" Document Dated 12 July 2010, Specifically states (Bullet #3.) Protection of Water Rights.

This document and contract terms it contains is irrelevant as it is a license agreement that "leased" the SMSSD water system back to SMR for the association to operate the water system. This agreement was eventually superseded, terminated and consolidated by the February 2013 Water System Operating Agreement.

D. "License Agreement" Dated 5th December 2012, states under "Grant of License" to operate a water system within SMR boundaries.

The water system will be used within SMR boundaries. However, it is not exclusive to SMR boundaries as SMSSD's boundaries were already larger than SMRs.

- Provides **water to individuals residing in the Skyline Mountain Resort area**, including SMR and its members.
- SMR grants SMSSD the right, privilege, and authority to construct, maintain, and operate a water system within SMR boundaries.

Whenever SMSSD proposes to install new water system facilities within SMR, projects are discussed and approved in public SMSSD Board Meetings, posted on the SMSSD website, and SMSSD submits plans and specifications to SMR at least 7 days in advance.

In the event that SMSSD ever dissolves, all of SMSSD's rights under this License Agreement shall automatically revert to SMR (the reversionary clause) upon the initiation of the dissolution process by SMSSD.

E. "Water System Operating Agreement" Dated February 3rd 2013, references previous documents A-D.

The original SMR water system had major deficiencies, but at the time it was ranked #83 on the State's funding priority list—making financing virtually unattainable. After the State conducted a formal inspection and documented multiple failed criteria, the system's State ranking jumped to #3. That shift in priority was pivotal, and ultimately enabled the funding that made construction of our current full-time water system possible. The terms and conditions of the February 2013 Water System Operating Agreement was dictated and required by the State Division of Drinking Water to secure state-bonded financing to rebuild the failed SMR pressurized water system. This is a critical and comprehensive agreement for a number of reasons.

- Water System Operating Agreement, Paragraph 1 (excerpt below) includes documents noted in this 2023 history as A, B, and D. It explicitly excludes document C. (July 12, 2010 "Agreement") because it was a lease no longer relevant, and as with numerous other agreements, was superseded by this Water Operating Agreement, with the exception of SMR's reversionary interests should SMSSD ever dissolve.
"...the Company's reversionary interest as set forth in the Company's Bill of Sale to the District dated February 28, 2009, the Company's Water Rights Deed to the District dated February 28, 2009 and recorded in the Office of the Sanpete County Recorder on September 8, 2009 in Book 1593 at Page 1204, as entry number 165581, and the License Agreement between the District and the Company dated December 5, 2012 and recorded in the Office of the Sanpete County Recorder on December 13, 2012 in Book 640 at Page 1182, as entry number 187954."
- "The parties hereby acknowledge and recognize that at all times the District's System and all parts and components thereof, including all water rights, rights of-way, easements, wells, tanks, etc., including, but not limited to, **all assets listed ..., are exclusively owned by the District, and only the District**, and that **the Company has no real or personal property interest in any part or component of the District's culinary water System**, whether set forth in or otherwise, either now existing, or as may be acquired hereafter **except the Company's reversionary interest** as set forth in the Company's Bill of Sale to the District dated February 28, 2009, the Company's Water Rights Deed to the District dated February 28, 2009."
- To assure that no contracts in the 20 years leading up to 2013 would compromise the operating and financial commitments of SMSSD, required language was included. Of most importance, see Section 8.9, which states "Merger. Except for the Bill of Sale, Water Rights Deed, and License Agreement, all as described and referred to in paragraph 1 above, **this Agreement constitutes**

the entire agreement between the parties relating to the operation of the District's culinary water System and supersedes, terminates, and/or consolidates all prior agreements and negotiations concerning the matters addressed herein." Emphasis added.

F. "Skyline Mountain Resort Water Requirements" document as accepted when approved in 2014. (See Appendix A)

This 2014 *Water Requirements* document has been referenced multiple times in the development of the SMSSD Plan. An important aspect of the requirements relates to the misinterpretation that SMSSD is obligated to put a pressurized system in the PT areas whether those property owners want it or are willing to pay for it. In addition to SMR being specified as a Dry Subdivision in the County ordinance, this document is clear that:

"All the **full time lots** have **water piped** to the front of the lots.
All the **part time lots** have a **filling station** in the subdivision."

3. October 14th 2014 Submittal of all document for application to Sanpete County Zoning office, to start the approval process for the SMR platted Subdivision.

SMR's approval process was initiated in the 1990's and SMSSD was a needed part of the approval process, having been created in 1998. The County Commissioners formal approval of the SMR Subdivision was included in Commission minutes on October 21, 2014, November 18, 2014, and officially approved on December 16, 2014 (see Appendix D).

4. Through the approval process with the county Planning and Zoning, and County Commission Exceptions too and agreements stated are as follows as to the Major Subdivision requirements.

- A. The submittal of \$500 application fee was accepted based on a prior approval granting from the County Commission from the Major subdivision application fee of \$400 plus \$100 per lot. The \$500.00 application fee did not include the recording fees.
- B. The requiring of "hard surfaced roads" was exempted.
- C. The "lot sizes" as per the current zone was exempted from 40 acre lots to less than 2 acre lots, based on the previous surveyed accepted lots.
- D. "Water requirements" were reduced from the required 1 acre ft. per full time living lots to .45 acre ft. for full time living lots (331) and .25 for part time lots (615). As per the .45 acre ft. of water per lot, no outside water from the culinary system would be allowed, based on the State's water usage limits and not meeting the current county subdivision water requirements.

SMR and SMSSD recognize there were many changes and exceptions agreed upon between the SMR Board of Trustees and Sanpete County over the extended period of time required to address the complications of a transition from an "undivided interest" community to a deeded

and approved "SMR Subdivision," including A through D above. These listed items are still appreciated but several of these relate to changes in Sanpete County requirements that were made after the SMR Subdivision process had been initiated. As recorded in the November 18, 2014 Commissioner minutes, "They will meet all Wildland Urban Interface requirements. Leon Day is concerned that this is in the area in the County that typically requires 5 or 40 acres per lot. **The Commissioners explain that this was approved years ago.**"

- E. Also presented to the county and agreed to by the P&Z and County Commission and as per the complete water operating agreements, All water presently owned and any further purchases of water rights was to remain within SMR/SMSSD and could not be used outside of or taken out of or SOLD by SMR/SMSSD.

This has been stated several times in meetings and discussions, but the SMR and SMSSD Boards and the Plan Development Committee, have not found any agreement that support this statement, other than the SMR/SMSSD Water Right Deed states "...to ensure that each residence within such boundaries receives at least 0.45 acre-feet for indoor culinary use if such residence is for year round occupancy or 0.25 acre-feet for indoor culinary use if such residence is for seasonal occupancy; at which point any remaining surplus water under the foregoing water rights may be used outside the boundaries of the Skyline Mountain Resort.." *There is no reference found of any constraint on use of other developments water rights or future purchases of water rights that could not be used, as implied in the October 2, 2025, meeting as "used outside of or taken out of or SOLD by SMR/SMSSD".*

5. Also discussed and accepted by P&Z and County Commission was that the platted lots and lot lines would not be re- divided, moved, changed, split or combined, except if it was determined that an existing cabin was built over a lot line at the time of approval of the platted subdivision.

The exception of existing cabins infringing on property lines has been found several times since 2015 and SMR and the property owners have worked with the County to adjust those property lines as recorded in SMR Plats. Otherwise no known exceptions have been pursued by SMR. A primary reason why the option of combining lots to reduce the water right needs was analyzed or proposed in more detail is the well-understood conditions in this statement #5.

The SMR Subdivision was officially approved by the County Commissioners on December 16, 2014, and all property was deeded at that point, with SMR CC&Rs and Bylaws recorded on January 12, 2015. The SMR Subdivision was approved because it satisfied the following three requirements stated in the October 21, 2014 County Commissioners meeting (see Appendix D):

- 1) Adequate water rights for 946 lots (331 FT and 615 PT) (See attached 2014 Water Requirements document)
- 2) Water Master Plan

3) Deeds

The Plan and proposed agreement with respect to water is consistent with the SMR Subdivision approval, the clarifications provided above to the March 14, 2023, approval history of SMR and the official documents that are recorded with Sanpete County.

APPENDIX C

Official Documents

1. 1994 Dry Subdivision Ordinance No. 01-07-03 (Attached)
2. 1998 SMSSD Creation
 - For “public health, convenience and necessity require the construction, repair, and maintenance of roadways and a culinary water system within a specified area of the County, and it is desirable to incorporate said area into a Special Service District...” “...all property included within the boundaries of said proposed Special Service District will be benefited by the creation thereof; and...”
 - Utah Code 17D-1-103 2(p) on SSD service areas states that "(p) provide to an area outside the special service district's boundary, whether inside or outside the state, a service that the special service district is authorized to provide within its boundary, if the governing body makes a finding that there is a public benefit to providing the service to the area outside the special service district's boundary; Nothing has been found in any official agreement that SMSSD can't expand its boundaries if it is found to be in the public interest.
3. 2009, February 28 - Water Right Deed
 - The Water Rights Deed requires that SMSSD "first use the water under the foregoing water rights only within the boundaries of the Skyline Mountain Resort, to ensure that each residence within such boundaries receives at least 0.45 acre-feet for indoor culinary use if such residence is for year round occupancy or 0.25 acre-feet for indoor culinary use if such residence is for seasonal occupancy." At no time was water detailed in this deed proposed to be used outside of SMR.
4. 2009, February 28 – *Bill of Sale*
 - *Transfer of ownership of SMR water system infrastructure and culinary water rights to SMSSD to provide municipality protection of the water rights and for SMSSD to operate the water system for the benefit of SMR members.*
5. 2012, December 5 - License Agreement
 - Provides water to individuals residing in the Skyline Mountain area, including SMR and its members.
 - SMR grants SMSSD the right, privilege, and authority to construct, maintain, and operate a water system within SMR boundaries.
 - Whenever SMSSD proposes to install new water system facilities within SMR, SMSSD shall submit plans and specifications to SMR at least 7 days in advance.
 - In the event that SMSSD ever dissolves, all of SMSSD's rights under this License Agreement shall automatically revert to SMR upon the initiation of the dissolution process by SMSSD.
6. 2013, February 1 – Water System Operating Agreement
 - Section 8.9 The agreement, “...supersedes, terminates, and/or consolidates all prior agreements and negotiations concerning the matters addressed herein.”
 - The parties hereby acknowledge and recognize that at all times the District's System and all parts and components thereof, including all water rights, rights of-way, easements, wells, tanks, etc., including, but not limited to, all assets listed, are exclusively owned by the

District, and only the District, and that the Company has no real or personal property interest in any part or component of the District's culinary water System, whether set forth in or otherwise, either now existing, or as may be acquired hereafter except the Company's reversionary interest as set forth in the Company's Bill of Sale to the District dated February 28, 2009, the Company's Water Rights Deed to the District dated February 28, 2009

7. October 15, 2014 SMR Subdivision Approval

- Required to satisfy these three requirements 1) adequate water rights for 946 lots (331 FT and 615 PT) 2) Water Master Plan, and 3) deeds.
- 2014 Skyline Mountain Resort Water RequirementsB.

8. County Commission Meeting Minutes: Oct - December 2014

Ordinance No. 01-07-03

ORDINANCE ON DRY SUBDIVISIONS

The County Legislative Body of Sanpete County ordains as follows:

WHEREAS, historically there have existed some “dry” subdivisions and development in Sanpete County. A “dry” subdivision or development is defined as an approved subdivision or development with single-family dwelling lots where a source of onsite potable water was not required for approval of the subdivision or the obtaining of a building permit. One-site potable water is water delivered from a well on the property or delivered to the property from a central water system. Lots in dry subdivisions or developments were permitted either to have no water at all or a water tank serviced by the hauling of water to the property.

WHEREAS the current County Zoning and Subdivision Ordinance do require an approved source of on-site potable water delivered from a well on the property or by a central water system in amounts as required by law.

WHEREAS on June 21, 1994 the Sanpete County Commissioners formally recognized 15 dry subdivisions. These dry subdivisions are the following:

- 1) Aspen Hills
- 2) Big Hollow.
- 3) Holiday Oaks
- 4) Indian Ridge
- 5) Jap Valley
- 6) Mount Baldy
- 7) Sky Hi
- 8) Skyline Villas
- 9) South Valley Estates
- 10) Temple View Estates
- 11) Pine Creek
- 12) Spring City Rancheros
- 13) Whispering Pines
- 14) Panorama Woods
- 15) Sports Haven a.k.a. Skyline Mountain Resort

WHEREAS for single family dwellings on lots in these developments for recreational summer homes (defined as dwellings lived in less than 181 days a year) the Commissioners further adopted a policy on June 21, 1994 that allowed a 500-gallon supply of water delivered to a water closet with certain pressure requirements.

THEREFORE the Commissioners desire to update and redefine the water requirements for these numbered dry subdivisions and developments recognizing the increasing building of recreational homes in the mountain subdivisions of Sanpete County and corresponding concern

Chapter 13.34 - DRY SUBDIVISIONS

Sections:

13.34.010 Dry Subdivisions

13.34.010 Dry Subdivisions

1. Whereas, historically there have existed some “dry” subdivisions and developments in Sanpete County. A “dry” subdivision or development is defined as an approved subdivision or development with single-family dwelling lots where a source of on-site potable water was not required for approval of the subdivision or the obtaining of a building permit. On-site potable water is water delivered from a well on the property or delivered to the property from a central water system. Lots in dry subdivisions or developments were permitted either to have no water at all or a water tank serviced by the hauling of water to the property.
2. Whereas, the current County Zoning and Subdivision Ordinances do require an approved source of on-site potable water delivered from a well on the property or by a central water system in amounts as required by law.
3. Whereas, on June 21, 1994, the Sanpete County Commissioners formally recognized 15 dry subdivisions. These dry subdivisions are the following:
 - a. Aspen Hills;
 - b. Big Hollow;
 - c. Holiday Oaks;
 - d. Indian Ridge;
 - e. Jap Valley;
 - f. Mount Baldy;
 - g. Sky Hi;
 - h. Skyline Villas;
 - i. South Valley Estates;
 - j. Temple View Estates;
 - k. Pine Creek;
 - l. Spring City Rancheros;
 - m. Whispering Pines;
 - n. Panorama Woods; and
 - o. Sports Haven, also known as Skyline Mountain Resort.
4. Whereas, for single family dwelling on lots in these developments for recreational summer homes (defined as dwelling lived in less than 181 days a year) the Commissioners further adopted a policy on June 21, 1994, that allowed a 500-gallon supply of water delivered to a water closet with certain pressure requirements.
5. Therefore, the Commissioners desire to update and redefine the water requirements for these enumerated dry subdivisions and developments recognizing the increasing building of recreational homes in the mountain subdivisions of Sanpete County and corresponding concern for the health, safety, and welfare of the occupants and the general public.
6. Now therefore be it ordained by the Commissioners of Sanpete County as follows:

- a. The recognized “dry” subdivisions in Sanpete County are the same as listed above except for Panorama Woods. Panorama Woods is no longer recognized as a dry subdivision or development because no plat was ever presented to the County for filing.
- b. Single family dwelling building permits in these recognized dry subdivisions will continue to be allowed under the following conditions:
 - i. The dwelling is a recreational summer home, meaning a dwelling lived in less than 181 days of the year. Dwellings lived in more than 181 days per year must have an approved source of on-site potable water from a well or water delivered from a central water system.
 - ii. A water supply of 1,000 gallons per dwelling delivered/piped into the dwelling at not less than 25 psi. Piping must be 2 inches or larger and also brought to within 15 feet of any accessible road or driveway and fitted with a shut off valve followed by a 2 ½” male fire thread adapter. This fire outlet must be cleared of vegetation and clearly marked in 1 ½” letters as “Fire Fitting, 1000 gals, suction only.”
- c. Metal roof construction.
- d. 10 pound fire extinguisher at each outside entry door.
- e. A site-specific defensible space area as provided by the Building Inspector and local Fire Warden. The size of the defensible space to be determined by the type of wild land vegetation near the dwelling and the steepness of the terrain.

Resolution 04-21-98

*Skyline Mountain
Special Service District*

A RESOLUTION DECLARING THAT THE PUBLIC HEALTH, CONVENIENCE AND NECESSITY REQUIRE THE CREATION OF A SPECIAL SERVICE DISTRICT, DEFINING THE BOUNDARIES OF SAID SPECIAL SERVICE DISTRICT AND THE SERVICES TO BE PROVIDED THEREIN, PROVIDING FOR A HEARING ON THE CREATION OF SAID SPECIAL SERVICE DISTRICT, PROVIDING FOR NOTICE OF SAID HEARING AND RELATED MATTERS.

WHEREAS, the Board of County Commissioners of Sanpete County, Utah, believes that the public health, convenience and necessity require the construction, repair, and maintenance of roadways and a culinary water system within a specified area of the County, and it is desirable to incorporate said area into a Special Service District pursuant to the provisions of the Utah Special Service District Act, Title 17A, Chapter 2, Part 13, Utah Code Annotated, 1953, as amended, and Article XIV, Section 8 of the Constitution of Utah; and

WHEREAS, all property included within the boundaries of said proposed Special Service District will be benefited by the creation thereof; and

WHEREAS, none of the area to be contained within the boundaries of said proposed Special Service District is also within the boundaries of any other special service district established by said County to construct, repair, and maintain roadways or a culinary water system, nor is the area within any other district presently providing similar services:

NOW, THEREFORE, Be It Resolved by the Board of County Commissioners of Sanpete County, Utah, as follows:

Section 1. The public health, convenience and necessity require the creation within Sanpete County, Utah, of a Special Service District (the "District") pursuant to the provisions of the Utah Special Service District Act, Title 17A, Chapter 2, Part 13, Utah Code Annotated 1953, as amended, and Article XIV, Section 8 of the Constitution of Utah.

Section 2. The boundaries of the District to be so established shall be as set forth in the Notice of Hearing in Section 7 hereof.

Section 3. The District is to be created for the purpose of constructing, repairing, and maintaining roadways and a culinary water system within its boundaries through the construction, purchase, gift, condemnation or any combination thereof of the facilities or systems necessary to provide said services.

Section 4. The District so created shall be known as the "Skyline Mountain Special Service District".

00070741 BL 00441 Rg 01376-01400
00070741 Skyline Mountain
REED D HATCH-SANPETE COUNTY RECORDER
1999 JUN 22 11:28 AM FEE \$.00 BY RDH
REQUEST: SANPETE COUNTY CLERK
13-14-4E 21-14-5E 8-14-5E
18-14-5E 16-14-5E 9-14-5E
17-14-5E 15-14-5E 10-14-5E
20-14-5E 04/06/98

5226

Section 5. A public hearing on the question of the creation of the District shall be held by the Board of County Commissioners in Sanpete County, Utah, at 1.00 P.m. on the 16th day of June, 1998, at which time and place all interested parties may appear and be heard either in support of or in opposition to the creation of the District as more fully described in the Notice of Intention set forth in Section 7 hereof.

Section 6. A Notice of the Intention to create the District shall be published at least once a week during three consecutive weeks, the first publication to be not less than twenty-one (21) days nor more than thirty-five (35) days before the hearing, in the Pyramid, a newspaper having general circulation in Sanpete County.

Section 7. The Notice of Intention to be published shall be in substantially the following form:

00070741 Bk00441 Pg01377

Resolution 04-21-98

NOTICE OF INTENTION TO ESTABLISH
SKYLINE MOUNTAIN SPECIAL SERVICE DISTRICT

NOTICE IS HEREBY GIVEN THAT on April 21, 1998, the Board of County Commissioners of Sanpete County, Utah, adopted a Resolution declaring that the public health, convenience and necessity require the establishment of a Special Service District, to be called "Skyline Mountain Special Service District" (the "District") for the purpose of providing water and transportation services within the boundaries of the District. The Resolution also provides for a public hearing on the establishment of the District in the County in Manti, Utah, at 1:00 P.m. on June 16, 1998.

DESCRIPTION OF THE PROPOSED DISTRICT

The District shall have the following boundaries: ATTACHED

PROPOSED SERVICES

The District will be authorized to construct, repair, and maintain roadways and a culinary water system, to be located within the district, together with necessary appurtenances and equipment therefor.

METHOD OF FINANCING

Pursuant to the provisions of the Utah Special Service District Act, Title 17A, Chapter 2, Part 13, Utah Code Annotated, 1953, as amended, and Article XIV, Section 8 of the Constitution of Utah, the District may annually impose fees and charges to pay for all or a part of the services to be provided by the District. It may also annually levy taxes upon all taxable property within the District to provide the proposed services, and may issue bonds for the acquisition and/or construction of facilities or systems to provide said services, provided, however, that said levy to provide said services or to repay said bonds, must be authorized and approved by a majority of the qualified electors of the District at an election for that purpose.

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PUBLIC HEARING ON PROPOSED ESTABLISHMENT
OF SPECIAL SERVICE DISTRICT

The Board of County Commissioners will hold a public hearing on the establishment of the District and the furnishing of water and transportation services therein at 1:00 P.m. on TUESDAY, the 16th day of June, 1998. Any interested person may protest the establishment of the District or the furnishing of services therein either orally at the hearing or in writing, at or at any time prior to the hearing. Written protests must be filed with the County Clerk, and may be withdrawn by the protestant at any time before the County establishes or abandons the District.

Any protest signed on behalf of a corporation owning property in the district shall be sufficient if it is signed by the president, vice president, or any duly authorized agent of the corporation. Where title to any property is held in the name of more than one person, all of the persons holding title to the property must join in the signing of the protest.

At said public hearing, the Board of County Commissioners will give full consideration to all protests which shall have been filed and will hear and consider all interested persons desiring to be heard. The Board of County Commissioners may continue the hearing from time to time. After conclusion of the hearing, the Board of County Commissioners shall adopt a resolution either establishing the Skyline Mountain Special Service District or determining that the establishment of the District should be abandoned, or may, in its discretion, reduce the boundaries of the District and establish the District by resolution, as modified.

If, within fifteen (15) days after the conclusion of the hearing, over fifty percent (50%) of the qualified voters of the territory proposed to be included within the District or the owners of over 50% of the assessed value (taxable market value) of the taxable property included within the proposed District file written protest against the establishment of the proposed District or against the specified type of service to be provided within the District with the County Clerk, the Board is required by law, in the former instance, to abandon the proposed establishment of the District and, in the latter instance, to eliminate the type of service objected to from the resolution finally establishing the District.

Any person who shall, at or any time prior to the date and time above-specified for the hearing, file a written protest with the County Clerk against the establishment of the District and whose property has been included within the boundaries of the proposed District notwithstanding such protest, may, within thirty (30) days after the adoption of the Resolution establishing the District, apply to the District Court of the Sixth Judicial District for a writ of review of the actions of the County in establishing the District, only upon the grounds, however, that his property will not be benefited by the services authorized to be furnished by the District or that the

00070741 Bk00441 Pg01379

proceedings taken in the establishment of the District have not been in compliance with law.

A FAILURE TO APPLY FOR SUCH WRIT OF REVIEW WITHIN THE PRESCRIBED TIME SHALL FORECLOSE ALL OWNERS OF PROPERTY WITHIN THE DISTRICT SO ESTABLISHED FROM THE RIGHT FURTHER TO OBJECT THERETO.

21st GIVEN by order of the Board of County Commissioners of Sanpete County, this day of April, 1998.

x Robert D. Bessey
Chair

ATTEST:

Spencer F. Anderson
County Clerk

Published in the Pyramid on May 20, 27, June 3, 1998

522613.001(PF)

Manti, Utah

April 21, 1998

The Board of County Commissioners of Sanpete County, Utah, met in regular session on the 21st day of April, 1998, at its regular meeting place in Manti, Utah, at 10:00 a.m., with the following members present:

Robert D. Bessey
J. Keller Christenson
Eddie L. Cox

Chair
Commissioner
Commissioner

Also present:

Kristine F. Anderson

County Clerk

Absent:

After the meeting had been duly called to order, and after other matters not pertinent to this resolution had been discussed, the Clerk presented to the Board of Commissioners a Certificate of Compliance With Open Meeting Law with respect to this April 21, 1998 meeting, a copy of which is attached hereto as Exhibit "A".

The following resolution was then introduced in written form, and after full discussion of the matter, pursuant to motion made by Commissioner EDDIE L. COX and seconded by Commissioner J. Keller Christenson, was adopted by the following vote:

AYE: ROBERT D. BESSEY
EDDIE L. COX
J. Keller Christenson

NAY:

Section 8. The officers of Sanpete County, Utah, are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution.

Section 9. If any one or more sections, sentences, clauses or parts of this resolution shall, for any reason, be questioned or held invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this resolution, but shall be confined in its operation to the specific sections, sentences, clauses or parts of this resolution so held unconstitutional and invalid, and the inapplicability and invalidity of any section, sentence, clause or part of this resolution in any one or more instances shall not affect or prejudice in any way the applicability and validity of this resolution in any other instances.

Section 10. All resolutions, by-laws and regulations of Sanpete County, Utah, in conflict with this resolution, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any resolution, by-law or regulation, or part thereof, heretofore repealed.

x Robert D. Bessey
Chair

ATTEST:

Justine J. Anderson
County Clerk

(S E A L)

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(Other business not pertinent to the above appears in the minutes of the meeting.)

Pursuant to motion duly made and carried, the meeting was adjourned.

x Roberto Bessey
Chair

ATTEST:

Kurtine J. Anderson
County Clerk

(S E A L)

00070741 Blk00441 Pg01383

)

hereon the official seal of said County.



County Clerk

04/06/98

EXHIBIT "A"

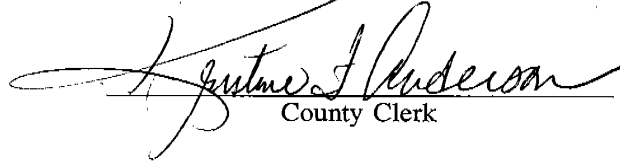
CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Kristine H. Anderson, the undersigned County Clerk of Sanpete County, Utah (the "County"), do hereby certify, according to the records of the County in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-6(2), Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the April 21, 1998, public hearing held by the County as follows:

(a) By causing a Notice, in the form attached hereto as Schedule "A", to be posted at the County's principal offices on April 20, 1998, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of such Notice, in the form attached hereto as Schedule "A", to be delivered to the Massage Pyramid on April 20, 1998, at least twenty-four (24) hours prior to the convening of the meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 21 day of April, 1998.


County Clerk

(S E A L)

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SCHEDULE "A"

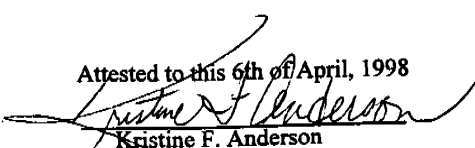
NOTICE OF MEETING

NOTICE

SANPETE COUNTY COMMISSION MEETING
THE REGULAR MEETING OF THE SANPETE COUNTY COMMISSION FOR THE
MONTH OF APRIL, 1998 WILL BE HELD AT 1:00 P.M.,
ON TUESDAY THE 21ST DAY OF APRIL, 1998 IN THE SANPETE COUNTY COURTHOUSE, MANTI, UTAH.
MATTERS TO BE DISCUSSED AT THE MEETING ARE OUTLINED IN THE FOLLOWING AGENDA

1:00 PM - 1:45 PM	Approval of Claims
1:45 PM - 2:00 PM	Discussion of May Tax Sale and Pulling S 21247
2:00 PM - 2:15 PM	Executive Session Requested by Dale Nicholls, Building Inspector to Discuss Personnel
2:15 PM - 2:30 PM	Dale Nicholls Re Step Increase for Leon Larsen
2:30 PM - 2:45 PM	Wendy Hansen Re Ephraim City Annexation
2:45 PM - 3:00 PM	Kristine F. Anderson, Approval of Election Judges and Satellite Registration Agents and Approval of Fax Machine Purchase and Printer
3:00 PM - 3:15 PM	Appointment of Board Member for Indian Ridge Water Conservancy District
3:15 PM - 3:25 PM	Vance Larsen Re Funding for Snow Summer Jazz Festival
3:25 PM - 3:40 PM	Joe Blain Re Approval to Print History Book for Heritage Council
3:40 PM - 3:45 PM	Blitch Schman Re Bid on Property in Skyline Villa Estates
3:45 PM - 4:00 PM	KMTI/KMXU Request for Summer Advertising Radio Promotion Package
4:00 PM - 4:15 PM	Tom Seeley Request for an Executive Session to Discuss Salary
4:15 PM - 4:30 PM	Jackie Green Re Petition Paved Roads
4:30 PM - 4:45 PM	Heather Allred Re University of Utah School for Alcohol and Drugs
4:45 PM - 5:00 PM	Proposal to Create Special Service District in Skyline Mtn. Resort
5:00 PM - 5:10 PM	Appointment to Sanpete Chapter of Governors Commission on Women and Families
5:10 PM - 5:15 PM	Approval of Minutes

Attested to this 6th of April, 1998


Kristine F. Anderson
Sanpete County Clerk

FROM : EPG

PHONE NO. : 8015722200

Apr. 21 1998 11:57AM P3

Exhibit "A"

Date: April 20, 1998

File: g:\98020\parcell.doc

Parcel 1

Beginning at a point which is North 00°27'13" East, along the section line, 661.120 feet from the Southwest Corner of Section 18, Township 14 South, Range 5 East, Salt Lake Base & Meridian; and running thence North 89°21'00" West, 1319.377 feet; thence North 00°30'28" East, 1322.687 feet; thence North 86°45'09" West, 320.100 feet; thence West, 998.428 feet to a point on the center section line of Section 13, Township 14 South, Range 4 East, Salt Lake Base & Meridian; thence North 00°33'42" East, along said section line, 658.838 feet to the center of said Section 13; thence South 89°19'14" East, along said section line, 1317.508 feet; thence North 00°36'56" East, 1325.382 feet; thence South 89°20'25" East, 1318.754 feet to a point on the west section line of said Section 18; thence South 89°43'56" East, 1348.683 feet; thence North 00°28'33" East, 661.887 feet; thence South 89°41'20" East, 1346.439 feet to a point on the center section line of said Section 18; thence North 87°00'00" East, 155.910 feet; thence South 44°30'00" East, 360.484 feet; thence South 58°30'00" East, 135.300 feet; thence South 26°00'00" East, 208.560 feet; thence South 61°00'00" East, 112.200 feet; thence South 43°30'00" East, 132.000 feet; thence South 34°00'00" East, 93.720 feet; thence South 75°30'00" East, 91.080 feet; thence South 50°00'00" East, 95.700 feet; thence South 36°00'00" East, 148.500 feet; thence South 29°30'00" East, 138.600 feet; thence South 42°00'00" East, 132.000 feet; thence South 31°30'00" East, 99.000 feet; thence South 73°00'00" East, 105.600 feet; thence South 61°20'00" East, 147.840 feet; thence South 80°00'00" East, 139.920 feet; thence South 87°00'00" East, 155.100 feet; thence North 57°00'00" East, 83.820 feet; thence South 85°30'00" East, 102.300 feet; thence North 71°00'00" East, 135.300 feet; thence North 42°00'00" East, 115.500 feet; thence North 58°30'00" East, 95.700 feet; thence North 51°30'00" East, 105.600 feet; thence North 12°30'00" East, 105.600 feet; thence North 51°30'00" East, 121.440 feet; thence North 01°00'00" East, 132.000 feet; thence North 43°00'00" East, 173.580 feet; thence North 30°00'00" East, 148.502 feet to a point on the east section line of said Section 18; thence North, along said section line, 842.076 feet; thence South 89°57'48" East, 1635.791 feet; thence North, 330.474 feet to a point on the north section line of Section 17; thence North 00°07'30" West, 995.521 feet; thence North 89°55'33" East, 980.173 feet to a point on the center section line of Section 8; thence North 00°11'59" West, along said section line, 664.529 feet; thence North 89°52'34" East, 326.435 feet; thence North 00°13'28" West, 664.812 feet; thence North 89°49'36" East, 326.147 feet; thence North 00°14'57" West, 332.548 feet to a point on the center section line of said Section 8; thence North 89°48'06" East, along said section line, 326.003 feet; thence North 00°16'27" West, 332.689 feet; thence North 89°46'37" East, 325.858 feet; thence North 00°17'56" West, 332.831 feet; thence North 89°45'07" East, 651.429 feet; thence North 00°20'54" West, 333.114 feet; thence North 89°43'37" East, 651.140 feet to a point on the west section line of Section 9; thence North 00°23'52" West, along said section line, 1000.195 feet; thence

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Apr. 21 1998 11:58AM P4

South 88°47'00" East, 662.228 feet; thence North 00°15'40" West, 667.360 feet to a point on the north section line of said Section 9; thence South 88°50'09" East, along said section line, 1991.413 feet to the North Quarter Corner of said Section 9; thence South 88°50'09" East, along said section line, 1991.413 feet; thence South 00°32'58" West, 670.823 feet; thence South 88°47'00" East, 662.246 feet to a point on the east section line of said Section 9; thence South 00°40'59" West, along said section line, 1678.533 feet; thence South 89°45'09" East, 658.005 feet; thence South 00°20'40" West, 332.847 feet; thence South 00°21'02" West, 332.841 feet; thence South 89°45'17" West, 662.043 feet to a point on the east section line of said Section 9; thence South 00°41'43" West, along said section line, 1342.780 feet; thence North 88°29'30" West, 326.798 feet; thence South 00°37'37" West, 671.096 feet; thence North 88°26'16" West 326.003 feet; thence South 00°33'31" West, 335.401 feet to a point on the south section line of said Section 9; thence North 88°24'39" West, along said section line, 325.606 feet; thence South 00°14'17" East, 328.190 feet; thence North 88°28'25" West, 325.701 feet; thence South 00°13'10" East, 657.087 feet; thence North 88°35'56" West, 325.893 feet; thence South 00°12'04" East, 1315.588 feet; thence North 88°50'58" West, 652.561 feet; thence North 00°09'51" West, 1318.417 feet; thence South 88°35'56" East, 325.893 feet; thence North 00°10'57" West, 987.752 feet to a point on the south section line of said Section 9; thence North 00°17'05" East, 669.640 feet; thence North 88°27'53" West, 979.194 feet; thence South 00°04'46" West, 668.777 feet to a point on the south section line of said Section 9; thence North 88°24'39" West, along said section line, 1302.424 feet; thence North 00°11'34" West, 333.820 feet; thence South 88°26'16" East, 651.998 feet; thence North 00°03'24" West, 1336.413 feet; thence North 88°32'42" West, 655.143 feet; thence North 00°11'34" West, 1001.459 feet; thence North 88°37'29" West, 986.256 feet to the East Quarter Corner of said Section 8; thence North 00°23'52" West, along said section line, 333.398 feet; thence South 89°46'37" West, 977.575 feet; thence South 00°19'25" East, 332.973 feet; thence South 89°48'06" West, 326.003 feet; thence South 00°17'56" East, 332.831 feet; thence South 89°49'36" West, 326.147 feet; thence South 00°16'27" East, 332.689 feet; thence South 89°51'05" West, 326.291 feet; thence South 00°14'57" East, 997.643 feet; thence South 89°55'33" West, 326.724 feet; thence South 00°13'28" East, 997.218 feet to a point on the south section line of said Section 8; thence South, 331.316 feet; thence North 89°57'48" West, 654.316 feet; thence South, 330.895 feet; thence North 89°55'35" West, 327.158 feet; thence South, 330.684 feet; thence North 89°53'22" West, 327.159 feet; thence South, 991.422 feet; thence North 89°46'44" West, 1308.643 feet; thence South, 329.632 feet; thence North 89°44'31" West, 327.162 feet to a point on the east section line of Section 18; thence South, along said section line, 329.422 feet to the East Quarter Corner of said Section 18; thence South, along said section line, 2305.953 feet; thence North 89°54'08" West, 678.171 feet; thence North 00°04'14" East, 329.563 feet; thence North 89°53'25" West, 677.766 feet; thence North 00°08'27" East, 659.409 feet; thence North 89°51'59" West, 1353.911 feet; thence North 89°51'58" West, 2710.325 feet to a point the west section line of said Section 18; thence South 00°27'13" West, 661.120 feet to a point of beginning.

Contains: 1204.051 Acres

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Apr. 21 1998 11:58AM P5

Exhibit "A"

Date: April 20, 1998
File: g:\98020\parcel2.doc

Parcel 2

Beginning at a point which is South 00°17'38" East, along the section line, 2215.874 feet and South 89°42'22" West, 2935.592 feet from the Southeast Corner of Section 9, Township 14 South, Range 5 East, Salt Lake Base & Meridian; and running thence South 00°07'39" East, 330.312 feet to a point on the center section line of Section 16; thence North 88°54'42" West, along said section line, 652.757 feet; thence North 00°05'27" West, 331.019 feet; thence South 88°50'58" East, 652.561 feet to the point of beginning

Contains: 4.953 Acres

FROM : EPG

PHONE NO. : 8015722200

Apr. 21 1998 11:59AM P6

Exhibit "A"

Date: April 20, 1998
File: g:\98020\parcel3.doc

Parcel 3

Beginning at a point which is South 00°17'38" East, along the section line, 1635.647 feet from the Southeast Corner of Section 9, Township 14 South, Range 5 East, Salt Lake Base & Meridian; and running thence North 89°48'47" East, 330.631 feet; thence North 00°15'25" West, 327.488 feet; thence North 89°45'04" East, 330.842 feet; thence North 00°13'12" West, 655.693 feet; thence North 89°37'37" East, 331.266 feet; thence South 00°10'59" East, 328.205 feet; thence North 89°41'21" East, 331.054 feet; thence South 00°08'47" East, 985.691 feet; thence South 89°52'31" West, 330.420 feet; thence South 00°10'59" East, 328.205 feet; thence North 89°56'16" East, 660.420 feet; thence South 00°06'35" East, 328.923 feet to a point on the center section line of Section 15; thence South 00°06'35" East, 1644.613 feet; thence North 89°41'13" West, 328.956 feet; thence North 89°41'13" West, 328.956 feet; thence North 00°10'59" West, 328.205 feet; thence North 89°44'59" West, 658.328 feet; thence North 00°15'25" West, 327.488 feet; thence North 89°48'45" West, 329.372 feet to a point on the east section line of Section 16; thence North 89°05'57" West, 326.675 feet; thence North 00°16'31" West, 327.483 feet; thence North 89°02'12" West, 326.575 feet; thence South 00°15'24" East, 327.836 feet; thence North 89°05'57" West, 326.675 feet; thence South 00°14'17" East, 328.190 feet; thence North 89°09'41" West, 326.774 feet; thence South 00°13'10" East, 328.543 feet; thence North 89°13'25" West, 653.748 feet; thence South 00°10'57" East, 329.251 feet; thence North 89°17'10" West, 326.974 feet; thence South 00°09'51" East, 329.604 feet; thence North 89°20'54" West, 327.075 feet to a point on the center section line of said Section 16; thence South 00°08'45" East, along said section line, 329.958 feet to the South Quarter Corner of said Section 16; thence North 89°24'38" West, along said section line, 327.176 feet; thence South 00°26'08" East, 327.064 feet; thence North 89°29'05" West, 327.527 feet; thence South 00°22'22" East, 327.482 feet; thence North 89°33'32" West, 327.879 feet; thence South 00°18'37" East, 327.901 feet; thence North 89°37'58" West, 328.231 feet; thence South 00°14'53" East, 328.320 feet; thence North 89°42'23" West, 1314.334 feet to a point on the west section line of Section 21; thence North 89°06'43" West, 2100.914 feet; thence North 70°00'00" West, 430.320 feet; thence North 51°00'00" West, 118.800 feet to a point on the center section line of Section 20; thence North 60°30'00" West, 183.480 feet; thence South 80°30'00" West, 151.800 feet; thence South 23°00'00" West, 66.000 feet; thence North 55°00'00" West, 120.780 feet; thence North 88°00'00" West, 256.740 feet; thence North 86°30'00" West, 191.400 feet; thence South 87°30'00" West, 272.580 feet; thence South 60°30'00" West, 66.000 feet; thence South 86°00'00" West, 112.691 feet; thence South 00°14'53" East, 249.591 feet; thence North 89°42'23" West, 1314.334 feet to a point on the west section line of said Section 20; thence North, along said section line, 660.000 feet; thence South 89°33'32" East, 1311.514 feet; thence South 89°21'39" East, 1311.596 feet to a point on the center

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section line of said Section 20; thence South $89^{\circ}21'39''$ East, 2611.707 feet to a point on the east section line of said Section 20; thence South $89^{\circ}33'09''$ East, 655.758 feet; thence North $00^{\circ}07'25''$ West, 329.195 feet; thence South $89^{\circ}29'16''$ East, 655.053 feet; thence North $00^{\circ}14'53''$ West, 328.320 feet to a point on the south section line of said Section 16; thence South $89^{\circ}24'38''$ East, along said section line, 327.176 feet; thence North $00^{\circ}05'27''$ West, 993.058 feet; thence South $89^{\circ}13'25''$ East, 980.622 feet to a point on the center section line of said Section 16; thence North $00^{\circ}08'45''$ West, along said section line, 329.958 feet; thence South $89^{\circ}09'41''$ East, 653.548 feet; thence North $00^{\circ}10'57''$ West, 329.251 feet; thence South $89^{\circ}05'57''$ East, 326.675 feet; thence North $00^{\circ}12'04''$ West, 328.897 feet; thence South $89^{\circ}02'12''$ East, 326.575 feet; thence North $00^{\circ}13'10''$ West, 657.087 feet; thence North $00^{\circ}13'10''$ West, 328.543 feet; thence South $88^{\circ}50'58''$ East, 326.281 feet; thence North $00^{\circ}14'17''$ West, 328.190 feet; thence South $88^{\circ}47'12''$ East, 652.366 feet; thence North $00^{\circ}16'31''$ West, 327.483 feet; thence South $88^{\circ}43'27''$ East, 326.086 feet to the point of beginning.

Contains: 301.750 Acres

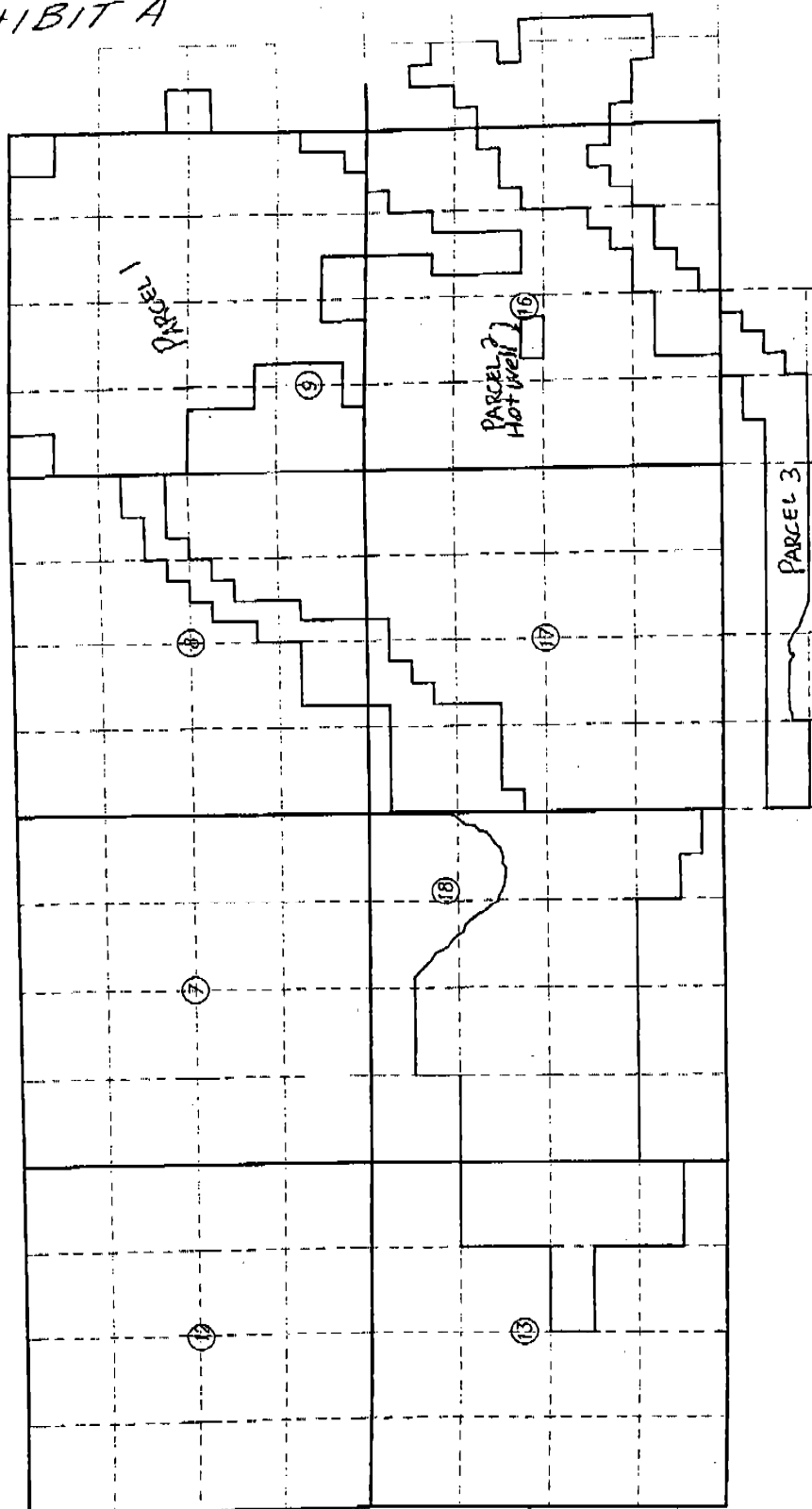
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EXHIBIT "A"



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2-33

522828.001(PF)

Manti, Utah

July 14, 1998

A regular meeting of the County Commission of Sanpete County, Utah was held on July 14, 1998 at the hour of 10:00 A.m. at the office of the County Commission in Manti, Utah, at which meeting there were present the following members who constituted a quorum:

Robert D. Bessey
J. Keller Christenson
Eddie L. Cox

Chair
Commissioner
Commissioner

Also present:

Kristine F. Anderson

County Clerk

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the Clerk presented to the County Commission a Certificate of Compliance with Open Meeting Law with respect to this July 14, 1998 meeting, a copy of which is attached hereto as Exhibit "A".

The Clerk then stated that no additional protests had been received in his office during the fifteen-day protest period following the June 16, 1998 protest hearing, that less than 50% of the qualified voters of the territory proposed to be included within the proposed special district and the owners of less than 50% of the assessed value (or taxable value) of the taxable property included within the proposed special service district have filed written protests against the establishment of said district or against the specified type of service, within said district, proposed to be furnished and that according to proceedings adopted at the June 16, 1998 meeting, the County Commissioners should now consider a resolution creating the District. The following resolution was then moved for adoption by Commissioner EDDIE L. COX.

RESOLUTION NO. 07-14-98C

A RESOLUTION TO ESTABLISH THE SKYLINE MOUNTAIN SPECIAL SERVICE DISTRICT, TO AUTHORIZE CONSTRUCTION OF IMPROVEMENTS AS SET FORTH IN THE NOTICE OF INTENTION TO CREATE THE DISTRICT AND TO APPOINT AN ADMINISTRATIVE CONTROL BOARD FOR THE DISTRICT.

BE IT RESOLVED by the Chair and Board of Commissioners of Sanpete County, Utah:

Section 1. The Board of Commissioners of Sanpete County, Utah (the "Board of Commissioners") believes that the public health, convenience and necessity require the construction of the improvements identified and described in the Notice of Intention concerning the establishment of the Skyline Mountain Special Service District (the "District").

Section 2. The Board of Commissioners has heretofore considered each and every protest filed and has heard each and every person who wished to be heard in protest against the creation of the District or the construction of any of the improvements therein, or on any other matter pertinent to the District.

Section 3. The Board of Commissioners hereby finds that less than 50% of the qualified voters of the territory proposed to be included within the proposed special district and the owners of less than 50% of the assessed value (or taxable value) of taxable property included within the proposed special service district have filed written protests against the establishment of said district or against the specified type of service, within said district, proposed to be furnished.

Section 4. The improvements proposed and described in the Notice of Intention to create the District are hereby authorized, and the District is hereby created.

Section 5. The District shall be administered by an Administrative Control Board which is hereby delegated, without limitation, the power to act as the governing authority of the District and to exercise all or any of the powers provided for in the Utah Special Service District Act. Said Administrative Control Board shall not, however, have the power to levy a tax on the taxable property of the District, to issue bonds payable from taxes or to call or hold an election for the authorization of the tax or bonds without the approval of the Board of Commissioners.

Section 6. Administrative Control Board members shall be paid at a per diem rate to be set by resolution of the Board of Commissioners.

Section 7. The membership of the Administrative Control Board of the District shall consist of three (3) members, each of whom shall be

appointed by the Board of Commissioners. The Board of Commissioners shall appoint the initial 2 members to serve a two-year term and the remaining 1 members to serve four-year terms, the determination of who shall serve in each category to be made by lot. Said terms shall commence on January 1, 1999, which is the next succeeding date that the terms of office commence for members of the Board of Commissioners. The initially appointed members of the Administrative Control Board shall serve an additional term commencing on the date of appointment and continuing until the regular commencement of the above-specified terms.

Vacancies of the three (3) appointed members of the Administrative Control Board, other than by expiration of term, shall be filled by appointment of the Board of Commissioners for the unexpired term of the members whose vacancy is filled.

all *1st* *2nd* *3rd* Section 8. The Board of Commissioners shall appoint one of its members to serve on the Administrative Control Board of the District.

Section 9. The Board of Commissioners hereby appoints as the initial membership of the Administrative Control Board the following members, who shall serve those terms opposite their names as determined by lot:

<u>Name</u>	<u>Term</u>
Joe Hanks —	4 yrs.
Charlie Riddle —	2 yrs.
Orson Stillson —	2 yrs.

Joe Hanks shall serve as Chair of the Administrative Control Board and Charlie Riddle shall serve as Secretary until the Board of Commissioners otherwise directs.

Commissioner J. Keller Christensen seconded the motion to adopt the foregoing Resolution. The Resolution was thereupon put to a vote and unanimously adopted on the following recorded vote:

Those voting AYE:

Commissioner Robert D. Bessey
Commissioner J. Keller Christenson
Commissioner Eddie L. Cox

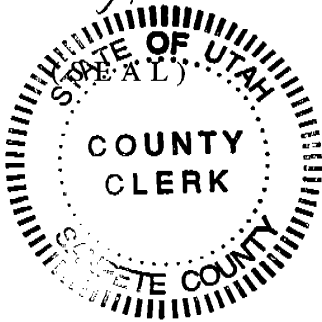
Those voting NAY:

PASSED AND APPROVED this 14th day of July, 1998.

Robert D. Bessey
Chair

ATTEST:

Justine J. Anderson
Clerk



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(Here follows other business not pertinent to the above.)

Pursuant to motion duly made and seconded, the meeting adjourned.

Robert O. Benson
Chair

ATTEST:

Kristine J. Anderson
Clerk



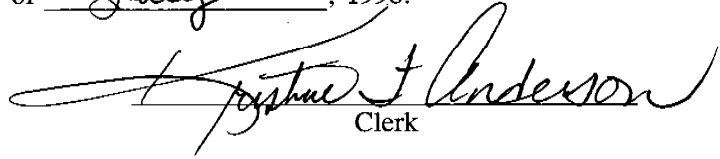
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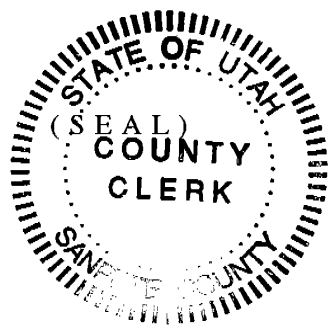
STATE OF UTAH)
 : ss.
COUNTY OF SANPETE)

I, Kristine F. Anderson, the duly appointed, qualified Clerk of the Board of Commissioners of Sanpete County, Utah, do hereby certify as follows:

That the foregoing pages constitute a full, true and correct copy of the record of proceedings of the Board of County Commissioners of Sanpete County, Utah held on July 14, 1998, insofar as said proceedings relate to the establishment of the Skyline Mountain Special Service District and to the appointment of an Administrative Control Board as the same appears of record in my office. I personally attended said meeting, and the proceedings were in fact as specified in said minutes.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Commission this 14th day of July, 1998.


Clerk



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EXHIBIT "A"

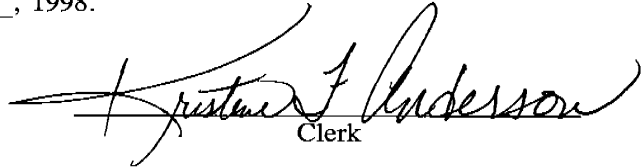
CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

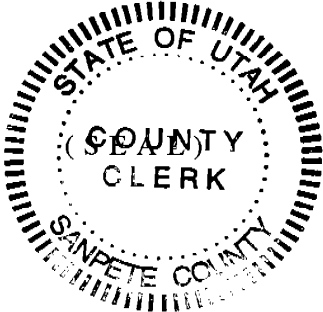
I, Kristine F. Anderson, the undersigned Clerk of Sanpete County, Utah (the "County"), do hereby certify, according to the records of the County in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-6(2), Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the July 14, 1998 public meeting held by the County as follows:

(a) By causing a Notice, in the form attached hereto as Schedule "A", to be posted at the County's principal offices on July 13, 1998, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of such Notice, in the form attached hereto as Schedule "A", to be delivered to Pyramid Messenger, Gunnison News on July 13, 1998, at least twenty-four (24) hours prior to the convening of the meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 14th day of July, 1998.


Clerk



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SCHEDULE "A"

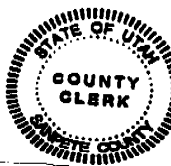
NOTICE OF MEETING

**SANPETE COUNTY COMMISSION MEETING
THE FIRST MEETING OF THE SANPETE COUNTY COMMISSION
FOR THE MONTH OF JULY WILL BE HELD AT
10:00, O'CLOCK P.M., ON TUESDAY THE
14TH DAY OF JULY, 1998, IN THE SANPETE COUNTY COURTHOUSE,
MANTI, UTAH. MATTERS TO BE DISCUSSED AT THE MEETING ARE
OUTLINED IN THE FOLLOWING AGENDA**

AGENDA

10:00 A.M. - 11:00 A.M.	Approval of Claims
11:00 A.M. - 11:10 A.M.	Resolution Approving Participation in the Indigent Capital Defense Trust Fund and Committing to Fulfill the Assessment Requirements as set forth in Sections 77-32-601 through 77-32-603, Utah Code, As Enacted by the Legislature in Senate Bill 103 in the 1998 General Session.
11:10 A.M. - 11:20 A.M.	Resolution Approving Participation in the Indigent Felony Defense Trust Fund and Committing to Fulfill the Assessment Requirements as set forth in Sections 77-32-7-1 through 77-32-703, Utah Code, as Enacted by the Legislature in Senate Bill 103 in the 1998 General Session.
11:20 A.M. - 11:30 A.M.	Pauline G. Cohenour Re Property Acquisition
11:30 A.M. - 11:45 A.M.	Ray Pene Re Donation for the Salina Airport
11:45 A.M. - 12:00 Noon	Sheriff Stan Anderson Re Hiring Task Force Member and Purchase of Portable Intoxilizer
12:00 Noon - 12:15 P.M.	Gary Anderson Re 4-H Employee and Affordable Housing
12:15 P.M. - 12:30 P.M.	Discussion Re Replacement of Justice of Peace to hear Preliminary Hearings
12:30 P.M. - 12:45 P.M.	Executive Session Requested by Earl Clark to Request a 401K Loan
12:45 P.M. - 1:00 P.M.	Steve Keller, Road Department Supervisor Re Salary Increase for Bryce Larsen
1:00 P.M. - 2:00 P.M.	LUNCH
2:00 P.M. - 2:15 P.M.	Creation of Skyline Mountain Resort Special Service District
2:15 P.M. - 2:30 P.M.	Discussion of GRAMA Ordinance
2:30 P.M. - 2:45 P.M.	Discussion of Organization of Complete Count Committee for Census 2000
2:45 P.M. - 3:00 P.M.	Lura Christensen Re Tax Relief on
3:00 P.M. - 3:15 P.M.	Barry Bradley Re E911 Funding and Emergency Response Team
3:15 P.M. - 3:30 P.M.	Request to Purchase County Property
3:30 P.M. - 3:45 P.M.	Craig Jolley Re Tax Roll and PMSI Computer System

Individuals with disabilities needing special accommodations during this proceeding should contact Kristine F. Anderson, County Clerk, (435) - 835-2131 at least 3 work days in advance.



Attended to this the 10th day
of July, 1998

Kristine F. Anderson
Kristine F. Anderson
Sanpete County Clerk

When Recorded, Return to:
J. Craig Smith
Smith Hartvigsen, PLLC
215 South State St., Suite 600
Salt Lake City, UT 84111

Ent 16.5581 Bk 593 Pg 1204
Date: 08-SEP-2009 3:47PM
Fee: \$20.00 Check
Filed By: KEH
REED D HATCH, Recorder
SANPETE COUNTY CORPORATION
For: SKYLINE MOUNTAIN RESORT

Water Rights Deed

SPORTS HAVEN INTERNATIONAL, INC. dba SKYLINE MOUNTAIN RESORT, a Utah Corporation, **Grantor**, hereby conveys, transfers, and assigns, with a warranty of title as against all claiming an interest by or through GRANTOR, and subject to the covenants and restrictions set forth herein, to **SKYLINE MOUNTAIN SPECIAL SERVICE DISTRICT**, a Utah political subdivision, **Grantee**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, all of Grantor's rights, title, and interest in and to the following:

Water Right No. 65-368 as identified of record with the Utah Division of Water Rights, including the portions of approved Change Applications a6790, a20981 and a26740 tied to this right, and all other applications pertaining thereto;

Water Right No. 65-1712 as identified of record with the Utah Division of Water Rights, including the portions of approved Change Applications a8651 and a26740 tied to this right, and all other applications pertaining thereto;

Water Right No. 65-1713 as identified of record with the Utah Division of Water Rights, including the Chicken Track Spring and the portion of approved Change Application a26740 tied to this right, and all other applications pertaining thereto;

Water Right No. 65-2887 as identified of record with the Utah Division of Water Rights, including the Chicken Track Spring and the portion of approved Change Application a26740 tied to this right, and all other applications pertaining thereto;

Water Right No. 65-2928 as identified of record with the Utah Division of Water Rights, including the portion of approved Change Application a26740 tied to this right, and all other applications pertaining thereto; and

Water Right No. 65-3413 as identified of record with the Utah Division of Water Rights, including the portion of approved Change Application a26740 tied to this right, and all other applications pertaining thereto; and

Thad's Peak Well, as identified of record with the Utah Division of Water Rights, and for which the point of diversion is located at North 820 feet, West 0 feet from the E ¼ Corner of Section 9, Section 17, T14S, R 5E, SLB&M (10 – inch well, 385 feet deep).

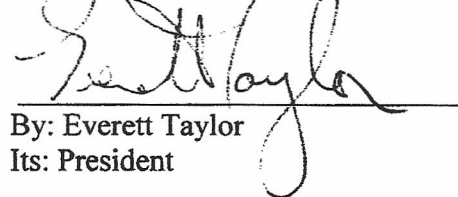
Grantor further grants and conveys to Grantee a perpetual, nonexclusive easement for source protection requests of the State of Utah as well as to access the points of diversion for the aforementioned Water Rights to operate, maintain, repair, replace, devices, structures, pumps, and other equipment and appurtenances necessary or useful to the water wells and pipelines.

Grantee, and all of its successors and assigns, shall first use the water under the foregoing water rights only within the boundaries of the Skyline Mountain Resort, as established and in effect as of the date of execution of this Deed ("Effective Date"), to ensure that each residence within such boundaries receives at least 0.45 acre-feet for indoor culinary use if such residence is for year round occupancy or 0.25 acre-feet for indoor culinary use if such residence is for seasonal occupancy; at which point any remaining surplus water under the foregoing water rights may be used outside the boundaries of the Skyline Mountain Resort, as established and in effect as of the Effective Date.

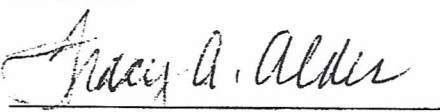
In the event that the **Grantee** ever dissolves, title to the aforementioned Water Rights, wells and other appurtenances shall automatically revert to the **Grantor** upon the initiation of the dissolution process of the Grantee.

IN WITNESS WHEREOF, **Grantor** executes this Water Rights Deed this 28th day of February, 2009.

**SPORTS HAVEN INTERNATIONAL, INC. dba
SKYLINE MOUNTAIN RESORT**


By: Everett Taylor
Its: President

ATTEST:


By: Tracy A. Alder
Its: Secretary

State of Utah }
 :SS.
County of Sanpete }

On the 28th day of February, 2009, Everett Taylor personally appeared before me and duly acknowledged that he executed the foregoing instrument for the purposes stated therein.



Janis L. Hanks
Notary Public

R.R #1 BOX 247
2109 SKYLINE MT. RESORT
FAIRVIEW, UTAH
84629

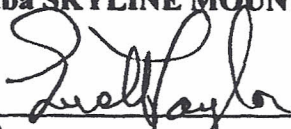
Bill of Sale

SPORTS HAVEN INTERNATIONAL, INC. dba SKYLINE MOUNTAIN RESORT, a Utah Corporation, **Seller**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby sell, transfer, convey, and assign to **SKYLINE MOUNTAIN SPECIAL SERVICE DISTRICT**, a Utah political subdivision, **Buyer**, all of Seller's interest and title to the water storage and distribution system, including, but not limited to, its waterworks, plant, water lines, pipes, valves, appurtenances, tanks, reservoirs, purification and filtration systems, pumping stations, pumps, wells, hydrants, gauges, equipment, machinery, spare parts, materials, fittings, production fixtures, other fixtures and improvements, construction in progress, and all other tangible personal property, regardless of location, which are necessary for the diversion, storage, transmission, or sale of water.

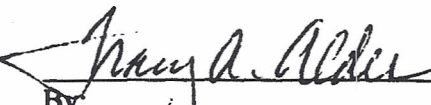
In the event that **Buyer** ever dissolves, title to the aforementioned tangible personal property shall automatically revert to **Seller** upon the initiation of the dissolution process of **Buyer**.

DATED this 28th day of February, 2009.

**Seller: SPORTS HAVEN INTERNATIONAL, INC.
dba SKYLINE MOUNTAIN RESORT**


By: _____
Its: President

Attest:


By: _____
Its: Secretary

Ent#:187954 Bk640 Pg1182
Date:13-Dec-2012 03:34 PM
Fee: \$49.00 ACH
Filed by: keh
REED D HATCH, RECORDER
SANPETE COUNTY CORPORATION
For: Smith Hartvisen PLLC

When Recorded, Return To:
Skyline Mountain Special Service District
2201 Skyline Mountain Resort
Fairview, UT 84629

LICENSE AGREEMENT

This License Agreement ("Agreement") is entered into as of this 5 day of December 2012, by and between the **Skyline Mountain Special Service District**, a Utah special service district ("SMSSD"), and **Sports Haven International**, a Utah non-profit corporation, dba Skyline Mountain Resort ("SMR").

WHEREAS, SMSSD owns a culinary water system that provides water to individuals residing in the Skyline Mountain area, including SMR and its members; and

WHEREAS, SMR is the owner of real property upon which much of SMSSD's culinary water system, including wells, tanks, and pipelines, are located.

WHEREAS, SMR, in exercise of its ownership rights, believes that it is in the best interest of its members to grant a perpetual license to SMSSD for the construction, maintenance, and operation of the water system on, under, and across SMR roads and common areas.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SMSSD and SMR agree as follows:

Grant of License. SMR hereby grants to SMSSD the right, privilege, and authority to construct, maintain, and operate a water system within SMR boundaries, together with all the necessary or desirable appurtenances, including but not limited to wells, water tanks, underground water lines, distribution facilities, and metering facilities, for the purpose of supplying water service. This license recognizes and applies to all existing SMSSD water system facilities located on, under, or across SMR's property, as well as all future SMSSD water system facilities that may be constructed, maintained, and operated on, under, or across SMR's roads and common areas.

Term. The term of this license is perpetual, and is revocable only if the terms of this agreement are materially breached.

Non-Exclusivity. The license granted herein shall be deemed to be non-exclusive. SMR expressly reserves the right to itself to make use of its property for other purposes and to grant licenses to other utility providers and other persons, firms, or corporations, so long as such grants or uses do not interfere with SMSSD's water system facilities.

Plan and Design of SMSSD Facilities. Whenever SMSSD proposes to install new water system facilities within SMR, SMSSD shall submit plans and specifications to SMR at least seven (7) days in advance. All facilities of SMSSD shall be located so as to cause minimum interference with SMR's use of its property and shall be maintained in good repair and condition. It is understood that this work involves the health, safety, and welfare of the community and

from time to time must be done under circumstances which will make this notice and approval process infeasible. Therefore, in cases of emergency, this notice and approval process is waived until the next regular business day.

Conveyance of Well Sites and Tank Sites. SMR may, in the future, convey to SMSSD ownership of parcels of land upon which SMSSD water system facilities are located, including but not limited to well sites and tank sites. SMR may also convey easements for SMSSD water system facilities.

Assignment and Reversion. SMSSD shall not assign or convey its interest in the rights created under this License Agreement, except as necessary to secure financing for water system improvements. In the event that SMSSD ever dissolves, all of SMSSD's rights under this License Agreement shall automatically revert to SMR upon the initiation of the dissolution process by SMSSD.

A legal description of SMR property is attached hereto as Exhibit A.

[Signatures on following page]

Sports Haven International dba Skyline Mountain Resort

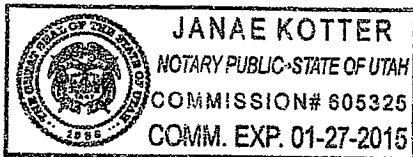
[Signature]
President of Board of Trustees

Attest: [Signature]
Secretary

State of Utah }

County of Utah }
SS

On this 5 day of December, 2012, personally appeared before me
Everett Taylor and signed the foregoing Agreement in
his/her capacity as President of Sports Haven International dba Skyline Mountain Resort,
pursuant to a grant of corporate authority from the Skyline Mountain Resort Board of Trustees.



[Signature]
Notary

Skyline Mountain Special Service District

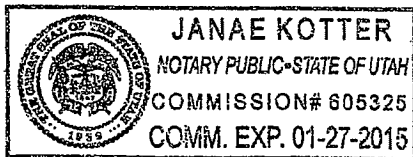
[Signature]
Chairman of Administrative Control Board

Attest: [Signature]
Secretary

State of Utah }

County of Utah }
SS

On this 5 day of December, 2012, personally appeared before me
Edward Collins and signed the foregoing Agreement in
his/her capacity as Chairman of the Administrative Control Board of Skyline Mountain Special
Service District, pursuant to a grant of authority from the Administrative Control Board.



[Signature]
Notary

EXHIBIT A

SMR owns the roads and common areas within the resort, and owns an undivided interest with its members in the remaining property within the resort.

PARCEL 1

BEGINNING AT A POINT N00°26'00"W 661.09 FEET FROM THE SW COR. SEC. 18, T.14S., R.5E., S.L.B.&M., THENCE S88°26'53.67"W 1347.00 FEET TO THE EAST RIGHT-OF-WAY LINE OF A COUNTY ROAD; THENCE N22°07'06"W 75.82 FEET; THENCE AROUND A CURVE TO THE LEFT HAVING A 596.25 FOOT RADIUS, 202.06 FEET, SAID CURVE HAVING A DELTA ANGLE OF 19°24'59" AND A LONG CHORD BEARING N31°49'35"W 201.09 FEET; THENCE N72°13'36"E 176.43 FEET; THENCE N8°44'01"W 76.37 FEET; THENCE N7°14'06"E 94.92 FEET; THENCE N4°02'16"E 182.12 FEET; THENCE N26°09'49"E 50.98 FEET; THENCE N1°57'28"W 138.34 FEET; THENCE N2°50'00"W 258.32 FEET; THENCE S89°35'42"W 59.28 FEET; THENCE N0°24'18"W 234.70 FEET; THENCE S88°27'54"W 1346.34 FEET; THENCE N0°22'36"W 661.50 FEET; THENCE N88°28'24"E 1346.01 FEET; THENCE N0°17'41"W 1325.09 FEET; THENCE N88°27'20"E 1347.91 FEET TO A POINT ON THE EAST LINE OF SECTION 13, T.14S., R.5E., S.L.B. & M., SAID POINT BEING LOCATED S00°12'46"E 1323.86 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 13; THENCE ALONG SAID SECTION LINE N0°12'46"W 1.69 FEET; THENCE CONTINUING INTO SECTION 18, T.14S., R.5E., S.L.B. & M., N89°47'42"E 1315.57 FEET; THENCE N0°29'33"W 450.30 FEET; THENCE N87°35'58"E 1325.65 FEET; THENCE N0°45'57"W 106.45 FEET; THENCE N86°40'38"E 167.70 FEET; THENCE S44°49'22"E 264.00 FEET; THENCE S58°49'22"E 135.30 FEET; THENCE S26°19'22"E 208.56 FEET; THENCE S61°19'22"E 112.20 FEET; THENCE S43°49'22"E 132.00 FEET; THENCE S34°19'22"E 93.72 FEET; THENCE S75°49'22"E 91.08 FEET; THENCE S50°19'22"E 95.70 FEET; THENCE S36°19'22"E 148.50 FEET; THENCE S29°49'22"E 138.60 FEET; THENCE S42°19'22"E 132.00 FEET; THENCE S31°49'22"E 99.00 FEET; THENCE S73°19'22"E 105.60 FEET; THENCE S61°49'22"E 147.84 FEET; THENCE S80°19'22"E 139.92 FEET; THENCE S87°19'22"E 155.10 FEET; THENCE N56°40'38"E 83.82 FEET; THENCE S85°49'22"E 102.30 FEET; THENCE N70°40'38"E 135.80 FEET; THENCE N41°40'38"E 115.50 FEET; THENCE N58°10'38"E 95.70 FEET; THENCE N51°10'38"E 105.60 FEET; THENCE N12°10'38"E 105.60 FEET; THENCE N51°10'38"E 121.44 FEET; THENCE N0°40'38"E 132.00 FEET; THENCE N42°40'38"E 173.58 FEET; THENCE N29°40'38"E 187.78 FEET TO THE EAST LINE OF SECTION 18, SAID POINT BEING LOCATED S01°18'44"E 1137.65 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 18; THENCE ALONG SAID SECTION LINE N1°18'44"W 805.80 FEET; THENCE CONTINUING INTO SECTION 17, T.14S., R.5E., S.L.B. & M., N89°46'41"E 1647.14 FEET; THENCE N1°10'32"W 332.56 FEET TO THE NORTH LINE OF SECTION 17, SAID POINT BEING N89°45'11"E 1647.92 FEET FROM THE NORTHWEST CORNER OF SECTION 17; THENCE CONTINUING INTO SECTION 8, T.14S., R.5E., S.L.B. & M., N0°26'59"W 1004.26 FEET; THENCE N89°44'48"E 989.61 FEET; THENCE N0°24'03"W 669.58 FEET; THENCE N89°44'33"E 330.06 FEET; THENCE N0°23'05"W 669.60 FEET; THENCE N89°44'18"E 330.25 FEET; THENCE N0°22'06"W 334.81 FEET; THENCE N89°44'10"E 330.34 FEET; THENCE N0°21'08"W 334.83 FEET; THENCE N89°44'02"E 330.44 FEET; THENCE N0°20'09"W 334.84 FEET; THENCE N89°43'54"E 661.07 FEET; THENCE N0°18'12"W 184.86 FEET; THENCE N89°43'47"E 231.22 FEET; THENCE N0°16'15"W 150.00 FEET; THENCE N89°43'47"E 411.60 FEET; THENCE N78°13'24"E 18.72 FEET TO THE EAST LINE OF SECTION 8, SAID POINT BEING S00°16'15"E 2679.10 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 8; THENCE CONTINUING INTO SECTION 9, T.14S., R.5E., S.L.B. & M., N78°13'24"E 0.74 FEET; THENCE AROUND A CURVE TO THE RIGHT HAVING A 1117.11 FOOT RADIUS, 50.67 FEET, SAID CURVE HAVING A DELTA ANGLE OF 02°35'56" AND A LONG CHORD BEARING N79°31'22"E 50.67 FEET; THENCE N80°49'20"E 33.33 FEET; THENCE AROUND A CURVE TO THE LEFT HAVING A 481.40 FOOT RADIUS, 48.45 FEET, SAID CURVE HAVING A DELTA ANGLE OF 05°45'59" AND A LONG CHORD BEARING

N77°56'21"E 48.43 FEET; THENCE N75°03'22"E 35.12 FEET; THENCE AROUND A CURVE TO THE LEFT HAVING A 18.38 FOOT RADIUS, 26.91 FEET, SAID CURVE HAVING A DELTA ANGLE OF 83°54'07" AND A LONG CHORD BEARING N33°06'18"E 24.57 FEET; THENCE N8°50'45"W 7.55 FEET; THENCE AROUND A CURVE TO THE LEFT HAVING A 343.62 FOOT RADIUS, 47.83 FEET, SAID CURVE HAVING A DELTA ANGLE OF 07°58'32" AND A LONG CHORD BEARING N12°50'01"W 47.79 FEET; THENCE N16°49'17"W 142.28 FEET; THENCE AROUND A CURVE TO THE LEFT HAVING A 165.51 FOOT RADIUS, 54.49 FEET, SAID CURVE HAVING A DELTA ANGLE OF 18°52'28" AND A LONG CHORD BEARING N7°23'03"W 54.24 FEET; THENCE N2°03'11"E 50.88 FEET; THENCE AROUND A CURVE TO THE RIGHT HAVING A 1868.19 FOOT RADIUS, 49.60 FEET, SAID CURVE HAVING A DELTA ANGLE OF 01°31'16" AND A LONG CHORD BEARING N01°17'33"E 49.60 FEET; THENCE N0°31'55"E 202.26 FEET; THENCE AROUND A CURVE TO THE LEFT HAVING A 114.30 FOOT RADIUS, 43.66 FEET, SAID CURVE HAVING A DELTA ANGLE OF 21°53'11" AND A LONG CHORD BEARING N10°24'41"W 43.40 FEET; THENCE N21°21'16"W 50.35 FEET; THENCE AROUND A CURVE TO THE RIGHT HAVING A 146.95 FOOT RADIUS, 55.03 FEET, SAID CURVE HAVING A DELTA ANGLE OF 21°27'26" AND A LONG CHORD BEARING N10°37'33"W 54.71 FEET; THENCE N0°06'10"E 52.37 FEET; THENCE NORTH 492.03 FEET; THENCE N89°38'09"E 566.90 FEET; THENCE N0°15'44"W 669.97 FEET TO THE NORTH LINE OF SECTION 9, SAID POINT BEING N89°37'09"E 659.98 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 9; THENCE ALONG SAID NORTH SECTION LINE N89°37'09"E 3959.87 FEET TO A POINT S89°37'09"W 659.98 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 9; THENCE S0°12'37"E 671.13 FEET; THENCE N89°38'09"E 659.88 FEET TO THE EAST LINE OF SAID SECTION 9, SAID POINT BEING LOCATED S0°12'06"E 671.32 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 9; THENCE ALONG THE EAST SECTION LINE S0°12'06"E 1006.98 FEET; THENCE CONTINUING INTO SECTION 10, T.14S., R.5E., S.L.B. & M., N88°28'01"E 88.06 FEET; THENCE S12°58'39"W 21.98 FEET; THENCE AROUND A CURVE TO THE LEFT HAVING A 4359.97 FOOT RADIUS, 100.00 FEET, SAID CURVE HAVING A DELTA ANGLE OF 1°18'51" AND A LONG CHORD BEARING S12°19'14"W 99.99 FEET; THENCE S11°39'49"W 26.55 FEET; THENCE AROUND A CURVE TO THE RIGHT HAVING A 121.55 FOOT RADIUS, 94.87 FEET, SAID CURVE HAVING A DELTA ANGLE OF 44°43'14" AND A LONG CHORD BEARING S34°01'26"W 92.48 FEET; THENCE S56°23'03"W 4.64 FEET TO A POINT ON THE WEST LINE OF SECTION 10, SAID POINT BEING S00°12'06"E 1900.27 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 10; THENCE CONTINUING INTO SECTION 9, T.14S., R.5E., S.L.B. & M., S56°23'03"W 102.32 FEET; THENCE AROUND A CURVE TO THE LEFT HAVING A 104.02 FOOT RADIUS, 49.07 FEET, SAID CURVE HAVING A DELTA ANGLE OF 27°04'44" AND A LONG CHORD BEARING S42°52'11"W 48.62 FEET; THENCE S29°21'19"W 23.99 FEET; THENCE AROUND A CURVE TO THE LEFT HAVING A 112.14 FOOT RADIUS, 4.80 FEET, SAID CURVE HAVING A DELTA ANGLE OF 02°27'04" AND A LONG CHORD BEARING S30°34'52"W 4.80 FEET; THENCE N88°26'12"E 132.93 FEET TO A POINT ON THE WEST LINE OF SECTION 10, SAID POINT BEING S00°12'06"E 2013.96 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 10; THENCE CONTINUING INTO SECTION 10, T.14S., R.5E., S.L.B. & M., N88°26'12"E 426.01 FEET; THENCE SOUTH 335.46 FEET; THENCE N88°24'23"E 235.71 FEET; THENCE S0°13'38"E 670.61 FEET; THENCE S88°20'46"W 660.87 FEET TO THE WEST LINE OF SAID SECTION 10; THENCE ALONG SAID WEST SECTION LINE S0°12'06"E 1342.64 FEET TO A POINT LOCATED N00°12'06"W 1006.98 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 10; THENCE CONTINUING INTO SECTION 9, T.14S., R.5E., S.L.B. & M., S72°59'50"W 243.79 FEET; THENCE S8°11'47"W 208.58 FEET; THENCE S24°10'18"W 159.39 FEET; THENCE S0°12'22"E 249.63 FEET; THENCE S89°44'41"W 329.61

FEET; THENCE S0°12'37"E 335.56 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 9, SAID POINT BEING S89°45'11"W 659.17 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 9; THENCE ALONG THE SOUTH LINE OF SAID SECTION 9 S89°45'11"W 329.58 FEET; THENCE CONTINUING INTO SECTION 16, T.14S., R.5E., S.L.B. & M., S0°30'11"E 335.85 FEET; THENCE S89°46'35"W 329.42 FEET; THENCE S0°31'54"E 671.43 FEET; THENCE S89°49'24"W 329.08 FEET; THENCE S0°33'37"E 1342.32 FEET; THENCE S89°55'02"W 656.83 FEET; THENCE N0°37'04"W 1341.25 FEET; THENCE N89°49'24"E 329.08 FEET; THENCE N0°35'20"W 1006.34 FEET TO A POINT ON THE NORTH LINE OF SAID SECTION 16, SAID POINT BEING S89°45'11"W 1977.50 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 16; THENCE CONTINUING INTO SECTION 9, T.14S., R.5E., S.L.B. & M., N0°13'40"W 670.74 FEET; THENCE S89°44'11"W 881.35 FEET; THENCE AROUND A CURVE TO THE RIGHT, HAVING A 150.47 FOOT RADIUS, 42.64 FEET, SAID CURVE HAVING A DELTA ANGLE OF 16°14'08" AND A LONG CHORD BEARING S7°53'14"W 42.50 FEET; THENCE AROUND A CURVE TO THE RIGHT, HAVING A 333.03 FOOT RADIUS, 52.12 FEET, SAID CURVE HAVING A DELTA ANGLE OF 8°58'03" AND A LONG CHORD BEARING S20°13'17"W 52.07 FEET; THENCE S24°41'59"W 24.66 FEET; THENCE AROUND A CURVE TO THE LEFT, HAVING A 144.60 FOOT RADIUS, 49.51 FEET, SAID CURVE HAVING A DELTA ANGLE OF 19°37'03" AND A LONG CHORD BEARING S14°53'27"W 49.27 FEET; THENCE S5°04'56"W 182.44 FEET; THENCE AROUND A CURVE TO THE RIGHT, HAVING A 3949.36 FOOT RADIUS, 99.99 FEET, SAID CURVE HAVING A DELTA ANGLE OF 1°27'02" AND A LONG CHORD BEARING S05°48'27"W 99.99 FEET; THENCE S6°31'58"W 132.57 FEET; THENCE AROUND A CURVE TO THE LEFT, HAVING A 247.76 FOOT RADIUS, 39.91 FEET, SAID CURVE HAVING A DELTA ANGLE OF 9°13'49" AND A LONG CHORD BEARING S01°55'04"W 39.87 FEET; THENCE S2°41'51"E 40.00 FEET; THENCE AROUND A CURVE TO THE RIGHT, HAVING A 348.06 FOOT RADIUS, 21.10 FEET, SAID CURVE HAVING A DELTA ANGLE OF 3°28'21" AND A LONG CHORD BEARING S35°11'15"W 21.09 FEET TO THE SOUTH LINE OF SAID SECTION 9; THENCE ALONG SAID SOUTH SECTION LINE S89°45'11"W 1323.31 FEET TO A POINT BEING N89°45'11"E 988.75 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 9; THENCE N0°15'28"W 335.03 FEET; THENCE N89°44'41"E 659.22 FEET; THENCE N0°14'57"W 1340.51 FEET; THENCE S89°42'40"W 659.42 FEET; THENCE N0°15'28"W 1005.10 FEET; THENCE S89°41'10"W 989.36 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 9, SAID POINT BEING N00°16'15"W 2679.10 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 9; THENCE ALONG THE WEST SECTION LINE OF SAID SECTION 9 N0°16'15.18"W 334.89 FEET; THENCE CONTINUING INTO SECTION 8, T.14S., R.5E., S.L.B. & M., S89°44'02"W 991.31 FEET; THENCE S0°19'11"E 334.85 FEET; THENCE S89°44'10"W 330.34 FEET; THENCE S0°20'09"E 334.84 FEET; THENCE S89°44'18"W 330.25 FEET; THENCE S0°22'06"E 334.83 FEET; THENCE S89°44'25"W 133.87 FEET; THENCE S36°49'19"W 93.26 FEET; THENCE N60°18'11"W 2.63 FEET; THENCE AROUND A CURVE TO THE RIGHT, HAVING A 312.42 FOOT RADIUS, 74.69 FEET, SAID CURVE HAVING A DELTA ANGLE OF 13°41'52" AND A LONG CHORD BEARING S22°46'53"W 74.51 FEET; THENCE S15°51'58"W 73.01 FEET; THENCE AROUND A CURVE TO THE LEFT, HAVING A 221.49 FOOT RADIUS, 38.35 FEET, SAID CURVE HAVING A DELTA ANGLE OF 9°55'15" AND A LONG CHORD BEARING S10°54'20"W 38.30 FEET; THENCE AROUND A CURVE TO THE RIGHT, HAVING A 164.72 FOOT RADIUS, 44.88 FEET, SAID CURVE HAVING A DELTA ANGLE OF 15°36'45" AND A LONG CHORD BEARING S13°45'05"W 74.51 FEET; THENCE S21°33'28"W 42.40 FEET; THENCE AROUND A CURVE TO THE RIGHT, HAVING A 84.92 FOOT RADIUS, 68.84 FEET, SAID CURVE HAVING A DELTA ANGLE OF 46°26'41" AND A LONG CHORD BEARING S44°46'48.23"W 66.97 FEET; THENCE S68°00'09"W 73.69 FEET; THENCE AROUND A CURVE TO THE LEFT, HAVING A 172.01

FOOT RADIUS, 149.40 FEET, SAID CURVE HAVING A DELTA ANGLE OF 49°45'50" AND A LONG CHORD BEARING S43°07'14"W 144.75 FEET; THENCE S56°04'36"E 87.36 FEET; THENCE AROUND A CURVE TO THE LEFT, HAVING A 239.00 FOOT RADIUS, 169.13 FEET, SAID CURVE HAVING A DELTA ANGLE OF 40°32'47" AND A LONG CHORD BEARING S76°20'59"E 165.63 FEET; THENCE N83°22'37"E 4.73 FEET; THENCE AROUND A CURVE TO THE RIGHT, HAVING A 151.58 FOOT RADIUS, 65.10 FEET, SAID CURVE HAVING A DELTA ANGLE OF 24°36'31" AND A LONG CHORD BEARING S84°19'07"E 64.61 FEET; THENCE S0°21'53"E 62.60 FEET; THENCE S89°44'41"W 140.00 FEET; THENCE S0°22'06"E 334.81 FEET; THENCE S89°44'48"W 329.87 FEET; THENCE S0°23'05"E 1004.41 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 8, SAID POINT BEING S89°45'11"W 2307.09 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 8; THENCE CONTINUING IN SECTION 17, T.14S., R.5E., S.L.B. & M., S1°03'34"E 333.08 FEET; THENCE S89°46'29"W 658.81 FEET; THENCE S1°07'16"E 332.84 FEET; THENCE S89°48'12"W 329.27 FEET; THENCE S1°08'54"E 332.70 FEET; THENCE S89°49'42"W 329.12 FEET; THENCE S1°10'32"E 997.67 FEET; THENCE S89°54'13"W 1314.60 FEET; THENCE S1°17'05"E 331.99 FEET; THENCE S89°55'44"W 328.49 FEET TO THE WEST LINE OF SAID SECTION 17, SAID POINT BEING N1°18'44"W 2986.67 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 17; THENCE ALONG THE WEST SECTION LINE S1°18'44"E 2654.81 FEET TO A POINT LOCATED N1°18'44"W 331.85 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 17; THENCE CONTINUING INTO SECTION 18, T.14S., R.5E., S.L.B. & M., S89°53'15"W 816.74 FEET; THENCE NORTH 331.59 FEET; THENCE S89°52'28"W 534.01 FEET; THENCE N1°02'21"W 663.02 FEET; THENCE S89°50'52"W 1339.99 FEET; THENCE S89°54'08"W 1116.20 FEET; THENCE N0°05'52"W 247.98 FEET; THENCE S88°39'42"E 268.58 FEET; THENCE N22°00'40"E 16.66 FEET; THENCE AROUND A CURVE TO THE RIGHT, HAVING A 76.57 FOOT RADIUS, 41.62 FEET, SAID CURVE HAVING A DELTA ANGLE OF 31°08'37" AND A LONG CHORD BEARING S37°34'58"W 41.11 FEET; THENCE AROUND A CURVE TO THE RIGHT, HAVING A 272.14 FOOT RADIUS, 51.81 FEET, SAID CURVE HAVING A DELTA ANGLE OF 10°54'27" AND A LONG CHORD BEARING N31°23'30"W 51.73 FEET; THENCE N25°56'17"W 324.03 FEET; THENCE S78°53'17"W 136.15 FEET; THENCE S88°44'31"W 380.70 FEET; THENCE S0°57'45"E 45.42 FEET; THENCE S0°08'03"E 546.03 FEET; THENCE S89°51'57"W 1165.78 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 18, SAID POINT BEING N00°26'00"W 1323.88 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 18; THENCE S0°26'00"E 662.78 FEET TO THE POINT OF BEGINNING.

CONTAINING 1,196.9467 ACRES.

ALSO INCLUDING:

PARCEL 2

BEGINNING AT A POINT N0°52'39"W 507.22 FEET, FROM THE SW COR. SEC. 16, T.14S., R.5E., S.L.B. & M., SAID POINT BEING ON THE WEST LINE OF SAID SECTION 16; THENCE ALONG THE WEST SECTION LINE N0°52'39"W 668.24 FEET; THENCE S89°57'54"E 655.16 FEET; THENCE S0°49'10"E 668.77 FEET; THENCE N89°55'04"W 654.49 FEET TO THE POINT OF BEGINNING.

CONTAINING 10.0481 ACRES.

PARCEL 3

BEGINNING AT A POINT SOUTH 2357.95 FEET, WEST 2938.58 FEET FROM THE NE COR. SEC. 16, T.14S., R.5E., S.L.B. & M. THENCE S0°40'31"E 335.05 FEET; THENCE S89°56'26"W 656.49 FEET; THENCE N0°43'59"W 334.78 FEET; THENCE N89°55'02"E 656.83 FEET TO THE POINT OF BEGINNING. CONTAINING 5.0485 ACRES.

PARCEL 4

BEGINNING AT A POINT S00°33'35"W 1319.88 FEET FROM THE NW COR. SEC. 20, T.14S., R.5E., S.L.B. & M.; THENCE S89°46'07"E 5238.47 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 20, SAID POINT BEING S00°08'12"W 666.83 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 20; THENCE ALONG THE EAST SECTION LINE S0°08'12"W 0.34 FEET; THENCE CONTINUING INTO SECTION 21, T.14S., R.5E., S.L.B. & M., S89°49'57"E 653.90 FEET; THENCE N0°07'48"E 333.80 FEET; THENCE S89°51'05"E 653.86 FEET; THENCE N0°07'24.56"E 334.01 FEET TO A POINT ON THE NORTH LINE OF SAID SECTION 21, SAID POINT BEING S89°52'13"E 1307.65 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 21; THENCE ALONG THE NORTH SECTION LINE S89°52'13"E 326.91 FEET; THENCE CONTINUING INTO SECTION 16, T.14S., R.5E., S.L.B. & M., N0°43'59"W 1004.34 FEET; THENCE S89°56'29"E 982.24 FEET; THENCE N0°38'47"W 338.18 FEET; THENCE S89°57'54"E 655.16 FEET; THENCE N0°35'20"W 335.45 FEET; THENCE S89°59'19"E 327.75 FEET; THENCE N0°33'37"W 335.58 FEET; THENCE N89°59'16"E 327.91 FEET; THENCE N0°31'54"W 1007.14 FEET; THENCE N89°55'02"E 328.41 FEET; THENCE N0°30'11"W 335.85 FEET; THENCE N89°53'37"E 657.16 FEET; THENCE N0°26'44"W 336.11 FEET; THENCE N89°52'13"E 328.75 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 16, SAID POINT BEING S00°25'01"E 1681.24 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 16; THENCE CONTINUING INTO SECTION 15, T.14S., R.5E., S.L.B. & M., N87°56'51"E 330.90 FEET; THENCE N0°24'46"W 336.03 FEET; THENCE N87°59'06.36"E 330.91 FEET; THENCE N0°24'31"W 671.63 FEET; THENCE N88°03'36"E 330.95 FEET; THENCE S0°24'16"E 335.60 FEET; THENCE N88°01'21"E 330.93 FEET; THENCE S0°24'01"E 328.97 FEET; THENCE S40°40'27"E 224.50 FEET; THENCE S0°24'01"E 364.38 FEET; THENCE S85°44'38"W 145.45 FEET; THENCE S0°24'01"E 131.74 FEET; THENCE S87°54'36"W 330.88 FEET; THENCE S0°24'16"E 335.60 FEET; THENCE N87°52'21"E 661.72 FEET; THENCE S0°23'46"E 2011.01 FEET; THENCE S87°38'51"W 661.51 FEET; THENCE N0°24'16"W 335.60 FEET; THENCE S87°41'06"W 661.54 FEET; THENCE N0°24'46"W 336.03 FEET; THENCE S87°43'21"W 330.79 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 15, SAID POINT BEING N00°25'01"W 1681.24 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 15; THENCE CONTINUING INTO SECTION 16, T.14S., R.5E., S.L.B. & M., N89°59'19"W 327.75 FEET; THENCE N0°26'44"W 336.11 FEET; THENCE S89°59'16"W 327.91 FEET; THENCE S0°28'27"E 335.98 FEET; THENCE N89°59'19"W 327.75 FEET; THENCE S0°30'11"E 335.85 FEET; THENCE N89°57'54"W 327.58 FEET; THENCE S0°31'54"E 335.71 FEET; THENCE N89°56'29"W 654.83 FEET; THENCE S0°35'20"E 335.45 FEET; THENCE N89°55'04"W 327.25 FEET; THENCE S0°37'04"E 335.31 FEET; THENCE N89°53'39"W 327.08 FEET; THENCE S0°38'47"E 335.18 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 16, SAID POINT BEING N89°52'13"W 2615.30 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 16; THENCE ALONG THE SOUTH SECTION LINE N89°52'13"W 326.91 FEET; THENCE CONTINUING INTO SECTION 21, T.14S., R.5E., S.L.B. & M., S0°06'49"W 334.34 FEET; THENCE N89°51'05"W 326.93 FEET; THENCE S0°07'01"W 334.23 FEET; THENCE N89°49'57"W 326.95 FEET; THENCE S0°07'13"W 334.12 FEET; THENCE N89°48'48"W 326.97 FEET; THENCE S0°07'25"W 334.01 FEET; THENCE N89°47'40"W 1307.96 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 21, SAID

POINT BEING $500^{\circ}08'12''W$ 1334.32 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 21;
 THENCE ALONG THE WEST SECTION LINE $N0^{\circ}08'12''E$ 7.49 FEET; THENCE CONTINUING INTO SECTION
 20, T.14S., R.5E., S.1.B. & M., $N89^{\circ}46'072''W$ 2094.84 FEET; THENCE $N69^{\circ}46'07''W$ 430.32 FEET; THENCE
 $N50^{\circ}46'07''W$ 118.80 FEET; THENCE $N60^{\circ}16'07''W$ 183.48 FEET; THENCE $S80^{\circ}43'53''W$ 151.80 FEET;
 THENCE $S23^{\circ}13'53''W$ 66.00 FEET; THENCE $N54^{\circ}46'07''W$ 120.78 FEET; THENCE $N87^{\circ}46'07''W$ 256.74
 FEET; THENCE $N86^{\circ}16'07''W$ 191.40 FEET; THENCE $S87^{\circ}43'53''W$ 272.58 FEET; THENCE $S60^{\circ}43'53''W$
 66.00 FEET; THENCE $S86^{\circ}13'53''W$ 112.86 FEET; THENCE $S0^{\circ}13'53''W$ 264.00 FEET; THENCE
 $N89^{\circ}46'07''W$ 1327.70 FEET TO THE WEST LINE OF SAID SECTION 20, SAID POINT BEING $500^{\circ}33'35''W$
 1319.88 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 20; THENCE $N0^{\circ}33'35''E$ 659.87 FEET
 TO THE POINT OF BEGINNING.
 CONTAINING 308.9211 ACRES.

Excepting the following parcel:

BEGINNING AT A POINT ON THE WEST LINE OF SECTION 10, T.14S., R.5E., S.1.B. & M., SAID
 POINT BEING $N00^{\circ}12'06''W$ 785.00 FEET FROM THE WEST QUARTER CORNER OF SAID
 SECTION 10; THENCE, CONTINUING ALONG SAID WEST LINE, $N00^{\circ}12'06''W$ 221.97 FEET;
 THENCE $N88^{\circ}28'01''E$ 88.06 FEET; THENCE $S12^{\circ}58'39''W$ 21.98 FEET; THENCE AROUND A
 4359.97 FOOT RADIUS CURVE TO THE LEFT 100.00 FEET; THENCE $S11^{\circ}39'49''W$ 26.55 FEET;
 THENCE AROUND A 121.55 FOOT RADIUS CURVE TO THE RIGHT 94.87 FEET; THENCE
 $S56^{\circ}23'03''W$ 4.64 FEET TO THE POINT OF BEGINNING.
 CONTAINING 0.3019 Ac.

WATER SYSTEM OPERATING AGREEMENT

PIPELINES & EASEMENTS/RIGHTS-OF-WAY

WATER SYSTEM OPERATING AGREEMENT

This Water System Operating Agreement (“Agreement”) is entered into as of February 1, 2013, by and between the **Skyline Mountain Special Service District**, a Utah special service district whose address is 2201 Skyline Mountain Resort, Fairview, Utah 84629 (“District”), and **Sports Haven International**, a Utah non-profit corporation, DBA Skyline Mountain Resort whose address is 11860 East Clubhouse Drive, RR 1 PO Box 247, Fairview, Utah 84629 (“Company”).

RECITALS

- A. The District owns a culinary water system in the Fairview area of Sanpete County.
- B. The District’s culinary water system consists generally of water rights, wells, a storage tank, distribution lines, certain real property interests, and certain personal property, as is more particularly itemized in Exhibit A (collectively, the “System” as more fully defined herein).
- C. The Company, as a homeowner’s association, owns and operates real properties, including recreational properties, such as a swimming pool, golf course, club house, and areas for primary and secondary homes that are within the service area of the District.
- D. The District’s System is in need of certain upgrades and new facilities (the “Project”) and the District has obtained a \$3,007,000 funding commitment from the State of Utah Department of Environmental Quality, Drinking Water Board (“DWB” or “Drinking Water Board”) for such improvements.
- E. The value of the Company properties will be enhanced by the District’s upgraded facilities, which value would be further enhanced by providing quality management and operation of the District’s System.
- F. Because of the legal structure of the Company, in the event of non-payment of invoices and other amounts owing by members of the Company, it has certain enforcement measures available to it that are not available to the District, including the ability to place liens against properties of the Company’s members, associated with unpaid invoices.
- G. It is the intent of the parties that the Company will send out and collect invoices for the District.

AGREEMENT

NOW THEREFORE, in consideration of the terms and conditions contained herein, which the parties expressly deem to be legally sufficient consideration, the parties hereby agree as follows:

DEFINITIONS

“Bondholder” or “Registered Owner” means the holder of any indebtedness of the District.

“Bonds” means any indebtedness of the District.

“Closing” means the closing by the District on its loan approved by the Utah Department of Environmental Quality, Drinking Water Board, whereby the District obtains funding for System improvements.

“Net Revenues” means the Revenues after provision has been made for the payment therefrom of Operation and Maintenance Expenses.

“Operation and Maintenance Expenses” means all expenses reasonably incurred in connection with the operation and maintenance of the System, after tax revenues, if any, are applied to such expenses, including the cost of water and water treatment, whether incurred by the District or paid to any other municipality or company pursuant to contract or otherwise, repairs and renewals (other than capital improvements) necessary to keep the System in efficient operating condition, the cost of audits hereinafter required, fees of the paying agents on Bonds, payment of premiums for insurance on the System hereafter required and, generally, all expenses, exclusive of depreciation, which under generally accepted accounting practices are properly allocable to operation and maintenance of the System, but only such expenses as are reasonably and properly necessary to the efficient operation and maintenance of the System shall be included.

“Project” means the acquisition and construction of drinking water system improvements, and other related improvements to the District's System, including all equipment and necessary appurtenances thereof related to the funding approved by the Drinking Water Board.

“Revenues” means all gross income and revenues of any kind, from any source whatsoever, derived from the operation of the System, including, without limitation, all fees, rates, connection charges, impact fees imposed with respect to the Project to the extent such impact fees are pledged and available for payment of Bonds, if any, and other charges, the gross revenues of all improvements, additions, and extensions of the System hereafter constructed or acquired, and all interest earned by and profits derived from the sale of investments made with the income and Revenues. Revenues does not mean property taxes imposed or collected by or on behalf of the District to be used for Operation and Maintenance Expenses.

“System” means the whole and each and every part of the culinary water system of the District, including the Project to be acquired and constructed pursuant to the funding from the DWB, and all property, real, personal and mixed, of every nature now or hereafter owned by the District and used or useful in the operation of such water system, together with all improvements, extensions, enlargements, additions, and repairs thereto which may be made.

1. **OWNERSHIP OF WATER SYSTEM**

The parties hereby acknowledge and recognize that at all times the District's System and all parts and components thereof, including all water rights, rights-of-way, easements, wells, tanks, etc., including, but not limited to, all assets listed on Exhibit A, are exclusively owned by the District, and only the District, and that the Company has no real or personal property interest in any part or component of the District's culinary water System, whether set forth in Exhibit A or otherwise, either now existing, or as may be acquired hereafter except the Company's reversionary interest as set forth in the Company's Bill of Sale to the District dated February 28, 2009, the Company's Water Rights Deed to the District dated February 28, 2009 and recorded in the Office of the Sanpete County Recorder on September 8, 2009 in Book 593 at Page 1204, as entry number 165581, and the License Agreement between the District and the Company dated December 5, 2012 and recorded in the Office of the Sanpete County Recorder on December 13, 2012 in Book 640 at Page 1182, as entry number 187954. The parties further acknowledge and recognize that all assets and funds of the District's System must be kept separate, apart and independent from any assets and funds of the Company and that any and all additions or improvements to the District's System shall be the sole and exclusive property of the District and that the Company shall have no ownership interest now, or at any time, in any part or component of the District's System except the Company's reversionary interest referred to above. The Company hereby agrees that it shall keep all District assets and funds separate, apart and independent from any and all Company assets and funds. Pursuant to the Company's reversionary interest referred to above in this paragraph 1, hereinafter referred to as the “Company's Reversionary Interest”, title to the water distribution system, water rights, and license described in the above-referenced Bill of Sale, Water Rights Deed, and License Agreement, respectively, automatically revert to the Company upon the initiation of the dissolution process of the District. The Company's Reversionary Interest is hereby amended by adding the following requirement thereto: In the event the dissolution process of the District is initiated at any time after the date of this Agreement, said water distribution system, water rights, and license shall not revert back to the Company unless and until the Company, concurrently therewith, pays the then outstanding balance(s) of the District's Bonds, plus any amount, including penalties, to taxing authorities, that may become due and owing as a consequence of losing or no longer qualifying for tax exempt funding on System improvements. However, the Company at that time shall have the right, in the Company's sole discretion and in lieu of the foregoing, to waive the Company's Reversionary Interest, or to

assign the Company's Reversionary Interest and the assumption of the then outstanding balance(s) of the District's Bonds to a local governmental entity such as Sanpete County.

2. **OPERATION OF WATER SYSTEM**

- a. The Company, for and on behalf of the District, shall invoice all water customers of the District's System and shall take any and all steps or measures available to the Company to collect all invoices for the District, including delinquent or late payments, and the Company shall use all enforcement measures or methods available to it to collect such invoices, including the ability to place liens against property associated with members of the Company who are also customers of the System who are delinquent or late in payments to the District, consistent with the District's regulations. All Revenues collected related to the System are the funds and monies of the District and not the Company and shall be immediately delivered to the District, even if collected with the assistance of the Company. The District shall reimburse the Company for recording fees, court costs, and reasonable attorney fees expended by the Company to collect such invoices, including placing liens against property associated with members of the Company and any such lien foreclosure action or other debt collection action to collect on such invoices.
- b. Other than invoicing and collecting water payments, the System shall be operated by the District. The Company only agrees hereunder to send invoices and collect invoices for the District and otherwise does not agree to operate the District's System.
- c. The Company agrees to advise the District and its Board regarding water rates so that the rates for all water service supplied by the System to all customers within or without the boundaries of the District shall be sufficient to pay the cost of operating and maintaining the System and the payment of debt obligations secured by the Revenues of the System including approved funding from the Drinking Water Board any other Bonds or indebtedness of the District, which rates shall be sufficient to produce Net Revenues that are equal to or greater than 125% of the annual debt service on all debt obligations secured by the Revenues, provided such rates must be reasonable rates for the type, kind, and character of the service rendered. There shall be no free service to any customers, including the District.
- d. The Company will not sell, lease, mortgage, encumber, or in any manner dispose of the System or any substantial part thereof, including any and all extensions and additions that may be made. The District will not sell, lease, or in any manner dispose of the

System or any substantial part thereof, including any and all extensions and additions that may be made.

- e. The Company will not grant a franchise for the operation of any competing water system within District's limits or service area, and the Company shall not take any action or do anything that would provide competing water service within the District or its service area.
- f. The Company will maintain its identity, will make no attempt to cause its existence to be abolished and will resist all attempts by other entities to annex all or any part of the territory now or hereafter in the District or served by the System.

3. **DISTRICT NOT LIABLE FOR COMPANY OBLIGATIONS**

By this Agreement, the District does not assume any liabilities of the Company, nor take responsibility for any assets of the Company, nor assume any liability for the operations of the Company. The Company agrees to indemnify the District from any and all liabilities of the Company, such as employment taxes or other obligations of the Company related to Company employees or agents.

4. **REPRESENTATIONS AND WARRANTIES**

4.1 **Representations and Warranties of the Company.** The Company hereby represents and warrants to the District as follows:

- (a) **Status.** The Company is a Utah corporation validly existing and in good standing at this time under the laws of the State of Utah.
- (b) **Authority.** The Company has the absolute right, power, authority and capacity to enter into and perform this Agreement in accordance with its terms.
- (c) **Execution.** The execution and performance of this Agreement by the Company will not violate, or result in a breach of, or constitute a default under, any agreement, instrument, judgment, order or decree to which the Company is a party or to which the Company may be subject, nor will such execution or performance constitute a violation of any fiduciary duty to which the Company is subject.
- (d) **Binding Agreement.** Upon execution and delivery hereof, this Agreement and the agreements and instruments contemplated herein shall be legal, valid and binding obligations of the Company and shall be enforceable against the Company in accordance with their respective terms.

- (e) Suits and Proceedings. There are no suits or proceedings known to the Company to be pending or threatened in any court, arbiter or mediator, or before any administrative board, commission, or by any federal, state or other governmental department or agency, which directly or indirectly affect the District's culinary water System, or which, if adversely determined, would have a material adverse affect on the System or the transactions contemplated by this Agreement.
- (g) Third-Party Approvals. Other than Drinking Water Board approvals, no consents or approvals of any third party or parties are required prior to the execution, delivery and performance of this Agreement and the other documents referred to herein.
- (h) No Material Adverse Changes. Since the date of this Agreement there has not been and will not be any undisclosed, material adverse changes in the Company, its management or its assets, that are known to the Company.
- (i) No Misstatements. No statements of information or fact by the Company contained in this Agreement or furnished by the Company to the District pursuant to this Agreement, contain or will contain any untrue statement of a material fact, or have omitted any material fact(s) necessary to make such statements or information not misleading. There are no facts known to the Company which have not been disclosed to the District and which, in light of the circumstances presently prevailing, could reasonably be expected to have a material adverse effect on the District's System.

4.2 **Representations and Warranties of the District.** The District hereby represents and warrants to the Company as follows:

- (a) Status. The District is a Utah special service district duly organized, validly existing, and in good standing under the laws of the State of Utah, and has full power and authority to own, operate and lease its properties as presently owned, operated and leased.
- (b) Authority. The District has the absolute right, power, authority and capacity to enter into and perform this Agreement in accordance with its terms without any other or further authorization, action or proceeding.
- (c) Ownership of Water System. The District owns and holds legal and beneficial title of record to its culinary water System and all of the assets and rights constituting the same will be expressly set forth in Exhibit A.

- (d) Execution. The execution and performance of this Agreement by the District will not violate, or result in a breach of, or constitute a default under, any agreement, instrument, judgment, order or decree to which the District is a party or to which the District may be subject, nor will such execution or performance constitute a violation of any fiduciary duty to which the District is subject.
- (e) Binding Agreement. Upon execution and delivery hereof and as of Closing, this Agreement and the agreements and instruments contemplated herein shall be legal, valid and binding obligations of the District and shall be enforceable against the District in accordance with their respective terms.
- (f) Suits and Proceedings. There are no suits or proceedings known to the District to be pending or threatened in any court, arbiter or mediator, or before any administrative board, commission, or by any federal, state or other governmental department or agency, which directly or indirectly affect the water System, or which, if adversely determined, would have a material adverse effect on the System or the transactions contemplated by this Agreement.
- (f) Third-Party Approvals. Other than Drinking Water Board approvals, no consents or approvals of any third party or parties are required prior to the execution, delivery and performance of this Agreement and the other documents referred to herein.
- (g) No Misstatements. No statements of information or fact by the District contained in this Agreement or furnished by the District to the Company pursuant to this Agreement, contain or will contain any untrue statement of a material fact, or have omitted any material fact(s) necessary to make such statements or information not misleading. There are no facts known to the District which have not been disclosed to the Company and which, in light of the circumstances presently prevailing, could reasonably be expected to have a material adverse effect on this transaction.

5. CONDITIONS PRECEDENT

5.1 Conditions of the Company's Obligation to Close. The obligation of the Company to consummate the transactions contemplated by this Agreement is subject to the fulfillment (or the waiver thereof by the Company in writing) of the following conditions at or before Closing:

- (a) The District's Representations. All representations and warranties made by the District shall be true, accurate and correct as of Closing, and there shall be no breach in the warranties or covenants made hereunder by the District.

- (b) Delivery of Documents. The District shall have executed and delivered to the Company any and all documents necessary or advisable to consummate the transactions contemplated by this Agreement.

5.2 **Conditions of the District's Obligation to Close.** The obligation of the District to consummate the transactions contemplated by this Agreement is subject to the fulfillment (or the waiver thereof by the District in writing) of the following conditions at or before Closing:

- (a) The Company's Representations. All representations and warranties made by the Company shall be true, accurate and correct as of Closing, and there shall be no breach in the warranties or covenants made hereunder by the Company.
- (b) Delivery of Documents. The Company shall have executed and delivered to the District any and all documents required or necessary to consummate the transactions contemplated by this Agreement.

6. INDEMNIFICATION

6.1 **Indemnification of the Company.** Without waiving, and subject to, any governmental immunity provided by law to either party, the District shall indemnify, defend, and hold harmless the Company, and its officers, directors, employees and agents from any and all damages, claims, liabilities, losses, costs and expenses whatsoever arising out of, attributed to, or incurred with respect to: (a) any untruth, inaccuracy, or breach of any warranty or representation made by the District under this Agreement; (b) the untruths or inaccuracy of any representation in, or omission from any certificate or instrument executed and delivered or to be executed and delivered by or on behalf of the District in connection with this Agreement; (c) any obligation assumed by the District pursuant to this Agreement; and (d) any act or omission by the District in any liability, claim, loss or litigation involving the System and that relates to facts or circumstances arising prior to the Closing.

6.2 **Indemnification of the District.** Without waiving, and subject to, any governmental immunity provided by law to either party, the Company shall indemnify, defend, and hold harmless the District, and its officers, trustees, employees and agents from any and all damages, claims, liabilities, losses, costs and expenses whatsoever arising out of, attributed to, or incurred with respect to: (a) any untruth, inaccuracy, or breach of any warranty or representation made by the Company under this Agreement; (b) the untruths or inaccuracy of any representation in, or omission from any certificate or instrument executed and delivered or to be executed and delivered by or on behalf of the Company in connection with this Agreement; (c) any obligations of the Company; and (d) any act or omission by the Company in any liability, claim, loss or litigation

involving the System that relates to facts or circumstances not identified in Exhibit B arising after the Closing.

- 6.3 **Indemnification Procedures.** Upon receipt by an indemnified party of notice of any action, suit, proceeding, claim, demand or assessment against such indemnified party which might give rise to a claim for indemnification, each indemnified party shall give written notice of it to the indemnifying party indicating the nature of such matter and the basis for it. A claim to indemnity may, at the option of the indemnified party, be asserted as soon as such action has been threatened by a third party orally or in writing, regardless of whether actual harm has been suffered or out-of-pocket expenses incurred. The indemnifying party, at its expense, shall assume the complete defense of such action, suit, proceeding, claim, demand, or assessment with full authority to conduct such defense and to settle or otherwise dispose of the same, and the indemnified party will fully cooperate in such defense, and shall have the right to participate in such defense at its own cost and expense. Any such action shall be handled consistently with the commercially reasonable normal business practices of the indemnifying party. Notwithstanding anything to the contrary, the indemnifying party will not, in defense of any such action, suit, proceeding, claim, demand, or assessment, except with the consent of the indemnified party, consent to the entry of any judgment against the indemnified party or enter into any settlement which does not include as an unconditional term of it the giving by the claimant or plaintiff to the indemnified party of a release from all liability in respect of such matter. If the indemnifying party is precluded from, fails, or refuses to provide an adequate defense of the indemnified party, and the indemnified party has given notice to the indemnifying party of a demand to defend, the indemnifying party shall be liable to the indemnified party for such legal or other expenses subsequently incurred by the indemnified party in connection with the defense of any action, suit, proceeding, claim, demand, or assessment.

7. **DEFAULT**

In the event that any of the following occurs, the non-defaulting party shall be entitled to terminate this Agreement and to pursue any and all legal and/or equitable rights and remedies which it may have against the defaulting party including, without limitation, the remedy of specific performance:

- 7.1 **False Statement.** Any written representation, warranty or statement made by either party hereto, or any written statement, report or document which is required to be furnished to either party hereunder, which is materially false or misleading; or
- 7.2 **Failure to Comply.** Failure by either party to comply with any or all terms of this Agreement, provided that such failure has continued for ten (10) days following receipt by the other party of written notice specifying

with particularity such failure and requesting the defaulting party to cure such failure.

8. ADDITIONAL PROVISIONS

- 8.1 **Cooperation.** Both the Company and the District agree to cooperate with each other in carrying out the express intent of this Agreement, including the timely execution of all necessary documents and the provision of records and information to the other party as requested.
- 8.2 **Survival of Representations and Warranties.** The respective obligations of the District and the Company hereunder and all representations and warranties made in this Agreement, all exhibits hereto, and all certificates and documents delivered pursuant hereto, shall survive Closing.
- 8.3 **Binding Agreement.** This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the respective parties hereto.
- 8.4 **Captions.** The headings used in this Agreement are inserted for reference purposes only and shall not be deemed to define, limit, extend, describe, or affect in any way the meaning, scope or interpretation of any of the terms or provisions of this Agreement or the intent hereof.
- 8.5 **Counterparts.** This Agreement may be signed in any number of counterparts with the same effect as if the signatures upon any counterpart were upon the same instrument. All signed counterparts shall be deemed to be one original.
- 8.6 **Severability.** The provisions of this Agreement are severable, and should any provision hereof be void, voidable, unenforceable or invalid, such void, voidable, unenforceable or invalid provision shall not affect the other provisions of this Agreement.
- 8.7 **Waiver of Breach.** Any waiver by either party of any breach of any kind or character whatsoever by the other, whether such be direct or implied, shall not be construed as a continuing waiver of, or consent to, any subsequent breach of this Agreement.
- 8.8 **Cumulative Remedies.** The rights and remedies of the parties hereto shall be construed cumulatively, and none of such rights and remedies shall be exclusive of, or in lieu or limitation of, any other right, remedy or priority allowed by law.
- 8.9 **Merger.** Except for the Bill of Sale, Water Rights Deed, and License Agreement, all as described and referred to in paragraph 1 above, this Agreement constitutes the entire agreement between the parties relating

to the operation of the District's culinary water System and supersedes, terminates, and/or consolidates all prior agreements and negotiations concerning the matters addressed herein.

- 8.10 **Amendment.** This Agreement may not be modified except by an instrument in writing signed by the parties hereto.
- 8.11 **Interpretation.** This Agreement shall be interpreted, construed and enforced according to the substantive laws of the state of Utah.
- 8.12 **Attorney Fees.** In the event any action or proceeding is brought by either party concerning this Agreement, the prevailing party shall be entitled to recover its expenses and reasonable attorney fees, whether such sums are expended with or without suit, at trial, on appeal or in any bankruptcy or insolvency proceeding.
- 8.13 **Term.** The initial term of this Agreement shall be for ten (10) years. This Agreement shall automatically be renewed for two additional ten (10) year terms unless either party provides notice in writing to the other party within one (1) year immediately preceding the expiration of the initial ten (10) year term of this Agreement or within one (1) year immediately preceding the expiration of the first renewal ten (10) year term of this Agreement, as the case may be, that the notifying party elects to not renew the Agreement. Either party may terminate this Agreement upon providing written notice to the other party at least twelve (12) months prior to termination of this Agreement.
- 8.14 **Notice.** All notices provided for herein shall be in writing and shall be given by first class mail, certified or registered, postage prepaid, addressed to the parties at their respective addresses set forth below or to such address as may hereafter be designated to the other party in writing:

to the Company: Skyline Mountain Resort
11860 East Clubhouse Drive
RR1, Box 247
Fairview, UT 84629

with a copy to: Michael R. Jensen
90 W. 100 N., Suite 3
Price, UT 84501

to the District: Skyline Mountain Special Service District
2201 SMR
Fairview, Utah 84629

with a copy to: J.Craig Smith
Smith Hartvigsen, PLLC

175 S. Main, Suite 300
Salt Lake City, Utah 84111

- 8.14 **Exhibits and Recitals.** All exhibits and/or addenda attached or to be attached hereto before closing and recitals shall be considered to be fully incorporated into, and made a part of, this Agreement as if such exhibits, addenda, and/or recitals were fully and completely set forth herein. Any internal inconsistencies, however, shall be resolved in favor of the terms specifically set forth in the body of this Agreement.
- 8.15 **Time of Essence.** Time is the essence of this Agreement.
- 8.16 **Costs.** All costs and expenses, including attorney fees, incurred by either party in conjunction with this Agreement shall be paid by the party which has incurred such costs and expenses, except as otherwise set forth herein.
- 8.17 **Assignment.** Neither party may assign its rights or delegate its duties under this Agreement to any third party without the other's prior written consent, which consent may not be unreasonably withheld or delayed.
- 8.18 **Public Announcement.** Any notices to third parties and other publicity concerning this Agreement and transactions contemplated by this Agreement must be first approved by the other party, but such approval will not be unreasonably withheld or delayed, provided, however, compliance with the Requirements of the Utah Government Records Management Act shall not be interpreted or construed as a violation of this provision. In addition, this provision does not apply to routine notices concerning Company Board and Shareholder Meetings or the District's Board Meetings, to the agenda for such meetings, or to notices or information provided in connection with obtaining lending approvals.

The District:
Skyline Mountain Special Service District

By: Edward M. Collins
Edward M. Collins, Chair

ATTEST:

Roy Fox
Roy Fox, District Clerk

(DISTRICT SEAL)



Company:
Sports Haven International
dba Skyline Mountain Resort

By: Everett Taylor
Everett Taylor, President

ATTEST:

Sue Schmidt
Sue Schmidt, Secretary

**WATER SYSTEM OPERATING AGREEMENT
EXHIBIT A**

WATER SYSTEM ASSETS			
Water Rights			
Water Right Nos.			
Real Property and Facilities			
Parcel Number	Address	Acreage	Common Description
Pipeline & Easements/Rights-of-Way			
All rights and interests of the District in and to its pipelines, appurtenances, and facilities and in and to easements and rights-of-way, whether of record, prescriptive, or otherwise, for water collection, storage, treatment, and/or distribution, including but not limited to, the following:			
See attached easements, etc.			
Personal Property – See attached section “Existing Water System Assets”			
Vehicles	N/A		
Equipment			
Supplies	N/A		
Tools	N/A		
Other	Water System		
Cash Assets – See attached financial report			
Cash			
Loan Reserves			
Accts Receivable			
Other			

**WATER SYSTEM OPERATING AGREEMENT
EXHIBIT B**

WATER SYSTEM LIABILITIES & OBLIGATIONS				
Debt Obligations				
Loans	Loan #	Balance	Payment Amount	Interest Rate
N/A				
Contract Obligations				
N/A				
Accounts Payable				
N/A				
Other Obligations or Liabilities				

Skyline Mountain Resort
Water Requirements

October, 15th 2014

Water owned

Archie's Hollow Chicken Track Spring 2 wells	= 222.85	acre feet
Birch Creek Irrigation Co. 55.5 class A shares	= 166.5	acre feet
		389.35
		acre feet

Water required 946 lots

Full time cabin requirements require .45 acre feet
Part time cabin requirements require .25 acre feet.

Full time lots = $331 * .45 = 148.95$ acre feet of water
Part time lots = $615 * .25 = 153.75$ acre feet of water

Total acre feet required = 302.70

All the full time lots have the water piped to the front of the lots.
All the part time lots have a filling station in the subdivision.

SANPETE COUNTY COMMISSION MEETING October 21, 2014, 2:00 P.M. Sanpete County Courthouse, 160 North Main, Room 101, Manti, Utah Present are: Commission Chair Claudia Jarrett, Commissioners Steve Frischknecht and Scott Bartholomew, County Attorney Brody Keisel, and County Clerk Sandy Neill. Meeting is called to order by Commission Chair Claudia Jarrett

APPROVAL OF SKYLINEMOUNTAIN RESORT'S APPLICATION FOR A SUBDIVISION Scott Olson, Joe Hanks, and Max Henry are present. The Skyline Mountain area began development in 1963, and 1985. Lot sizes, roads, and water don't meet current zoning regulations. The County Commission previously approved this development under the older ordinances. In 2001 the Planning Commission signed off on the plat map, recommending this to be presented to the County Commissioners. In 2003, the deeding process was discussed with the Commission. The County and Skyline Mtn Resort's attorneys agreed on 3 issues that needed to be resolved. The first was assurance of sufficient water to serve the area, a master water plan needed to be made, and each owner needed to sign the plat. Deeds have been signed, and quiet titles completed for owners that were unable to be located. The master water plan has been approved. A total of 946 lots are on the plat, instead of the 2,000 or so that were originally planned for. Most lots are 1 acre in size. The subdivision has enough water to meet the state standards. Mr. Henry states that the new CC&R's will state outside watering will not be allowed unless irrigation water rights are obtained. They will meet all Wildland Urban Interface requirements. Leon Day is concerned that this is in the area in the County that typically requires 5 or 40 acres per lot. The Commissioners explain that this was approved years ago. Motion is made by Commissioner Frischknecht to approve moving forward with the application. The motion is seconded by Commissioner Bartholomew, and the motion passes.

SANPETE COUNTY COMMISSION MEETING November 18, 2014, 2:00 P.M. Sanpete County Courthouse, 160 North Main, Room 101, Manti, Utah Present are: Commission Chair Claudia Jarrett, Commissioners Steve Frischknecht and Scott Bartholomew, County Attorney Brody Keisel, and County Clerk Sandy Neill. Meeting is called to order by Commission Chair Claudia Jarrett.

SKYLINE MOUNTAIN RESORT: CONCEPT AND PRELIMINARY APPROVAL OF A MAJOR SUBDIVISION LOCATED NORTH EAST OF MT. PLEASANT Scott Olsen, Lee Holmstead, Joe Hanks, Everett Taylor, Reed Hatch and Max Henrie are present. There are 945 lots on the plat. One hundred and ninety five of those lots remain unsold. About 70 other lots are dedicated to the special service district. Easements have been drawn on the plat map for each lot. They are unsure if they will keep those in place, or if they will only have the easements on the side that fronts the roads. This plat map is ½ the size that our newer code requires, but this was approved as is by the Planning Commission. All members have signed quit claim deeds, and the property will be deeded to each owner after the subdivision is approved. The subdivision has 3 wells. Motion is made by Commissioner Bartholomew to approve the concept and preliminary plans for the Skyline Mountain Resort, located North East of Mt Pleasant. The motion is seconded by Commissioner Frischknecht, and the motion passes.

SANPETE COUNTY COMMISSION MEETING December 16, 2014, 2:00 P.M. Sanpete County Courthouse, 160 North Main, Room 101, Manti, Utah Present are: Commission Chair Claudia Jarrett, Commissioners Steve Frischknecht and Scott Bartholomew, County Attorney Brody Keisel, and County Clerk Sandy Neill. Meeting is called to order by Commission Chair Claudia Jarrett.

The approval of this subdivision has been a long time coming. The property is now deeded to the subdivision. The next step deeding the property to each individual owner will take place very soon. Reed Hatch states for the record part of the agreements that were reached on this subdivision, tax notices will not be given on the SMSSD's land, common areas and open spaces. The \$5.00 per lot fee for GIS will be waived, and Skyline will provide that information through Jones and DeMille in a format that will then be overlayed on the maps. Current liens on each individual will go with their parcel. Motion is made by Commissioner Frischknecht to give final approval of the Skyline Mountain Resort, a major subdivision located north east of Mt Pleasant. The motion is seconded by Commissioner Bartholomew, and the motion passes.

APPENDIX D

SANPETE COUNTY COMMISSION MEETING October 21, 2014, 2:00 P.M. Sanpete County Courthouse, 160 North Main, Room 101, Manti, Utah Present are: Commission Chair Claudia Jarrett, Commissioners Steve Frischknecht and Scott Bartholomew, County Attorney Brody Keisel, and County Clerk Sandy Neill. Meeting is called to order by Commission Chair Claudia Jarrett

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SKYLINE MOUNTAIN RESORT: CONCEPT AND PRELIMINARY APPROVAL OF A MAJOR SUBDIVISION LOCATED NORTH EAST OF MT. PLEASANT Scott Olsen, Lee Holmstead, Joe Hanks, Everett Taylor, Reed Hatch and Max Henrie are present. There are 945 lots on the plat. One hundred and ninety five of those lots remain unsold. About 70 other lots are dedicated to the special service district. Easements have been drawn on the plat map for each lot. They are unsure if they will keep those in place, or if they will only have the easements on the side that fronts the roads. This plat map is ½ the size that our newer code requires, but this was approved as is by the Planning Commission. All members have signed quit claim deeds, and the property will be deeded to each owner after the subdivision is approved. The subdivision has 3 wells. Motion is made by Commissioner Bartholomew to approve the concept and preliminary plans for the Skyline Mountain Resort, located North East of Mt Pleasant. The motion is seconded by Commissioner Frischknecht, and the motion passes.

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APPENDIX E



J. CRAIG SMITH
jcsmith@shutah.law

August 28, 2023

Hon. Scott Bartholomew, Chair
Hon Reed Hatch
Hon. Scott Collard
Sanpete County Commission
160 North Main
P.O. Box 157
Manti, UT 84642

Re: Water Right Dedication/Exaction Requirements For New Connections SMSSD

Dear Commissioners,

This firm represents Skyline Mountain Special Service District, (“SMSSD”). As you know, SMSSD was created by Sanpete County (“County”) to provide culinary water in the area of the Skyline Mountain Resort, (“SMR”). In order for SMSSD to serve new connections/customers it is required to follow the “Addendum On Water Requirements” (“Addendum”) to the Sanpete County Land Use Ordinance. The water right requirements in the Addendum often cause water providers to mandate dedication/exaction of water rights to serve new connections/customers. A copy of the Addendum is attached as **Exhibit A**. It is SMSSD’s understanding that, unless SMSSD has water rights surplus to its present and expected future customers within SMR, it cannot add any additional connections/customers or expand its service area. However, recent events necessitate a review of the water dedication standards imposed on SMSSD by the County

I. Introduction

Recently, in 2019, the engineering firm of Hansen Allen Luce completed a “Projected Water Rights Use Analysis (40-Year Plan)” (“**Water Demand Study**”) for SMSSD which projects water demand up to 2059.¹ According to the Water Demand Study, applying the County standard per residence found in the Addendum of 0.45 acre-feet of water per year, SMSSD would only need an additional 86 acre-feet of water, in addition to the 222.85 acre-feet already held by SMSSD, to

¹ Water Demand Studies which project water demands for forty years are required by the Utah Division of Water Rights for “Public Water Suppliers, such as SMSSD, to take advantage of the provisions of Utah Code Ann. § 73-1-4, which allow Public Water Suppliers to stockpile surplus water rights for their reasonable future needs within the next forty years and protects the stockpiled water rights from forfeiture for nonuse.

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serve full buildout within its existing service area. This includes the future extension of its Water System to serve what are known as “cabins on the mountain” which currently are not served. This, of course, does not include expanding the service area and SMSSD boundary to include additional adjacent area. Currently, SMSSD serves five customers outside of SMR.

As mentioned above, the Addendum requires a specific amount of water required per residence. The Addendum has the following listed as state requirements for the amount of water rights SMSSD must hold to serve each new residential connection/customer:

- 0.45 acre-foot for full time residence. (No outside watering)*
- 0.25 acre-foot for part-time residence, 181 days or less. (No outside watering)*
- 3.00 acre-foot for each acre watered.”²*

As discussed below, following the procedure established by Utah law, a new and lower acre foot requirement SMSSD must have per residence has been established for SMSSD. The purpose of this letter is to request the County recognize and apply this new standard.³

Recently, SMSSD was given a new Water System specific Source and Storage requirement by the Utah Division of Drinking Water, (“DDW”). As explained below, DDW’s Source and Storage requirement is both the basis for and tied directly to the water right needed for a connection/customer.

This letter formally requests the County to recognize the new System Source and Storage requirement and accordingly modify the water right requirement for SMSSD that is found in the Addendum to be consistent with the new System Source and Storage requirement of 0.17 acre-feet per equivalent residential connection (“**ERC**”) for indoor use for a full time residence in place of the 0.45 acre-feet.⁴ This letter will also provide some background to help the Commission understand the purpose and need for this request.

II. Background of 0.45 Acre-Feet Standard

For reasons explained below, for many years the requirement of 0.45 acre-feet per ERC, per year, for indoor use was the *de facto* standard in Utah. While many believe the 0.45 acre-feet standard for a full-time residence per year, (the “**0.45 Standard**”) came from the State Engineer of Utah, in reality it was derived from DDW Source and Storage Rules. The 0.45 Standard was never a requirement of the Utah State Engineer, nor does this requirement accurately

² This same 0.45 acre foot water right requirement for full time residence indoor use is also found in the County Subdivision Ordinance.

³ Not only will this new standard apply to new connections/customers but also to existing customers.

⁴ ERC is used by DDW to identify a typical residence. As you likely know, SMSSD customers are a mix of full time and part time residences.

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estimate actual indoor water use. In 2018 then State Engineer, Kent Jones, P.E. issued a Memorandum clarifying the position of the State Engineer on the 0.45 Standard, stating the 0.45 Standard, is only to be used “when there is no evidence that it should be different.” (Memorandum of Kent L. Jones, PE, State Engineer, dated December 28, 2018, attached as **Exhibit B.**) In this same Memorandum, State Engineer Jones also states that indoor water use of “70 gallons per person per day may be a more reasonable indoor domestic use in Utah.... or 0.28 acre-feet/year...”

The 0.45 Standard is derived from Rules found in Utah Administrative Code R 309-510-7 and R 309-510-8, adopted by the DDW. (A copy of these Rules are attached as **Exhibit C.**) These DDW Rules require source and storage to provide, on average, 400 gallons per day (“gpd”) per ERC. Over a year’s time 400 gpd equals 146,000 gallons per year, or 0.448 acre-feet per year.

However, beginning in 2009 studies began to reveal that literally no ERC requires 0.45 acre-feet for indoor domestic use. The Utah Division of Water Resources (“UDWRe”) released a survey tracking actual water use in 17 Utah communities. The “2009 Residential Water Use” Survey, found that actual indoor use per household ranged from 142 gpd (Blanding City) to 227gpd (Taylorsville City). The average for all 17 Utah cities surveyed was 173 gpd, which is less than half of the 400 gpd used to justify the 0.45 Standard.⁵

The 2009 Survey led to other state studies and audits of domestic indoor use in Utah. Two Utah Legislative Audits of state water right dedication standards, both confirm the UDWRe conclusion that the 0.45 af/400 gpd standard is far exceeds actual domestic water use per ERC. In fact, one Audit, “A Review of the Division of Drinking Water’s Minimum Source Sizing Requirements” by the Utah Legislative Auditor in December 2014, explicitly reached the following conclusion:

“the average day indoor requirement [imposed by the Division of Drinking Water Regulations] of at least 400 gpd per connection appears excessive for three reasons: First, research suggests the average Utah resident uses less water than the state requirement. Second, water use data from Salt Lake City also shows residential use is less than the state requirement. Third, engineers who design municipal water systems provided us with data suggesting the state requirement is excessive. Collectively, these points appear to warrant a formal review of and reduction to the state average day indoor requirement.”⁶

The Utah Legislature, recognizing that the commonly used 0.45 Standard derived from the DDW’s Source and Storage standards did not reflect actual water use, passed legislation in 2018 which specifically amended Utah’s Safe Drinking Water Act. This amendment required DDW to develop system source and storage requirements, rather than a statewide requirement. For a water system serving a population of more than 3,300, the statutory deadline to develop “system

⁵ A copy of the Survey is readily available on the UDWRe website.

⁶ A copy of this Audit is available on the website of the Office of Legislative Auditor General.

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specific” storage and sizing standards was “no later than March 1, 2019.” A copy of Utah Code Ann. § 19-4-114 is attached as **Exhibit D**. For water systems, such as the SMSSD system, serving between 500 and 3,300 the legislative deadline to establish a specific, system based, standard for Source and Storage is October 31, 2023.

III. SMSSD System Specific Water Requirements

To allow DDW to comply with this legislative mandate, SMSSD submitted the required three years of water use records to DDW. Based on this information DDW issued a letter to SMSSD dated August 10, 2023. A copy of the letter is attached as **Exhibit E**.

According to the DDW letter issued on August 10, 2023 (Ex. E) The System Specific Source and Storage standard for SMSSD is now:

Peak Day Source Demand (gal/day/ERC) – 415 gal/day/ERC
Average Annual Demand (gal/yr/ERC) – 55,000 gal/yr/ERC
Average Annual Demand (ac-ft/yr/ERC) – 0.17 ac-ft/yr/ERC
Equalization Storage (gal/ERC) – 151 gal/ERC
Fire Storage (gal) – 210,000 gal

Ex. E. pg. 1

Rather than the 495 full time ERCs SMSSD is able to serve with its 222.85 acre-feet of water when the 0.45 Standard is applied, SMSSD is now able to serve 1,310 full time ERCs with the new, 0.17, standard. The 1,310 ERCs is far beyond the full buildout of SMSSD which is 952 ERCs. Thus, SMSSD has surplus capacity to serve an additional 358 ERCs.

IV. State Law Applicable to Water Dedications/Exactions

In light of this new standard of 0.17 acre-feet per ERC, it is important to note Utah law requires water dedication be proportional to the actual use. Utah Code § 17-27a-507 states:

(1) A county may impose an exaction or exactions on development proposed in a land use application, including, subject to Subsection (3), an exaction for a water interest, if:

(a) an essential link exists between a legitimate governmental interest and each exaction; and

(b) each exaction is roughly proportionate, both in nature and extent, to the impact of the proposed development.

(2) If a land use authority imposes an exaction for another governmental entity:

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(a) the governmental entity shall request the exaction; and
(b) the land use authority shall transfer the exaction to the governmental entity for which it was exacted.

(3) (a) (i) Subject to the requirements of this Subsection (3) a county or, if applicable, the county's culinary water authority shall base any exaction for a water interest on the culinary water authority's established calculations of projected water interest requirements.

(ii) Except as described in Subsection (3)(a) (iii), a culinary water authority shall base an exaction for a culinary water interest on:

(A) consideration of the system-wide minimum sizing standards established for the culinary water authority by the Division of Drinking Water pursuant to Section 19-4-114; and

(B) the number of equivalent residential connections associated with the culinary water demand for each specific development proposed in the development's land use application, applying lower exactions for developments with lower equivalent residential connections as demonstrated by at least five years of usage data for like land uses within the county.

Emphasis added. A copy of this statute is enclosed as **Exhibit F**.

V. Conclusion

In light of the above, SMSSD respectfully suggests that neither SMSSD nor the County has any option, other than to modify the water dedication/exaction standard for SMSSD from the 0.45 Standard to the new DDW Source and Storage Standard of 0.17 acre-feet per ERC based on the actual use within SMSSD.

Currently, there are several property owners/developers who have petitioned for their land to be included within the service area/district boundary of SMSSD. SMSSD had initially agreed to provide water service to one such property owner/developer. Due to the water dedication/exaction requirement found in the Addendum, SMSSD did not have sufficient additional water rights to serve these new potential connections/customers and the County would not approve building permits for the same. However, in light of DDW's resetting of the per ERC requirement from 0.45 to 0.17, it appears that there is sufficient surplus water rights held by SMSSD to serve these new connections/customers.

I along with Roy Fox, the Water Superintendent of SMSSD and Craig Godwin, Board Chairman of SMSSD, are happy to meet with you or County staff if such a meeting would be helpful. We are also available to answer any questions you or County staff may have. Thank you for your attention to this important matter.

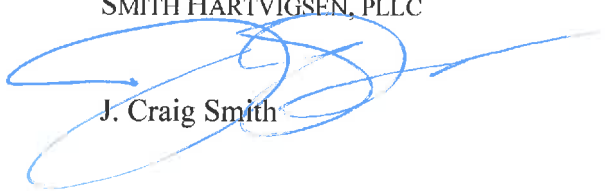
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August 25, 2023

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Sincerely,

SMITH HARTVIGSEN, PLLC



J. Craig Smith

Cc: M. Roy Fox, District Manager
SMSSD Trustees
Beca Mark, District Clerk
Kevin Daniels, Sanpete County Attorney
Linda Christiansen, Sanpete County Clerk
Steven Jenson, Zoning Administrator, Sanpete County
Kim Hansen, SMR Manger

EXHIBIT A

**("Addendum on Water Requirements" -
Sanpete County Land Use Ordinance)**

ADDENDUM ON WATER REQUIREMENTS

After the well is drilled Sanpete County will approve building permits in legally recorded subdivisions for the amount of water approved for each lot at the time the subdivision was recorded, provided it is not less than what the State Water Rights require at that time*. This addendum applies only to subdivisions recorded prior to April 6th 2004.

All other lots not in a recorded subdivision must comply with the water requirements of the current subdivision ordinances.

*State Water Rights requirements

- .45 acre-foot for full time residence. (No outside watering)
- .25 acre-foot for part-time residence, 181 days or less. (No outside watering)
- 3 acre-foot for each acre watered.

EXHIBIT B

**(December 28, 2018 Memorandum of
Kent L. Jones, PE, State Engineer)**



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Water Rights

KENT L. JONES
State Engineer/Division Director

Internal Correspondence

Division of Water Rights

To: Water Rights Division Staff

From: Kent L. Jones, P.E.
State Engineer
Director – Utah Division of Water Rights

Date: December 28, 2018

Subject: **POLICY FOR DOMESTIC DUTY CONSIDERATIONS**

Since the early 1980's, the State Engineer has recognized and used inside domestic use duties based on 400 gallons/connection/day which is about 0.45 acre-foot/connection/year. With continuing conservation efforts, studies have shown that 70 gallons per person per day may be a more reasonable estimate for indoor domestic use in Utah. With an estimated 3.6 people per connection, that would equal about 250 gallons/connection/day or about 0.28 acre-foot/year, on average, for a fulltime, year-round residence. Part-time recreational usage may only require 0.16 acre-foot/connection/year or less based on those numbers.

Using the study amounts of 70 gallons/connection/day, 0.45 acre-foot would supply the annual inside domestic needs of 5.7 people. While some homes exceed that number, on the average there are less people per connection than 5.7.

In practice, 0.45 acre-foot/connection is a safe number to use covering most household usage per connection. That amount of water may not be needed to meet the projected needs of the residential users in any particular situation. It is a number we will continue to use if there is no evidence that it should be different.

The State Engineer will consider reduced amounts of water required per connection in applications filed if the projected usage rate numbers are based on scientific evaluations and the water used is measured and reported to the Division of Water Rights through the Water Use Program. Proof and Certificate documents would be based on actual measurements of water substantiating the volumes of water diverted and depleted.



EXHIBIT C

(Utah Administrative Code R 309-510-7 and R 309-510-8)

authority, and shall be accepted by the Director.

(7) The Director may re-evaluate any reduction if the nature or use of the water system changes.

Guidance: The Division of Drinking Water has developed two documents to aid public water systems in understanding the information needed to request a reduction in the source or storage requirement.

- ***“Information Needed for Reduction in Source Sizing”***
- ***“Information Needed for Reduction in Storage Sizing”***

These documents are available on the Division of Drinking Water’s website.

R309-510-6. Water Conservation.

Drinking water systems shall use the water resources of the state efficiently. The minimum sizing requirements of this rule are based on typical water consumption patterns in the State of Utah. Where legally-enforceable water conservation measures exist, the sizing requirements in this rule may be reduced on a case-by-case basis by the Director.

R309-510-7. Source Sizing.

(1) Peak Day Demand and Average Yearly Demand.

Sources shall legally and physically meet water demands under two conditions:

- (a) The water system’s source capacity shall be able to meet the anticipated water demand on the day of highest water consumption, which is the peak day demand.
- (b) The water system’s source capacity shall also be able to provide one year's supply of water, which is the average yearly demand.

Guidance: Water systems should investigate the availability and validity of water rights for their systems. Consult the Division of Water Rights concerning the legal right to use water.

(2) Indoor Water Use.

Tables 510-1 and 510-2 shall be used as the minimum sizing requirements for peak day demand and average yearly demand for indoor water use unless a public water system has obtained a reduction per R309-510-5.

Table 510-1 Source Demand for Indoor Use		
Type of Connection	Peak Day Demand	Average Yearly Demand
Year-Round Use		
Residential	800 gpd/conn	146,000 gal./conn
Equivalent Residential Connection (ERC)	800 gpd/ERC	146,000 gal./ERC
Seasonal / Non-Residential Use		
Modern Recreation Camp	60 gpd/person	(See Note 1)
Semi-Developed Camp		
a. With pit privies	5 gpd/person	(See Note 1)
b. With flush toilets	20 gpd/person	(See Note 1)
Hotels, Motel & Resort	150 gpd/unit	(See Note 1)
Labor Camp	50 gpd/person	(See Note 1)
Recreational Vehicle Park	100 gpd/pad	(See Note 1)
Roadway Rest Stop	7 gpd/vehicle	(See Note 1)
Recreational Home Development (i.e., developments with limited water use) [See Note 2]	400 gpd/conn	(See Note 1)

NOTES FOR TABLE 510-1:

Note 1. Average yearly demand shall be calculated by multiplying the number of days in the designated water system operating period by the peak day demand unless a reduction has been granted in accordance with R309-510-5.

Note 2. To be considered a Recreational Home Development (i.e., developments with limited water use) as listed in Table 510-1, dwellings shall not have more than 8 plumbing fixture units, in accordance with the state-adopted plumbing code, and shall not be larger than 1,000 square feet. For a new not-yet-constructed development to be considered as a development with limited water use, it must have enforceable restrictions in place that are enforced by the water system or local authority and are accepted by the Director.

Guidance: *The Division of Drinking Water is in the process of proposing a study to gather water use data from public water systems representing various sizes, types, and locations throughout the state. The residential source demand requirements in Table 510-1 will be re-evaluated based on the water use study data.*

TABLE 510-2 Source Demand for Indoor Use - Individual Establishments (Note 1)	
Type of Establishment	Peak Day Demand (gpd) (Notes 2 & 3)
Airports	3

R309-510-8. Storage Sizing.

(1) General.

Each public water system, or storage facility serving connections within a specific area, shall provide:

- (a) equalization storage volume, to satisfy average day demands for water for indoor use and irrigation use,
- (b) fire flow storage volume, if the water system is equipped with fire hydrants intended to provide fire suppression water or as required by the local fire code official, and
- (c) emergency storage, if deemed appropriate by the water supplier or the Director.

(2) Equalization Storage.

- (a) All public drinking water systems shall provide equalization storage. The amount of equalization storage varies with the nature of the water system, the extent of irrigation use, and the location and configuration of the water system.
- (b) Table 510-4 lists required equalization storage for indoor use. Storage requirements for non-community systems not listed in this table shall be determined by calculating the average day demands from the information given in Table 510-2.

Guidance: Water systems capable of meeting the intent of the equalization storage requirements, for example, by redundancy configuration or operation strategy, may request a reduction in storage sizing requirements per R309-510-5.

Table 510-4 Storage Volume for Indoor Use	
Type	Volume Required (gallons)
Community Systems	
Residential; per single resident service connection	400
Non-Residential; per Equivalent Residential Connection (ERC)	400
Non-Community Systems	
Modern Recreation Camp; per person	30
Semi-Developed Camp; per person	
a. with Pit Privies	2.5
b. with Flush Toilets	10
Hotel, Motel, & Resorts; per unit	75

Labor Camp; per unit	25
Recreational Vehicle Park; per pad	50
Roadway Rest Stop; per vehicle	3.5
Recreational Home Development (i.e., developments with limited water use); per connection (See Note 2 in Table 510-1)	400

(c) Where a drinking water system provides water for irrigation use, Table 510-5 shall be used to determine the minimum equalization storage volumes for irrigation. The procedure for determining the map zone and irrigated acreage for using Table 510-5 is outlined in R309-510-7(3).

Table 510-5 Storage Volume for Irrigation Use	
Map Zone	Volume Required (gallons/irrigated acre)
1	1,782
2	1,873
3	2,528
4	2,848
5	4,081
6	4,964

(3) Fire Flow Storage.

(a) Fire flow storage shall be provided if fire flow is required by the local fire code official or if fire hydrants intended for fire flow are installed.

(b) Water systems shall consult with the local fire code official regarding needed fire flows in the area under consideration. The fire flow information shall be provided to the Division during the plan review process.

(c) When direction from the local fire code official is not available, the water system shall use Appendix B of the International Fire Code, 2015 edition, for guidance. Unless otherwise approved by the local fire code official, the fire flow and fire flow duration shall not be less than 1,000 gallons per minute for 60 minutes.

Guidance: Utah has adopted a state-wide fire code. However, local fire code officials are authorized to determine fire flow requirements in their jurisdictions.

(4) Emergency Storage.

Emergency storage shall be considered during the design process. The amount of emergency storage shall be based upon an assessment of risk and the desired degree of system

dependability. The Director may require emergency storage when it is warranted to protect public health and welfare.

Guidance: It is advisable to provide water storage for emergency situations, such as pipeline failures, major trunk main failures, equipment failures, electrical power outages, water treatment facility failures, raw-water supply contamination, or natural disasters. Generally, the need for emergency storage shall be determined by the water supplier and design engineer.

EXHIBIT D

(Utah Code Ann. § 19-4-114)

Effective 5/3/2023**19-4-114 Source and storage minimum sizing requirements for public water systems.**

(1)

- (a) Except as provided in Subsection (1)(b), upon submission of plans for a substantial addition to or alteration of a community water system, the director shall establish system-specific source and storage minimum sizing requirements for a community water system serving a population of more than 3,300 based on at least the most recent three years of a community water system's actual water use data submitted in accordance with Subsections 19-4-104(1)(c)(iv) and (v).
- (b) If the water use data required under Subsection 19-4-104(1)(c)(iv) is not available to the division, or if the community water system determines that the data submitted does not represent future system use, the director may establish source and storage minimum sizing requirements for the community water system based on:
 - (i) an engineering study submitted by the community water system and accepted by the director; or
 - (ii) at least three years of historical water use data that is:
 - (A) submitted by the community water system; and
 - (B) accepted by the director.
- (c) A community water system serving a population of more than 3,300 shall provide the information necessary to establish the system-specific standards described in this Subsection (1) by no later than March 1, 2019.

(2)

- (a) By no later than October 1, 2023, and except as provided in Subsection (2)(b), the director shall establish system-specific source and storage minimum sizing requirements for a community water system serving a population of between 500 and no more than 3,300 based on at least the most recent three years of a community water system's actual water use data submitted in accordance with Subsections 19-4-104(1)(c)(iv) and (v).
 - (b) If the water use data required under Subsection 19-4-104(1)(c)(iv) is not available to the division, or if the community water system determines that the data submitted does not represent future system use, the director may establish source and storage minimum sizing requirements for the community water system based on:
 - (i) an engineering study submitted by the community water system and accepted by the director; or
 - (ii) at least three years of historical water use data that is:
 - (A) submitted by the community water system; and
 - (B) accepted by the director.
 - (c) A community water system serving a population of between 500 and no more than 3,300 shall provide the information necessary to establish system-specific standards described in this Subsection (2) by no later than March 1, 2023.
- (3) The director shall establish system-specific source and storage minimum sizing requirements for a community water system serving a population of fewer than 500 based on:
- (a) at least the most recent three years of a community water system's actual water use data submitted to the division and accepted by the director;
 - (b) an engineering study submitted by the community water system and accepted by the director;
 - (c) standards, comparable to those of established community water systems, as determined by the director; or
 - (d) relevant information, as determined by the director.
- (4) The director shall:

Utah Code

- (a) for community water systems described in Subsection (3), establish a schedule to transition from statewide sizing standards to system-specific standards;
 - (b) establish minimum sizing standards for public water systems that are not community water systems;
 - (c) provide for the routine evaluation of changes to the system-specific standards; and
 - (d) include, as part of system-specific standards, necessary fire storage capacity in accordance with the state fire code adopted under Section 15A-1-403 and as determined by the local fire code official.
- (5) The director may adjust system-specific sizing standards, established under this section for a public water system, based on information submitted by the public water system addressing the effect of any wholesale water deliveries or other system-specific conditions affecting infrastructure needs.
- (6) Except as provided for under Subsection (7), a wholesale water supplier is exempt from this section if the wholesale water supplier serves:
- (a) a total population of more than 10,000; and
 - (b) a wholesale population that is 75% or more of the total population served.
- (7) Upon request of a wholesale water supplier and the community water systems receiving water from the wholesale water supplier, the director may establish regional source and storage minimum sizing standards for community water systems receiving water from the wholesale water supplier using actual water use data submitted by the wholesale water supplier and the community water systems served by the wholesale water supplier.
- (8) The director may adjust system-specific sizing standards established under this section for a public water system based on adopted enforceable water conservation measures that are consistent with regional water conservation goals adopted pursuant to Subsection 73-10-32(2) (d)(ii)(A) or (B).

Amended by Chapter 238, 2023 General Session

EXHIBIT E

(August 10, 2023 Letter from DDW)



State of Utah

SPENCER J. COX
Governor

DEIDRE HENDERSON
Lieutenant Governor

Department of
Environmental Quality

Kimberly D. Shelley
Executive Director

DIVISION OF DRINKING WATER
Tim Davis
Director

August 10, 2023

Roy Fox
Skyline Mountain SSD
2201 SMR
Fairview, Utah 84629

Subject: **System-Specific Minimum Sizing Standards**
Skyline Mountain SSD, System #20043, File #13416

Dear Roy Fox:

Based on the water use data submitted to the Division of Water Rights (DWRi), the following system-specific minimum sizing standards have been set for Skyline Mountain SSD:

Peak Day Source Demand (gal/day/ERC) – 415 gal/day/ERC
Average Annual Demand (gal/yr/ERC) – 55,000 gal/yr/ERC
Average Annual Demand (ac-ft/yr/ERC) – 0.17 ac-ft/yr/ERC
Equalization Storage (gal/ERC) – 151 gal/ERC
Fire Storage (gal) – 210,000 gal

These standards are effective as of the date of this letter. A summary of the water use data and calculations used to set the minimum sizing standards are attached for your reference. The Division plans to evaluate these standards every 3 years, or upon request.

Water System Background

Skyline Mountain SSD (the System) is a community water system in Sanpete County, Utah. The System serves a population of about 271 people. There are about 229 residential and 19 commercial connections. Included in the commercial connections are about 484 fill access accounts for those who do not have metered connection but have access to District fill stations. Since the system is less than the required population of 500 to report peak day data, the System decided to submit an engineering study to first set its equalization storage requirement while still using the statewide minimum. A second engineering study was submitted to set the system specific sizing for the peak day.

Roy Fox
Page 2 of 3
August 10, 2023

Minimum Sizing Standard Background

Per Utah Code 19-4-114, the information needed for the Division of Drinking Water (the Division) to set system-specific minimum sizing standards may be based on water use data submitted to the DWRI, or alternatively, a community water system can submit an engineering study to the Division if the water system's water use data is not representative of future use or the water system does not yet have actual water use data.

Actual water use data was partly available through DWRI, and an engineering study was submitted to the Division for review from your consultant, Ridley Griggs, P.E., on June 16, 2023. The Division agreed with the engineering study that proposed to set the annual average and equalization storage for the System and use the statewide minimum while an additional engineering report is being prepared. The second engineering report was received your consultant, Ridley Griggs, P.E. on July 26, 2023, and it proposed to use a peaking factor to find the peak day for Thad's Peak Well. The Division agrees with this methodology and has requested the System continue to use the same methodology for future water use reporting until an upgraded meter is installed at the well. Therefore, the Division is setting the system-specific minimum sizing standard for the System.

Water Use Data Definitions

Peak Day Source Demand is the total flow into a public water system to meet the demand of the water system on the day of the highest water consumption in a calendar year.

Average Annual Demand is the total quantity of drinking water flowing into a public water system within a calendar year.

Total Equivalent Residential Connections (ERCs) term represents the number of residential service connections and the number of equivalent residential connections for non-residential connections (commercial, industrial, institutional connections).

Minimum Equalization Storage requirement is a volume that is equivalent to the amount of water needed to meet the average day culinary demand for public water systems. Equalized storage per ERC is calculated by dividing the Average Annual Demand per ERC data by the number of operational days in a year.

Fire Storage information was received with the second engineering report dated July 26, 2023.

Storage Capacity

Based on your system's storage facilities and the storage minimum sizing requirement established in this letter, your system compliant with the minimum storage capacity requirements.

Roy Fox
Page 3 of 3
August 10, 2023

Source Capacity

The Division has documentation of established safe yields for all of your system sources. Using total system-wide safe yields and the source minimum sizing requirement established in this letter indicates your water system is compliant with minimum source capacity requirements.

This resolves the deficiency of S091 due to lacking less than 20% of the required source capacity. This is a minor 15-point deficiency. An updated IPS report is available at <https://waterlink.utah.gov>. Please contact Jennifer Yee at (385) 515-1501 or jyee@utah.gov for questions related to the System's IPS report or deficiencies.

If you have any questions regarding this letter, please contact Dani Zebelean, of this office, at (384) 278-5110, or Michael Newberry, Engineering Manager, at (385) 515-1464.

Sincerely,



Michael Newberry, P.E.
Engineering Manager

DZ/mrn/mdb

Enclosures

1. Utah Department of Environmental Quality Division of Drinking Water Minimum Sizing Standards Summary Report
- cc: Eric Larsen, Central Utah Health Department, elarsen@centralutahhealth.org
John Chartier, Central District Engineer, jchartier@utah.gov
Roy Fox, Skyline Mountain SSD, smssd2013@gmail.com
Dani Zebelean, Division of Drinking Water, dzebelean@utah.gov
Jen Yee, Division of Drinking Water, jyee@utah.gov
Ted Black, Office of the State Fire Marshal, tblack@utah.gov

DDW-2023-034730



Utah Department of Environmental Quality
Division of Drinking Water
Minimum Sizing Standards

SKYLINE MTN SSD

PWS ID: UTAH20043

Admin Name: ROY FOX
Address: 2201 SMR
City, State, Zip: Fairview, UT 84629
Phone: 435-469-1661
Email: SMSSD2013@GMAIL.COM

System Type: Community
Population: 271

MINIMUM SIZING STANDARD

Date Standard Effective: Thu Aug 03 16:48:54 MDT 2023
Peak Day Source Demand per ERC (gal/day): 415^a
Average Annual Demand per ERC (gal/year): 55,000^b
Equalization Storage per ERC (gal): 151^c

^aUpdated to match Engineering Report Dated July 26, 2023
^bUpdated to match Engineering Report Dated June 16, 2023
^cUpdated to match Engineering Report Dated June 16, 2023

MINIMUM SIZING STANDARD CALCULATIONS

VARIABILITY

Data from these reporting years: 2020, 2021, 2022				
Peak Day Source Demand per ERC (gal/day): 419	x	(1 + 0.0)	=	419
Average Annual Demand per ERC (gal/year): 44,726	x	(1 + 0.0)	=	44,726
Equalization Storage per ERC (gal): 122	x	(1 + 0.0)	=	122

DWRI WATER USE DATA REPORTED

Year	Peak Day Source Demand (gal/day)	Average Annual Demand (gallons)	ERCs	Peak Demand per ERC (gal/day)	Avg Annual Demand per ERC (gal/year)	Equalization Storage per ERC (gal)	OP Days
2022	162,925	17,990,233.71	446	365	40,296	110	365
2021	140,115	16,722,673.32	496	283	33,739	92	365
2020	166,184	17,732,811.42	396	419	44,726	122	366
Variability:			0.253	0.0	0.0	0.0	

Year	Peak Month Average (gal/day)	Peak Month Average per ERD (gal/day)	Ratio of PD/ERC to Peak Month Avg/ERC
2022	53,502	120	3.05
2021	81,136	164	1.73
2020	89,136	225	1.86

CAPACITY CALCULATIONS FOR STORAGE

Equalization per ERC (gal): 151
Existing Storage (gal): 311,000
ERCs: 496
Required Storage w/o Fire Flow: 74,896
Required Fire Storage (gal): 210,000
Required Storage w/Fire (gal): 284,896
Storage Deficiency: 0
Storage Deficiency (%): 0.0
No Storage Deficiency

CAPACITY CALCULATIONS FOR SOURCES

Peak Day Source Demand per ERC (gpm): 0.29
Existing Source Capacity (gpm): 217
ERCs: 496
Required Source Capacity (gpm): 144
Source Deficiency: 0
Source Deficiency (%): 0.0
No Source Deficiency

SYSTEM STORAGE AND SOURCE INVENTORY

Storage ID	Storage Name	Effective Volume (GAL)
ST001	SPRINGVIEW TANK	55,000
ST002	THADS PEAK TANK	6,000
ST003	JUNIPER TANK	250,000
		Storage Totals: 311,000 GAL

Source ID	Source Name	Flow Rate (GPM)
WS001	CLUBHOUSE WELL	120
WS002	THADS PEAK WELL	37
WS003	GOLF COURSE WELL	60
		Source Totals: 217 GPM

EXHIBIT F

(Utah Code § 17-27a-507)

Effective 5/3/2023**17-27a-507 Exactions -- Exaction for water interest -- Requirement to offer to original owner property acquired by exaction.**

- (1) A county may impose an exaction or exactions on development proposed in a land use application, including, subject to Subsection (3), an exaction for a water interest, if:
 - (a) an essential link exists between a legitimate governmental interest and each exaction; and
 - (b) each exaction is roughly proportionate, both in nature and extent, to the impact of the proposed development.
- (2) If a land use authority imposes an exaction for another governmental entity:
 - (a) the governmental entity shall request the exaction; and
 - (b) the land use authority shall transfer the exaction to the governmental entity for which it was exacted.
- (3)
 - (a)
 - (i) Subject to the requirements of this Subsection (3), a county or, if applicable, the county's culinary water authority shall base any exaction for a water interest on the culinary water authority's established calculations of projected water interest requirements.
 - (ii) Except as described in Subsection (3)(a)(iii), a culinary water authority shall base an exaction for a culinary water interest on:
 - (A) consideration of the system-wide minimum sizing standards established for the culinary water authority by the Division of Drinking Water pursuant to Section 19-4-114; and
 - (B) the number of equivalent residential connections associated with the culinary water demand for each specific development proposed in the development's land use application, applying lower exactions for developments with lower equivalent residential connections as demonstrated by at least five years of usage data for like land uses within the county.
 - (iii) A county or culinary water authority may impose an exaction for a culinary water interest that results in less water being exacted than would otherwise be exacted under Subsection (3)(a)(ii) if the county or culinary water authority, at the county's or culinary water authority's sole discretion, determines there is good cause to do so.
 - (iv) A county shall make public the methodology used to comply with Subsection (3)(a)(ii)(B). A land use applicant may appeal to the county's governing body an exaction calculation used by the county or the county's culinary water authority under Subsection (3)(a)(ii). A land use applicant may present data and other information that illustrates a need for an exaction recalculation and the county's governing body shall respond with due process.
 - (v) Upon an applicant's request, the culinary water authority shall provide the applicant with the basis for the culinary water authority's calculations under Subsection (3)(a)(i) on which an exaction for a water interest is based.
 - (b) A county or its culinary water authority may not impose an exaction for a water interest if the culinary water authority's existing available water interests exceed the water interests needed to meet the reasonable future water requirement of the public, as determined under Subsection 73-1-4(2)(f).
- (4)
 - (a) If a county plans to dispose of surplus real property under Section 17-50-312 that was acquired under this section and has been owned by the county for less than 15 years, the county shall first offer to reconvey the property, without receiving additional consideration, to the person who granted the property to the county.

Utah Code

- (b) A person to whom a county offers to reconvey property under Subsection (4)(a) has 90 days to accept or reject the county's offer.
 - (c) If a person to whom a county offers to reconvey property declines the offer, the county may offer the property for sale.
 - (d) Subsection (4)(a) does not apply to the disposal of property acquired by exaction by a community development or urban renewal agency.
- (5)
- (a) A county may not, as part of an infrastructure improvement, require the installation of pavement on a residential roadway at a width in excess of 32 feet.
 - (b) Subsection (5)(a) does not apply if a county requires the installation of pavement in excess of 32 feet:
 - (i) in a vehicle turnaround area;
 - (ii) in a cul-de-sac;
 - (iii) to address specific traffic flow constraints at an intersection, mid-block crossings, or other areas;
 - (iv) to address an applicable general or master plan improvement, including transportation, bicycle lanes, trails, or other similar improvements that are not included within an impact fee area;
 - (v) to address traffic flow constraints for service to or abutting higher density developments or uses that generate higher traffic volumes, including community centers, schools, and other similar uses;
 - (vi) as needed for the installation or location of a utility which is maintained by the county and is considered a transmission line or requires additional roadway width;
 - (vii) for third-party utility lines that have an easement preventing the installation of utilities maintained by the county within the roadway;
 - (viii) for utilities over 12 feet in depth;
 - (ix) for roadways with a design speed that exceeds 25 miles per hour;
 - (x) as needed for flood and stormwater routing;
 - (xi) as needed to meet fire code requirements for parking and hydrants; or
 - (xii) as needed to accommodate street parking.
 - (c) Nothing in this section shall be construed to prevent a county from approving a road cross section with a pavement width less than 32 feet.
 - (d)
 - (i) A land use applicant may appeal a municipal requirement for pavement in excess of 32 feet on a residential roadway.
 - (ii) A land use applicant that has appealed a municipal specification for a residential roadway pavement width in excess of 32 feet may request that the county assemble a panel of qualified experts to serve as the appeal authority for purposes of determining the technical aspects of the appeal.
 - (iii) Unless otherwise agreed by the applicant and the county, the panel described in Subsection (5)(d)(ii) shall consist of the following three experts:
 - (A) one licensed engineer, designated by the county;
 - (B) one licensed engineer, designated by the land use applicant; and
 - (C) one licensed engineer, agreed upon and designated by the two designated engineers under Subsections (5)(d)(iii)(A) and (B).
 - (iv) A member of the panel assembled by the county under Subsection (5)(d)(ii) may not have an interest in the application that is the subject of the appeal.
 - (v) The land use applicant shall pay:

Utah Code

- (A) 50% of the cost of the panel; and
- (B) the county's published appeal fee.
- (vi) The decision of the panel is a final decision, subject to a petition for review under Subsection (5)(d)(vii).
- (vii) Pursuant to Section 17-27a-801, a land use applicant or the county may file a petition for review of the decision with the district court within 30 days after the date that the decision is final.

Amended by Chapter 255, 2023 General Session

Amended by Chapter 478, 2023 General Session

Dear SMSSD Customers and SMR Members

February 4, 2025

We want to thank the 200 lot owners (30% of Upper Mountain & Birch Creek owners) for responding to our November 25, 2024, Water Survey. The results let us update contact information and get new insights into Upper Mountain and Birch Creek priorities, wants, and needs. We appreciate your input and encourage keeping contact information current.

Below is a summary of the survey results (de-identified and anonymous).

2025 Water Survey Response					
	Full-Time	Mountain	Birch Creek	Totals	Comments
Responses	41	122	37	200	51% by Email & 49% by Mail
% Response Rate	12.6%	33.3%	26.4%	24.0%	31.4% of Mountain & Birch Creek
Comments	6	61	18	85	Categorized & Summarized
% With Comments	14.6%	50.0%	48.6%	42.5%	49.7% of Mountain & Birch Creek
Total # of Lots	326	366	140	832	
% Improved Lots	80.4%	67.2%	70.0%	72.8%	68% of Mountain & Birch Creek
Mountain/Birch Q#1					
"The existing water arrangements provided in the Upper Mountain and Birch Creek areas meet my needs."					
% Agree		74.6%	51.4%		69.2% of Mtn & Birch Creek Combined
Mountain/Birch Q#2					
"Please rank the following in order of importance to you, from 1 to 3 where one (1) is the most important to you and three (3) is the least important to you."					
Fire Suppression		181	56	237	1st Priority
Seasonal Culinary		188	61	249	2nd Priority
Year-Around BC Fill		280	79	359	3rd Priority
Mountain/Birch Q#3					
"I would support a substantial rate increase in water rates per month and fees for year-round access to culinary water at my lot."					
% Agree		30.3%	37.4%		32.1% of Mtn & Birch Creek Combined
Mountain/Birch Q#4					
"I am interested in serving as a member of the SMSSD Board."					
# of Responses		12	2	14	6 New Individuals
% of Responders		9.8%	5.4%		8.8% of Respondents

The 2025 Survey results are a bit more insightful when compared to the attached 2018 Upper Mountain and Birch Creek Member survey results, which unfortunately were not broken out by area. Differences from the 2025 results, combined for the two areas include:

- Mailed Mountain and Birch Creek surveys increased from 344 to 506 since 2018.
- The percentage response rate dropped from 40% to 31.4%. (Possibly because the Thad’s Peak Project satisfied the desire for year-round access to water there.)

- The percentage of seasonal/recreational lot owners who “**agreed**” that “The existing water arrangements provided in the upper mountain and birch creek areas meet my needs,” increased from 60% in 2018 to 69.2% for 2025 - a positive change.
- The ranking of the most **important priorities stayed the same** (the Thad’s Peak project was not on the survey, due to completion), although the difference between fire suppression and seasonal culinary water narrowed from 56 points to 12 points.
- The gap between the top two priorities and year-round culinary water in the Birch Creek area increased by 11 points and is a distant third – similar to the 2018 results.
- In contrast, (although only represented by 26.4% of Birch Creek), the percentage of respondents who “**agreed**” to “I would support a substantial rate increase in water rates per month for year-round access to culinary water at my lot” jumped from 16% in 2018 to 32.1% in 2025.

The comments received (almost 50% of lot owners), as categorized and summarized below, represent wide and diverse opinions. SMSSD finds the comments helpful, as they provide color to the survey results and highlight additional perspectives for consideration.

Summary of Comments

Against year-round culinary water	17
Do not support increase in cost or service	8
Water and dues cost too much	8
Don't use any water	6
Water should be charged by usage	5
FED UP!!!	3
Subtotal Against = 47	
Favor year-round culinary water	11
Impact Fee Questions	3
Water not to be used outside of SMR	2
Allow wheeled ATVs on winter roads	1
Thank you, SMSSD	18
Thank you for Thad's Peak Improvement	4
Interested in being on SMSSD Board	14
Happy with what is being done	3
Subtotal of Thank You = 39	
Total Comments (Some with multiple topics)	103

Finally, we thought it important to share some of the major projects (time, resources, etc.) SMSSD has worked on, in addition to the \$1 Million dollar Thad’s Peak project, where 75% of that funding came from tax dollars that Sanpete County paid into the Central Utah Water Conservation District. CUWCD then allocated money for projects like Thad’s Peak.

Major Water System Projects

Emergency Pressurized Water System Repairs

Booster Station Leak - Replaced water lines from tank to pumps Repaired
Overflow RV Park Leak's
Short Cut Drive Road Water Leak
Fairview Drive Road Main Water Line Break
Numerous lower section system repairs with minimal disruption All
repairs while keeping water on and clean for SMSSD water customers

Major Equipment and Systems Replacements

Replaced Clubhouse Well Pump and Cleaned Casing
Replaced Clubhouse Motor and 480 feet of Wel Piping
Upgraded Chlorinator at Golf Course Well
Replaced 3 Booster Motors for the Pumps and 2 Pump's

New Equipment and System Improvements

Installed Air Vacuums on all Pressure Reducing Valves stations (PRV's)
Installed Air Vacuums on all Booster Pumps
Installed 600' of 4" line for Juniper View Drive to resolve pressure problems
Now have 3 backup motors and a spare Pump
Purchased a new service truck with a plow

Thad's Peak Storage Tank, Fill Station, and Surveillance System

Year-Round Water Access and Significant Fire Suppression Capabilities
2025 Consideration of Improved Internet Access via CentraCom Tower

As always, the SMSSD Board welcomes and appreciates customer/member input and will continue to work with full fiduciary responsibility to represent the best interests of SMR members. If you have any questions or suggestions, please look at the resources on our website at www.smssdutah.gov and/or email us at smssd2013@gmail.com.

Regards,

Your SMSSD Board

SMSSD
2201 SMR
Fairview, Utah 84629
435-469-1661
www.smssdutah.com

APPENDIX G



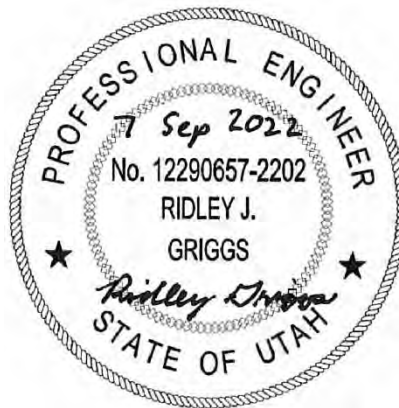
WATER SYSTEM MASTER PLAN

(HAL Project No.: 299.09.100)

SKYLINE MOUNTAIN SPECIAL SERVICE DISTRICT

WATER SYSTEM MASTER PLAN

(HAL Project No.: 299.09.100)



Ridley Griggs, P.E.
Project Engineer

Recommended by

Richard M. Noble, P.E.
Project Manager



September 2022

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GLOSSARY OF TECHNICAL TERMS

Average Daily Flow: The average yearly demand volume expressed in a flow rate.

Average Yearly Demand: The volume of water used during an entire year.

Buildout: When the development density reaches maximum allowed by planned development.

Demand: Required water flow rate or volume.

Distribution System: The network of pipes, valves and appurtenances contained within a water system.

Drinking Water: Water of sufficient quality for human consumption. Also referred to as Culinary or Potable water.

Equivalent Residential Connection: A measure used in comparing water demand from non-residential connections to residential connections.

Fire Flow Requirements: The rate of water delivery required to extinguish a particular fire. Usually it is given in rate of flow (gallons per minute) for a specific period of time (hours).

Head: A measure of the pressure in a distribution system that is exerted by the water. Head represents the height of the free water surface (or pressure reduction valve setting) above any point in the hydraulic system.

Head loss: The amount of pressure lost in a distribution system under dynamic conditions due to the wall roughness and other physical characteristics of pipes in the system.

Peak Day: The day(s) of the year in which a maximum amount of water is used in a 24-hour period.

Peak Day Demand: The average daily flow required to meet the needs imposed on a water system during the peak day(s) of the year.

Peak Instantaneous Demand: The flow required to meet the needs imposed on a water system during maximum flow on a peak day.

Pressure Reducing Valve (PRV): A valve used to reduce excessive pressure in a water distribution system.

Pressure Zone: The area within a distribution system in which water pressure is maintained within specified limits.

Service Area: Typically, the area within the boundaries of the entity or entities that participate in the ownership, planning, design, construction, operation and maintenance of a water system.

Static Pressure: The pressure exerted by water within the pipelines and other water system appurtenances when water is not flowing through the system, i.e., during periods of little or no water use.

Storage Reservoir: A facility used to store, contain and protect water until it is needed by the customers of a water system. Also referred to as a Storage Tank.

Transmission Pipeline: A pipeline that transfers water from a source to a reservoir or from a reservoir to a distribution system.

Water Conservation: Planned management of water to prevent waste.

ABBREVIATIONS AND UNITS

ac	acre [area]
ac-ft	acre-foot (1 ac-ft = 325,851 gal) [volume]
CIP	Capital Improvement Plan
CFP	Capital Facilities Plan
CUWCD	Central Utah Water Conservancy District
CWP	Central Water Project
DIP	Ductile Iron Pipe
DBP	disinfection byproduct
EPA	U.S. Environmental Protection Agency
EPANET	EPA hydraulic network modeling software
ERC	Equivalent Residential Connection
ft	foot [length]
ft/s	feet per second [velocity]
gal	gallon [volume]
gpd	gallons per day [flow rate]
gpm	gallons per minute [flow rate]
HAL	Hansen, Allen & Luce, Inc.
hp	horsepower [power]
hr	hour [time]
IFA	Impact Fee Analysis
IFC	International Fire Code
IFFP	Impact Fee Facilities Plan
in.	inch [length]
kgal	thousand gallons [volume]
kW	kilowatt [power]
kWh	kilowatt hour [energy]
MG	million gallons [volume]
MGD	million gallons per day [flow rate]
mg/L	milligram per liter [concentration]
µg/L	microgram per liter [concentration]
mi	mile [length]
psi	pounds per square inch [pressure]
s	second [time]
SCADA	Supervisory Control and Data Acquisition
THM	trihalomethane
UV	ultraviolet radiation (disinfection method)
wsfu	water supply fixture unit
yr	year[time]

CHAPTER 1 INTRODUCTION

PURPOSE

The purpose of this Master Plan is to provide direction to Skyline Mountain Special Service District (SMSSD) regarding decisions that will be made to construct and maintain a functional and cost-efficient water system now and through buildout (assumed to take place within the next 20 years). The planning period for this master plan is 2022–2042.

The results of the study are limited by the accuracy of growth projections, data provided by SMSSD, and other assumptions used in preparing the study. It is expected that SMSSD will review and update this Master Plan as new trends in water use or land use emerge.

AUTHORIZATION

SMSSD selected Hansen, Allen, & Luce, Inc. (HAL), in 2021 to complete an update to the water system master plan, which was previously produced by HAL in 2007.

CHAPTER 2 SYSTEM DESCRIPTION AND MODEL

SERVICE AREA AND POPULATION

Skyline Mountain Special Service District serves a 480-acre portion of Sanpete County, Utah (Figure 2-1). Its service area includes the resort and cabins up the mountain to the east. In 2021 SMSSD reported a service population of 96 (DWR 2022). There are also five connections outside of Skyline Mountain Resort but within the SMSSD boundary.

SYSTEM DESCRIPTION

Sources

SMSSD owns three wells. The Golf Course Well and Clubhouse Well pump directly into the existing Area 1 water system. The Thad's Peak Well does not currently tie into the existing system, but fills a self-service tank at the top of Area 2. The total production for 2021 was 54.6 ac-ft among the three wells. The existing system, including the locations of the Golf Course and Clubhouse Wells, is shown in Figure 2-2.

SMSSD does not receive water from any other sources or entities or provide water to any other entities.

SMSSD's total source capacity is 138 gpm (peak day) and 222 ac-ft (average yearly).

Pump Stations

SMSSD operates one pump station that boosts water from the Booster Tank to the Upper Tank. It has two pumps, each with a pumping capacity of 120 gpm.

Network

The distribution network contains approximately 8.75 miles of pipe ranging in size from 4 to 12 inches (Figure 2-2).

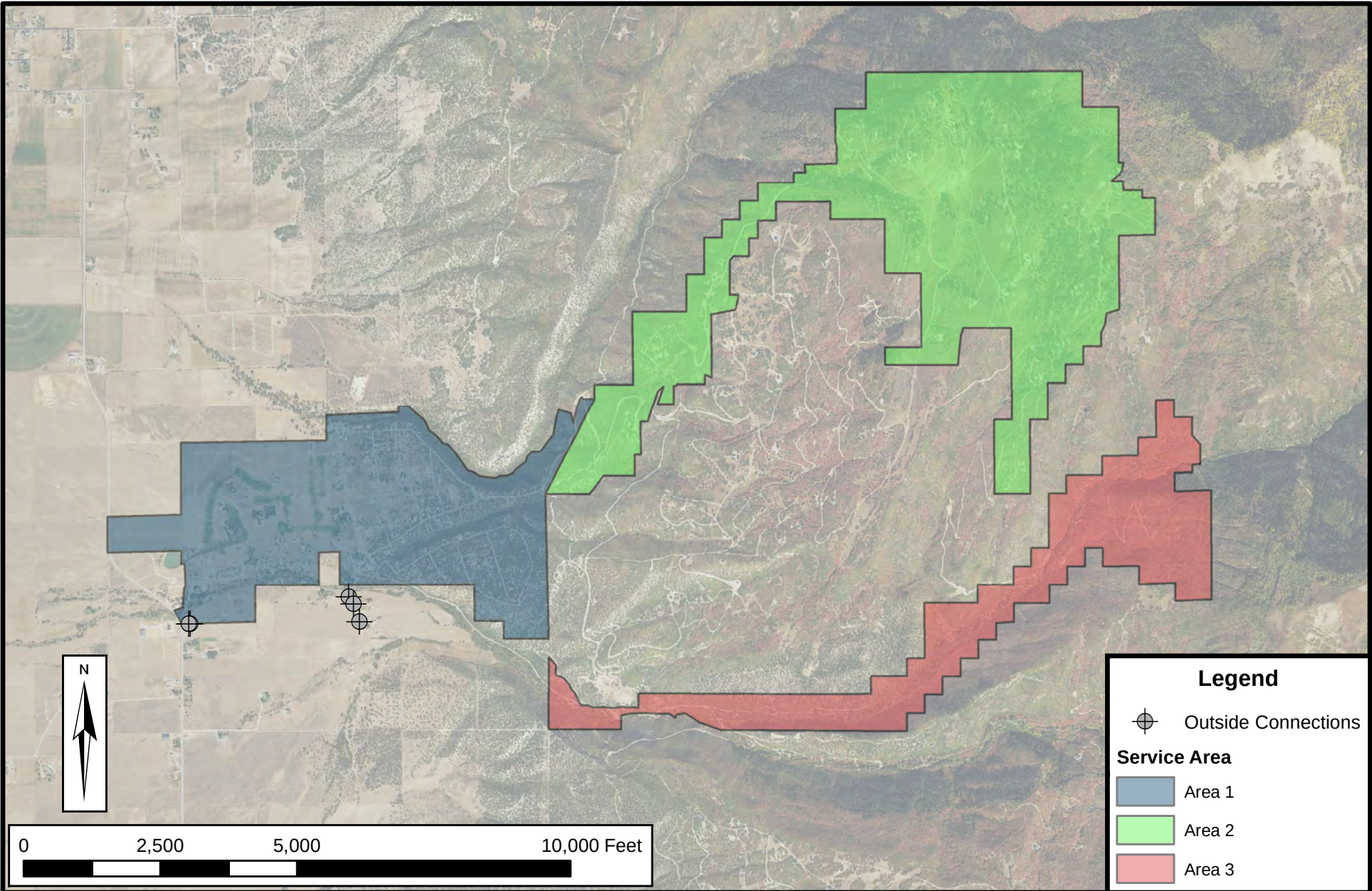
Storage

SMSSD maintains two storage tanks (270,000 gal and 55,000 gal) in Area 1. Their locations are shown in Figure 2-2.

Fire Flow

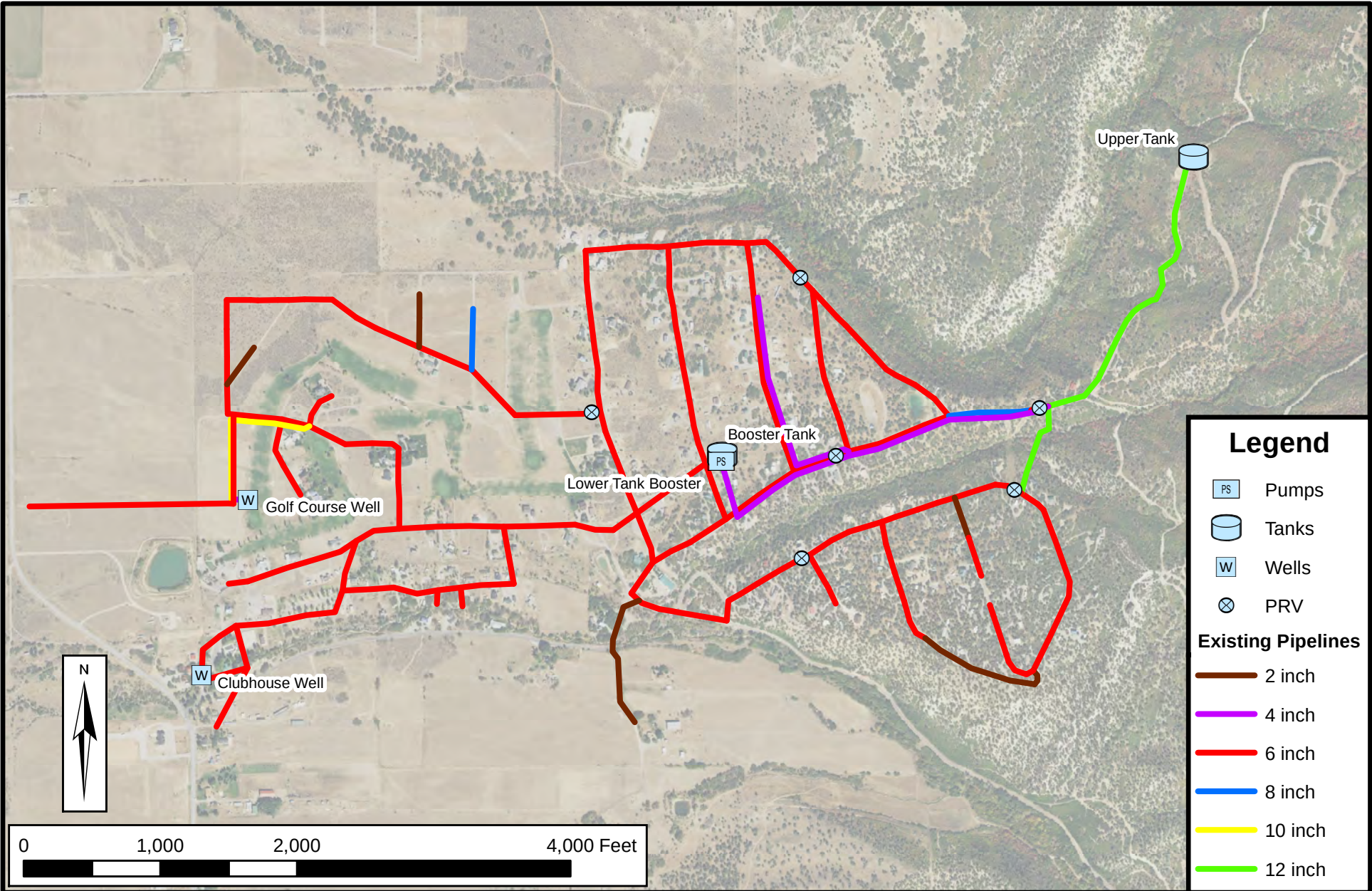
Fire flow tests were conducted on April 15, 2015. The hydrant tests showed that the system has a capacity of at least 480 gpm, with most of the hydrants capable of 1,000 gpm and 1,500 gpm. These fire flow tests were simulated with the model and shown in Appendix A. All new construction in the distribution system is planned to accommodate 1,500 gpm, typically requiring 8-inch diameter pipelines.

Date: 9/8/2022
Document Path: H:\Projects\299 - Skyline Mountain SSD\09.100 Master Plan\GIS\Figures\Service Area - (8.5 x 11).mxd



	SKYLINE MOUNTAIN SPECIAL SERVICE DISTRICT	SERVICE AREAS	FIGURE 2-1
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Date: 9/8/2022
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MODEL DEVELOPMENT AND CALIBRATION

An extended-period hydraulic model was developed with InfoWater software, which uses EPANET 2.0 as the main computational engine (EPA). The previous model was updated based on system maps SMSSD provided for this study. All pipes with diameters 2 in. or larger were included in the analysis. Hazen-Williams roughness coefficients of between 120 and 150 were used in the model. SCADA data, tank control setpoints, and measured pump flow rates were reviewed and simulated in the model.

HAL developed models for two phases of drinking water system development. The first phase was a model representing the existing system (existing model). This model was used to calibrate the model and identify deficiencies in the existing system. Calibration was performed using billing data and SCADA data for the pumps and tanks. The model was adjusted until a reasonable match to measured data was achieved. Calibration data is included in Appendix B. The second phase was a model representing future conditions and the improvements necessary to accommodate growth (future model).

CHAPTER 3 EXISTING WATER SYSTEM

CONNECTIONS

Analysis of SMSSD’s metered water use in 2021 indicated 247 residential connections or equivalent residential connections (ERCs). A summary of ERCs by Area is shown in Table 3-1.

Outdoor water use is minimal in most areas although some residential lots have irrigated lawns.

Table 3-1
Existing ERCs by Area

Area	ERCs
1	247
2	0
3	0
Total	247

DEMANDS

The level of service (LOS) is the water volume and pressure standards that the drinking water system is designed to meet. Level of service is regulated by Utah Administrative Rule 309, which is administered by the Utah Division of Drinking Water (DDW). In the past, the DDW set standard sizing requirements which each water utility was required to meet, based on equivalent residential connections or ERCs. In 2018, the DDW revised this approach to set system-specific sizing requirements.

The level of service for this master plan is based on production and meter data collected and reported by SMSSD over several years. It incorporates appropriate safety factors and is intended to produce a design which is responsible without being unnecessarily expensive. It considers both indoor use and areas which are irrigated using the water system.

Existing demands were found based on an evaluation of billing and production data. The monthly usage for these full-time residents was evaluated to determine an acceptable level of service for existing indoor demands. This level of service recommended for indoor use is 270 gpd/ERC which is approximately 0.3 ac-ft per year. See Table 3-2.

Table 3-2
SMSSD Indoor Water Demands

ERCs	Demand (gpd/ERC)	Peak Day Demand (gpm)	Average Yearly Demand (ac-ft/yr)
247	270	46.3	74.7

Outdoor water demands were evaluated based on a review of aerial imagery and billing data for properties with irrigated landscape. Presently, irrigated acreage in SMSSD is confined mostly to the clubhouse area, a few properties near the golf course, and some other properties scattered throughout Area 1. It is estimated that roughly 8 acres of landscape are irrigated by the drinking water system, and that peak day demand for outdoor use is about 7.5 gpm. Average Annual Demand is estimated at 3.0 ac-ft/irr-ac, which is consistent with the water rights irrigation duty value for the area. See Table 3-3.

Table 3-3
SMSSD Outdoor Water Demands

Irrigated Acreage	Peak Day Demand (gpm/irr-ac)	Peak Day Demand (gpm)	Average Yearly Demand (ac-ft/irr-ac)	Average Yearly Demand (ac-ft/yr)
8.0	7.5	60.0	3.0	24.0

Because it is rare for all seasonal residents to be present on the same day, the peak day demands shown in Tables 3-2 and 3-3 are higher than historically observed peaks. However, because it is possible that most residents may be present and using water during holiday weekends or other peak times, peak demands for all existing ERCs were considered in the evaluation of the system.

SOURCES

SMSSD owns and operates three wells. The capacity of these wells is shown in Table 3-4. Both the Golf Course and Clubhouse Well are in Area 1 and supply the existing water system. Thad's Peak Well fills a self-service water tank for users in Area 2. Locations of the Golf Course and Clubhouse Wells are shown in Figure 2-2.

Table 3-4
SMSSD Sources

Source	Peak Day Capacity (gpm)	Average Yearly Capacity (ac-ft)¹	2021 Peak Month Production (gpm)	2021 Annual Production (ac-ft)
Golf Course Well	65	-	45.9	32.8
Clubhouse Well	55	-	27.7	20.8
Thad's Peak Well ²	38	-	-	0.98
Total	158	254.86	73.6	54.6

1. Average yearly capacity is limited to water rights held by the District
2. Production of the Thad's Peak Well is recorded on an annual basis

The capacity of each well was determined based on information in previous master plans, SCADA flow records, well logs, and other available information. Production data for the Golf Course and Clubhouse Wells was recorded in the SCADA system. Data for the Thad's Peak well is recorded on a totalizing meter and is read on an annual basis.

The Golf Course and Clubhouse Wells have sufficient capacity to meet the proposed level of service for existing users in Area 1.

DISTRIBUTION

SMSSD’s water distribution system consists of all pipelines, valves, fittings, and other appurtenances used to convey water from sources and storage tanks to water users. The existing water system contains approximately 8.75 miles of pipe with diameters of 4 inches to 12 inches. A summary of length of pipe by diameter is given in Figure 3-1.

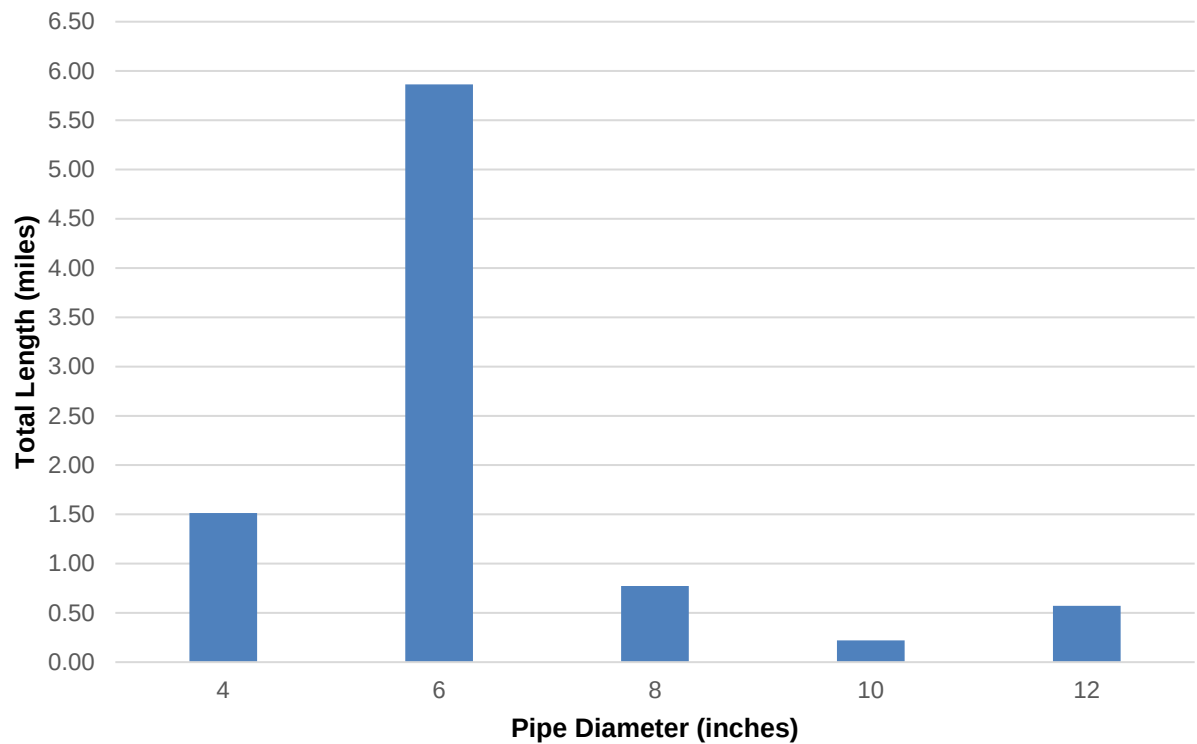


Figure 3-1: Summary of Pipe Length by Diameter

Performance of the drinking water system was evaluated according to the requirements listed in Table 3-5. The Fairview Fire Chief was consulted for recommended fire flow under existing conditions. The Fire Chief expressed an intent to follow requirements as stated in the International Fire Code. Flow requirements of up to 1,750 gpm are expected in Area 1. The contact information of the Fairview Fire Chief is as follows:

Fire Chief: Nathan Miner
Phone: 435-262-1189
Address: 165 N State St.
Fairview, Utah 84629

The system was originally designed to provide a fire flow capacity of 1,000 gpm, which was compliant with fire codes in effect at the time of construction. Locations in the Area 1 system where 1,000 gpm of fire flow capacity can be provided will not be subject to retroactive fire flow requirements and will be considered code compliant as long as they are maintained properly and new construction does not alter the fire flow requirement. As infrastructure is replaced over time, it will be sized appropriately to meet requirements according to current code.

**Table 3-5
Compliance of Existing
Distribution System with Utah Rule**

Condition	Requirement ¹	System Design Flow ²	Compliance Status
Peak Day	Minimum 40 psi service pressure	106 gpm	All connections comply.
Peak Instantaneous	Minimum 30 psi service pressure	213 gpm	All connections comply.
Peak Day plus Fire Flow ³	Minimum 20 psi service pressure	106 gpm (system) Plus 1,000 gpm fire	All areas comply as shown on Figure 3-2.

1. Requirements are as stated in Utah Code R309-105-9(2). The requirement for connections prior to 2007 is a minimum of 20 psi under all conditions.
2. Peak day system flows are shown in Tables 3-2 and 3-3. Peak day flow was multiplied by a factor of 2.0 to produce peak instantaneous flow.
3. Fire flow is discussed in Appendix C. The maximum fire flow requirement in SMSSD is 1,000 gpm under existing conditions.

Figure 3-2 shows the available fire flow throughout the existing system based on model output.

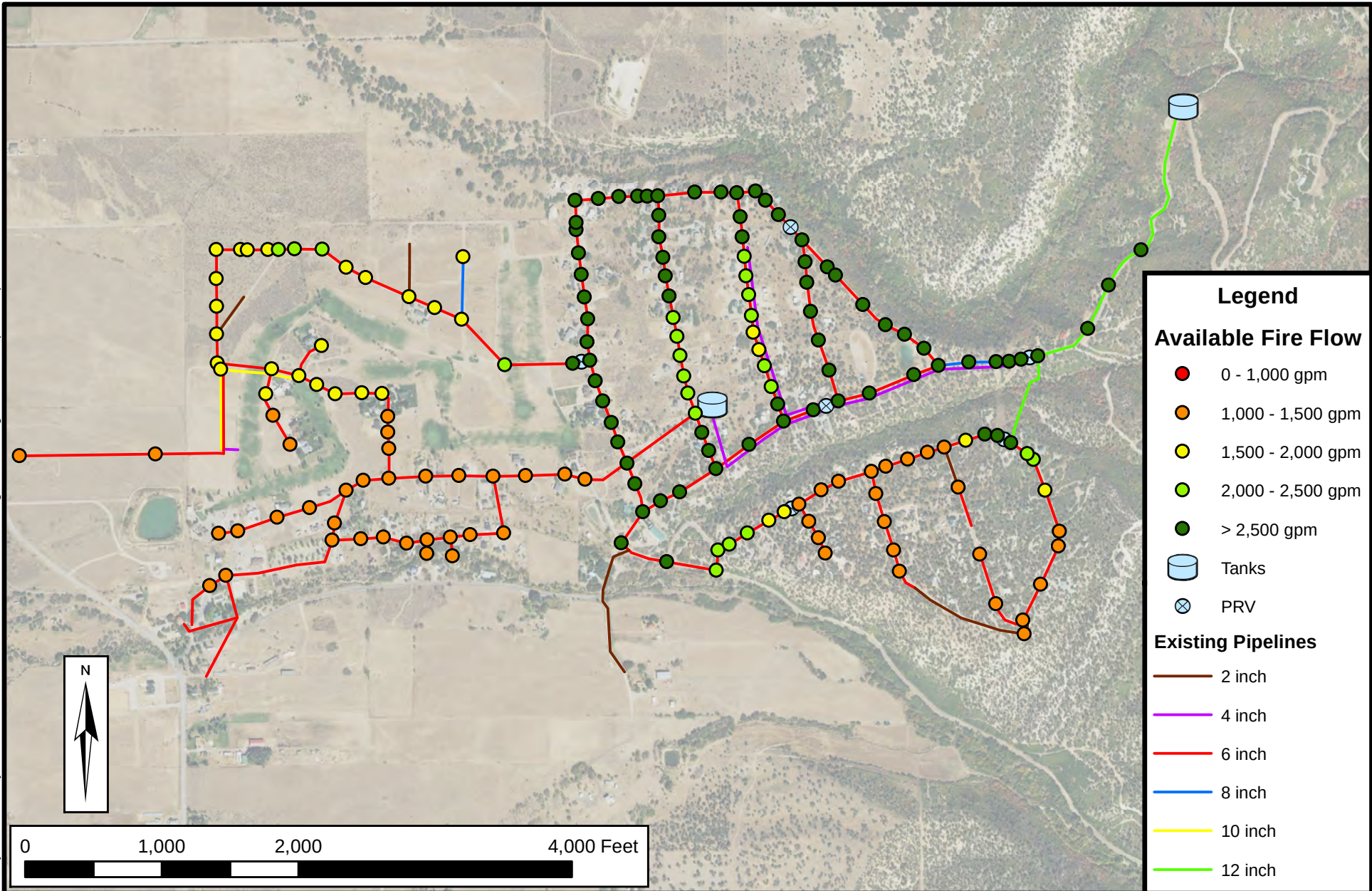
STORAGE

The existing water system is served by two storage tanks located in Area 1. Their locations are shown in Figure 2-1 and their respective dimensions shown in Table 3-6. SCADA data for each tank showed that the Booster Tank typically operates at a level between 6 and 8 feet and the Upper Tank typically operates at a level between 17 and 19 feet.

**Table 3-6
Existing Tanks**

Tank	Existing Capacity (gallons)	Material	Dimensions	Outlet Elevation (ft)	Emergency/Fire Volume (gal)
Booster	55,000	Concrete	25' diam. x 15' deep	6,365	0
Upper	270,000	Concrete	48' diam. x 20' deep	6,834.5	210,000
Total	325,000	-	-	-	

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As specified in Utah R309-510-8, storage sizing requirements are composed of three parameters:

- Equalization Storage
- Emergency Storage
- Fire Storage

It is proposed that a combined equalization and emergency storage requirement of 270 gal/ERC be used for the indoor storage requirement. This amount is equivalent to peak day usage and contains sufficient capacity beyond equalization needs to provide a buffer to the District in the event of a power outage or other service interruption.

The recommended storage requirement for outdoor uses is 2,680 gal/irr-ac. This is approximately equal to average daily use and will provide adequate equalization and emergency storage for outdoor uses.

The Fire Chief for Fairview, Utah was consulted to determine required fire storage. It was determined that required fire storage is equal to the volume required to provide the maximum fire flow of 1,750 gpm for 2 hours (210,000 gallons total). More information can be found in Appendix C. This is consistent with the 2007 master plan. Table 3-7 summarizes the storage requirements and a determination of remaining capacity.

Table 3-7
Existing Storage Requirements

Component	Unit Requirement	Service	Total Requirement (gal)
Indoor Equalization and Emergency	270 gal/ERC	247 ERCs	66,690
Outdoor Equalization	2,680 gal/irr-ac	8.0 irr-ac	21,440
Fire	1,750 gpm for 2 hours	Area 1	210,000
Total			298,130
Existing Capacity			325,000
Surplus (+) / Deficit (-)			+26,870

There is sufficient storage capacity for existing users.

CHAPTER 4 FUTURE WATER SYSTEM

The planning horizon for future conditions in this master plan is 2042. It is assumed that nearly all properties within the SMSSD service area will be improved and using water by this time.

Future source and storage requirements were estimated based on a projection of future connections to the SMSSD water system. A summary of these findings is shown in Table 4-1. Development of these requirements is discussed further in this chapter. The existing system does not have the capacity to meet the demands expected at buildout.

Table 4-1
Summary of Future Demand and Capacity

Requirement	Existing Capacity	Future Requirement	Surplus (+) / Deficit (-)
Peak Day Source	158 gpm	385 gpm	-227 gpm
Average Yearly Source	222.35 ac-ft/yr	274 ac-ft/yr	-52 ac-ft/yr
Storage	325,000 gal	690,740 gal	-365,740 gal

CONNECTIONS

Connections to the existing system presently exist only in Area 1. Areas 2 and 3 currently consist of a mixture of improved and unimproved lots with no water service. Information about these lots was provided by SMSSD and was evaluated to categorize these lots as either improved or unimproved. This information was used to form the basis for growth projections and projected future connections to the water system.

A growth rate has historically been difficult to develop in the SMSSD service area due to historically variable growth. An arbitrary, but reasonable growth rate of 5 percent was assumed to occur in each area through buildout. Table 4-2 shows the existing number of occupied lots and the estimated growth in each service area.

Table 4-2
Anticipated Growth in ERCs

Year	Estimated Total ERCs		
	Area 1	Area 2	Area 3
2022	247	216	95
2023	260	227	100
2024	273	239	105
2025	287	251	110
2026	302	264	116
2027	317	277	122
2028	321	292	128
2029	321	307	135
2030	321	322	142
2031	321	339	149
2032	321	356	157
2033	321	374	160
2034	321	394	160
2035	321	414	160
2036	321	435	160
2037	321	457	160
2038	321	471	160

Table 4-3 shows the existing number of ERCs and the estimated number at buildout. These ERC values assume that all available lots in the district are improved and connected to the water system.

Table 4-3
Existing and Projected Number of ERCs at Buildout

Area	Existing ERCs	Buildout ERCs
1	247	321
2	0	471
3	0	160
Total	247	952

Both Areas 2 and 3 are anticipated to see the most growth over the next few years given the higher percentage of lots that are not yet improved.

DEMANDS

Planning for the expected number of ERCs shown in Table 4-2 and following the same methodology described in the previous chapter, SMSSD's expected buildout demands are shown in Table 4-4. It is assumed that Areas 2 and 3 will not have any irrigated acreage due to their natural mountain setting. It is recommended that irrigation from the water system in Areas 2 and 3 be prohibited to help the District make best use of limited water resources.

Future irrigated acreage in Area 1 was forecasted by reviewing irrigated area on existing lots. It was assumed that of the 321 ERCs at buildout, 57 would contain an average of 0.25 acres of irrigated land each (those properties generally located near the golf course), and the remaining 264 ERCs would have an average of 0.05 acres of irrigated land each. These estimates are consistent with existing land use patterns. In total, Area 1 is expected to have 27.5 acres of irrigated land at buildout. These values were used in the hydraulic model to simulate future conditions.

Table 4-4
SMSSD Buildout Source Demand

Area	ERCs	Irrigated Area (acres)	Peak Day Source Requirement (gpm)	Average Yearly Source Requirement (ac-ft)
1	321	27.5	266.4	179.6
2	471	0	88.3	70.7
3	160	0	30.0	24.0
Total	952	27.5	384.8	274.2

The proposed demands exceed the existing source capacity in the water system. These values are summarized in Table 4-1 and show that there is a deficit for the peak day demand and average yearly demand of 227 gpm and 52 ac-ft, respectively.

SOURCES

To meet projected future demands, it is proposed to use the Thad's Peak well to supply the Future Zone 2 distribution system, develop and connect into the Cottonwood Springs to serve Area 1, drill a new well to serve Area 2 and purchase the existing Colledge well located in Area 3. A summary of demands by area as compared to existing capacity is shown in Table 4-5.

Water rights are likely to be sufficient for the foreseeable future to buildout given the seasonal use. It is anticipated that less than the expected 274.2 ac-ft will be used annually given that most of the residents in Areas 2 and 3 are seasonal. The numbers shown are a conservative estimate assuming that all of Area 1 residents are full time users and Areas 2 and 3 residents are using water six months of the year.

**Table 4-5
SMSSD Buildout Demand and Existing Capacity**

Area	Capacity (gpm)	Buildout Peak Day Demand (gpm)	Surplus (+) / Deficit (-)
1	120	266.4	-146
2	38	88.3	-50
3	0	30.0	-30
Total	158	384.8	-226.8

An additional capacity of 226.8 gpm is required to meet expected future peak day demands. To meet these demands, the following source projects are proposed and shown in Table 4-6.

**Table 4-6
Proposed Source Projects**

Description	Notes
Area 1 Springs	Develop and utilize the existing Cottonwood Springs to provide approximately 100 gpm of source to Area 1.
Area 2 Well	Drill and equip an additional well in Area 2 to provide at least 50 gpm.
Purchase Existing Colledge Well for Area 3	Purchase and re-equip the existing Colledge Well to provide approximately 75 gpm of source capacity to Area 3.

The locations of these proposed facilities are shown in Figure 4-1. The existing Colledge Well drilling log specified that it can provide 15 gpm; however, SMSSD personnel reported that it was equipped at 15 gpm but is physically capable of producing up to 75 gpm. Re-equipping it to provide 75 gpm will meet expected buildout demands. The location of Cottonwood Springs is also shown on Figure 4-1. It would require a dedicated 4-inch line to connect into the Area 1 distribution system. This project would provide capacity for growth in Area 1, delaying the need of for a new well.

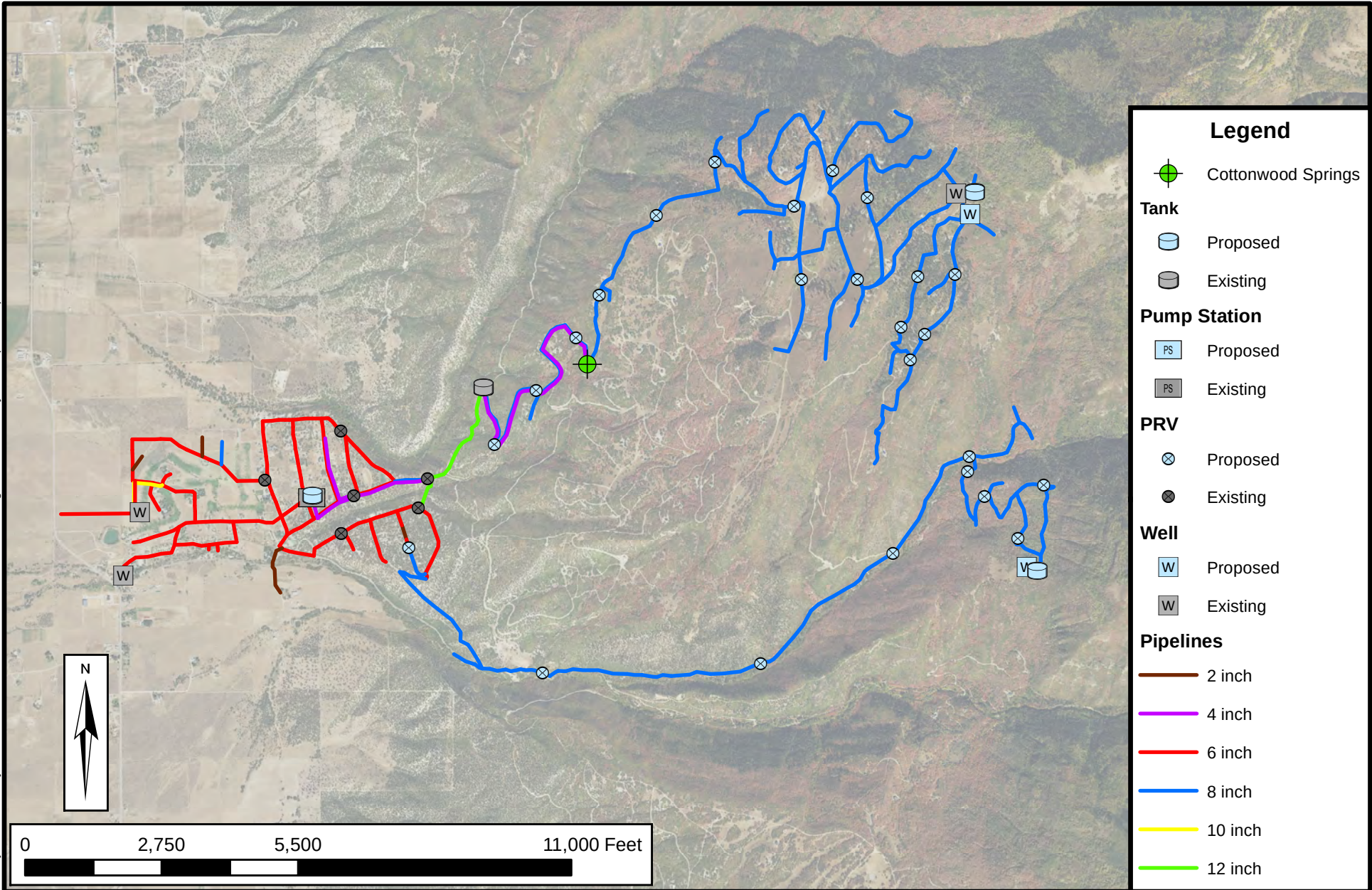
DISTRIBUTION

Areas 2 and 3 have no existing distribution infrastructure and will require installation of a complete system in order to be served. Figure 4-1 shows the proposed pipelines and their recommended minimum diameters. An estimated 17.9 miles of pipeline are required to serve Areas 2 and 3.

The minimum required size as specified by Utah R309-550-5 is 8 inches for all pipes that supply fire flow. Pipes were then evaluated using the hydraulic model to determine if pipes larger than 8-inch diameter were required to maintain reasonable pipe velocity or service pressure.

To manage pressures associated with the change in elevation throughout the system, approximately twenty-four 6-inch diameter PRVs are required along with the new pipelines. Their

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SKYLINE MOUNTAIN
SPECIAL SERVICE DISTRICT

BUILDOUT
WATER SYSTEM

FIGURE
4-1

approximate locations are shown in Figure 4-1. Locations of each PRV should be more precisely determined as part of the design for the Areas 2 and 3 water system.

DDW minimum water pressure requirements for distribution systems (R309-105-9) are 20 psi during peak day plus fire flow demand, 30 psi during peak instantaneous demand, and 40 psi during peak day demand.

New construction will require minimum 8 in. diameter pipelines per R309-550-5(5)(a) and fire flow capacity of 1,500 gpm as per the local fire authority. Locations in the Area 1 system where 1,000 gpm of fire flow capacity can be provided will not be subject to retroactive fire flow requirements and will be considered code compliant as long as they are maintained properly and new construction does not alter the fire flow requirement. Figure 4-2 shows the available fire flow for the buildout scenario. Table 4-7 shows the compliance with the Utah Rule based on each condition.

**Table 4-7
Compliance of Buildout
Distribution System with Utah Rule**

Condition	Requirement ¹	System Design Flow ²	Compliance Status
Peak Day	Minimum 40 psi service pressure	385 gpm	All connections comply.
Peak Instantaneous	Minimum 30 psi service pressure	770 gpm	All connections comply.
Peak Day plus Fire Flow ³	Minimum 20 psi service pressure	385 gpm (system) Plus 1,000/ 1,500 gpm fire	All areas comply as shown on Figure 4-2

1. Requirements are as stated in Utah Code R309-105-9(2). The requirement for connections prior to 2007 is a minimum of 20 psi under all conditions.
2. Peak day system flows are shown in Tables 4-4. Peak day flow was multiplied by a factor of 2.0 to produce peak instantaneous flow.
3. Fire flow is discussed in Appendix C. The minimum fire flow requirement in SMSSD is 1,000 gpm for existing infrastructure and 1,500 gpm for all new construction.

The proposed system satisfies the future peak instantaneous minimum pressure requirement of 30 psi and the future peak day requirement of 40 psi. The simulated minimum pressure in the future system is 40 psi (just downstream of system PRVs). The proposed system also provides adequate fire flow for each respective area while maintaining a minimum service pressure of 20 psi.

STORAGE

Future storage requirements were calculated with similar methodology mentioned in Chapter 3. Emergency storage is to be determined by level of risk and desired system reliability. It is proposed to have a combined equalization and emergency storage requirement of 270 gal/ERC be used for the indoor storage requirement. The proposed outdoor storage requirement is 2,680 gal/irr-ac. A maximum fire flow requirement of 1,750 gpm for two hours is expected for Area 1. Areas 2 and 3 will have a fire flow requirement of 1,500 gpm for two hours. These requirements were determined based on conversations with the District and the Fairview Fire Department. Table 4-8 shows the storage requirements for each area.

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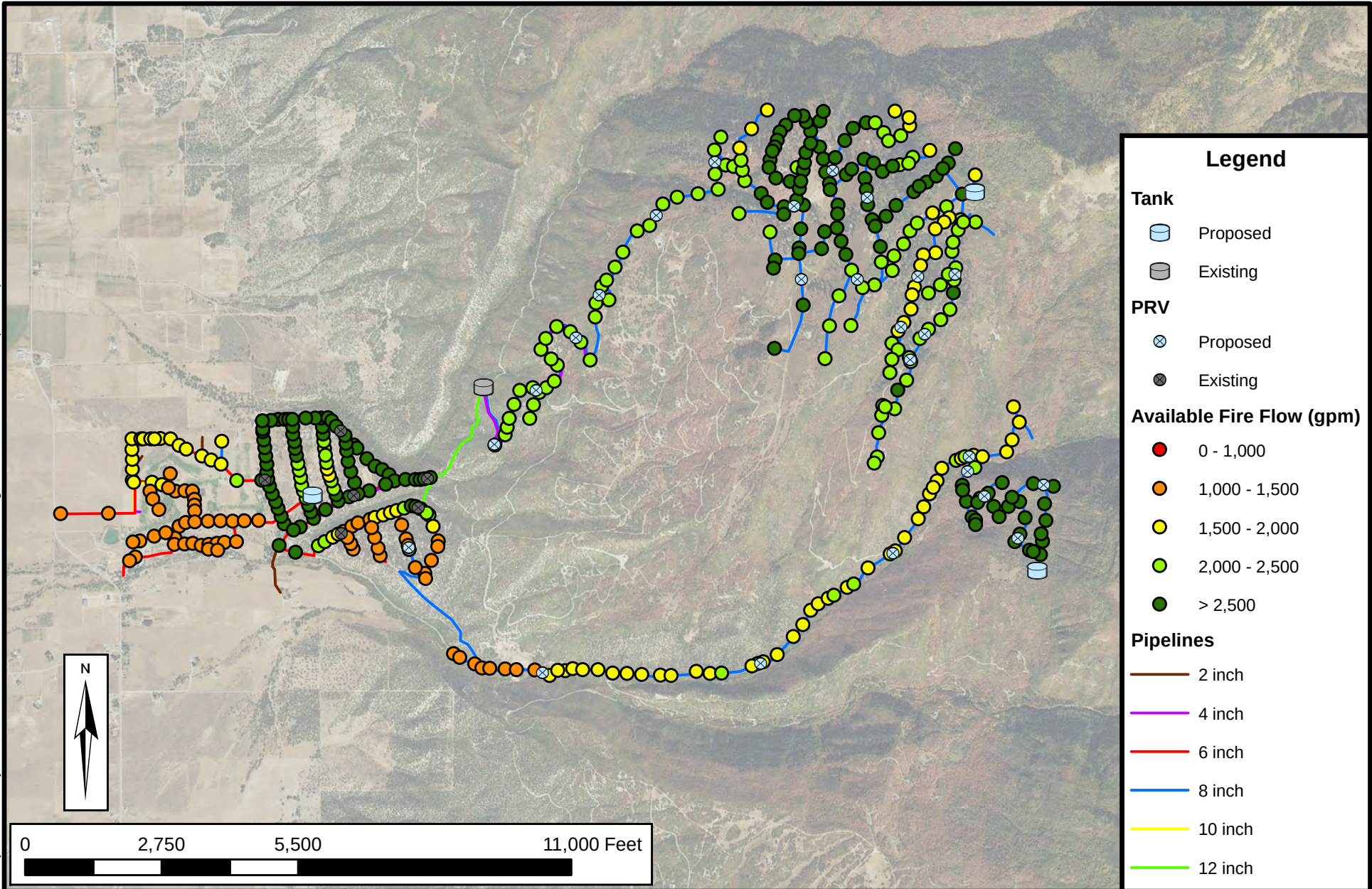


**Table 4-8
SMSSD Buildout Storage Requirements**

Area	ERCs	Irrigated Area (acres)	Fire Requirement (gal)¹	Equalization Storage Requirement (gal)	Storage Requirement (gal)	Existing Storage (gal)	Surplus (+) / Deficit (-)
1	321	27.5	0	160,370	160,370	325,000	164,630
2	471	0	180,000	127,170	307,170	0	-307,170
3	160	0	180,000	43,200	223,200	0	-223,200
Total	952	27.5	360,000	330,740	690,740	325,000	-365,740

1. Fire storage will be shared between zones with Areas 2 and 3 providing fire storage for Area 1.

The existing system does not have the storage capacity necessary for projected buildout requirements. The projects in Table 4-9 are proposed to be included in the buildout system to provide the required storage. Fire storage will be held in Areas 2 and 3 and fed down to Area 1 through PRVs if needed. The existing 55,000 gallon tank in Area 1 will need to be replaced as it is 50 years old and reaching the end of its service life.

**Table 4-9
Proposed Storage Projects**

Description	Notes
Area 1 Storage Tank	Construct a new storage tank with a capacity of at least 250,000 gallons to replace the existing 55,000 gallon tank in Area 1.
Area 2 Storage Tank	Construct a storage tank with a capacity of at least 310,000 gallons to serve Area 2 and provide fire storage to Areas 1 and 2.
Area 3 Storage Tank	Construct a storage tank that with a capacity of at least 225,000 gallons to serve Area 3 and provide fire storage to Areas 1 and 3.

CHAPTER 5 CAPITAL FACILITY PLAN

The purpose of this section is to identify the drinking water facilities that are required, for the 20-year planning period, to meet the demands placed on the system by future development. Proposed facilities were sized to meet master plan requirements and located to accommodate 20-year growth projections. Each capital facility plan project will require a detailed design analysis before construction to more precisely define the locations of tanks, wells, hydrants, and other key infrastructure. Specific projects with estimated costs are presented at the end of this chapter.

Projects necessary to support growth over the next 20 years are identified and described in the Capital Facility Plan. Conceptual-level cost estimates were prepared for each project. These costs are attributable to new growth for the system.

Table 5-1 briefly summarizes the estimated costs of projects by service area. Figure 4-1 shows the proposed projects and their approximate locations.

Table 5-1 Capital Projects by Area	
Area	Estimated Cost
1	\$1,830,000
2	\$14,730,000
3	\$6,280,000
Total	\$22,840,000

Each Area has capital projects that will help facilitate future growth. These projects have an estimated cost of **\$22,840,000** (see Table 5-1 and Appendix D). These costs are eligible to be paid for by impact fees from incoming users and connection fees and rates for existing users.

**Table 5-2
System Growth-Related Capital Projects (0 – 20 Years)**

Type	Area	Recommended Project	Estimated Cost
Storage	1	Replace the existing 55,000 gallon tank in Area 1 with a new 250,000 gallon tank.	\$530,000
Source	1	Develop Cottonwood Springs and construct approximately 5,800 feet of 4-inch pipe to convey spring water to Area 1.	\$1,300,000
Transmission	2	Construct new water pipelines necessary to provide water to lots in Area 2.	\$13,340,000
Source	2	Drill an additional well that can provide at least 50 gpm to help meet the expected future demands in Area 2.	\$710,000
Storage	2	Construct a tank with a minimum capacity of 310,000 gallons.	\$680,000
Transmission	3	Construct new water pipelines necessary to provide water to lots in Area 3.	\$5,700,000
Source	3	Purchase the existing Colledge Well Located in Area 3.	\$110,000
Storage	3	Construct a tank with a minimum capacity of 225,000 gallons.	\$470,000
Total			\$22,840,000

OFFICE AND MAINTENANCE BUILDING

As part of this effort, a preliminary site plan for an office and maintenance building was developed. A planning-level estimated cost for this building is \$310,000 or more depending on options chosen. See Appendix E for the site plan and cost estimate.

FUNDING OPTIONS

Funding options for the recommended projects, in addition to water use fees, include: general obligation bonds, revenue bonds, State/Federal grants and loans, and impact fees. In reality, SMSSD may need to consider a combination of these funding options. The following discussion describes each of these options.

General Obligation Bonds

This form of debt enables SMSSD to issue general obligation bonds for capital improvements and replacement. General Obligation (G.O.) bonds would be used for items not typically financed through the Water Revenue Bonds (for example, the purchase of water source to ensure a sufficient water supply for SSMD in the future). G.O. bonds are debt instruments backed by the full faith and credit of SMSSD which would be secured by an unconditional pledge of SMSSD to

levy assessments, charges, or ad valorem taxes necessary to retire the bonds. G.O. bonds are the lowest-cost form of debt financing available to local governments and can be combined with other revenue sources such as specific fees, or special assessment charges to form a dual security through SMSSD's revenue-generating authority. These bonds are supported by SMSSD as a whole, so the amount of debt issued for the water system is limited to a fixed percentage of the real market value for taxable property within SMSSD. G.O. bonds must be approved by a members vote.

Revenue Bonds

This form of debt financing is also available to SMSSD for utility-related capital improvements. Unlike G.O. bonds, revenue bonds are not backed by SMSSD as a whole, but constitute a lien against the water service charge revenues of a Water Utility. Revenue bonds present a greater risk to the lender than do G.O. bonds, since repayment of debt depends on an adequate revenue stream, legally defensible rate structure, and sound fiscal management by the issuing jurisdiction. Due to this increased risk, revenue bonds generally require a higher interest rate than G.O. bonds, although current interest rates are quite low. This type of debt also has very specific coverage requirements in the form of a reserve fund specifying an amount, usually expressed in terms of average or maximum debt service due in any future year. This debt service is required to be held as a cash reserve for annual debt service payment to the benefit of bondholders. Typically, voter approval is not required when issuing revenue bonds.

State or Federal Grants and Loans

Historically, both local and county governments have experienced significant infrastructure funding support from state and federal government agencies in the form of block grants, direct grants in aid, interagency loans, and general revenue sharing. Federal expenditure pressures and virtual elimination of federal revenue sharing are clear indicators that local government may be left to its own devices regarding infrastructure finance in general. However, state or federal grants and loans should be further investigated as a possible funding source for needed water system improvements.

It is also important to assess likely trends regarding state or federal assistance in infrastructure financing. Future trends indicate that grants will be replaced by loans through a public works revolving fund. Local governments can expect to access these revolving funds or public works trust funds by demonstrating both the need for and the ability to repay the borrowed monies, with interest. As with the revenue bonds discussed earlier, the ability of infrastructure programs to wisely manage their own finances will be a key element in evaluating whether many secondary funding sources, such as federal/state loans, will be available to the District.

Impact Fees

The Utah Impact Fees Act, codified in Title 11, Chapter 36a, of the Utah Code, authorizes municipalities to collect impact fees to fund public facilities. An impact fee is "a payment of money imposed upon new development activity . . . to mitigate the impact of the new development on public infrastructure" (Subsection 11-36a-102(8)). Impact fees enable local governments to finance infrastructure improvements without burdening existing development with costs that are exclusively attributable to growth.

Impact fees can be applied to water-related facilities under the Utah Impact Fees Act. The Act is designed to provide a logical and clear framework for establishing new development assessments. It is also designed to establish the basis for the fee calculation which SMSSD must

follow in order to comply with the statute. The fundamental objective for the fee structure is the imposition on new development of only those costs associated with providing or expanding water infrastructure to meet the capacity needs created by that specific new development. Impact fees cannot be applied retroactively.

An impact fee analysis is provided in a separate document.

CHAPTER 6 MASTER PLAN SUMMARY

SOURCES

The existing sources are sufficient for the current conditions and demands for the water system. The following recommendations are suggested for the sources to ensure that the demands can be met in future conditions:

- Drill and equip a new well in Area 1 that is capable of supplying at least 100 gpm.
- Develop the existing Cottonwood Springs to supply water to Area 1.
- Drill and equip a new well in Area 2 that is capable of supplying at least 65 gpm.
- Purchasing the existing Colledge Well located in Area 3.

These projects will provide adequate peak day source for the estimated buildout demands of Areas 1, 2, and 3. Additional water rights may need to be secured if seasonal use in Areas 2 and 3 amounts to 0.15 ac-ft per ERC as was estimated in this report. However, this is a conservative estimate, and it is likely that existing water rights will be adequate many years into the future. In the future, reviewing annual water use records in Areas 2 and 3 is recommended to more accurately quantify usage in these areas.

DISTRIBUTION

Under existing conditions, SMSSD's existing distribution system satisfies the minimum pressure requirements of R309-510-9 and R309-105-9, including 20 psi during peak day fire flow, 30 psi during peak instantaneous demand, and 40 psi during peak day demand. There are no existing deficiencies. The existing system is also able to meet the fire flow requirements of at least 1,000 gpm while maintaining a service pressure of 20 psi.

To serve Areas 2 and 3, approximately 17.9 miles of new pipe and approximately 24 PRVs must be installed. A map of proposed infrastructure for these areas is shown in Figure 4-1. The proposed infrastructure will satisfy the minimum pressure requirements of R309-510-9 and R309-105-9, including 20 psi during peak day fire flow, 30 psi during peak instantaneous demand, and 40 psi during peak day demand.

STORAGE

SMSSD has sufficient water storage capacity to meet existing requirements. Future growth and aging infrastructure will require the construction of the following projects:

- Replace the existing 55,000 gallon storage tank with a new storage tank with a capacity of 250,000 gallons in Area 1.
- Construct a storage tank that with a capacity of at least 310,000 gallons to serve Area 2
- Construct a storage tank that with a capacity of at least 225,000 gallons to serve Area 3

OPERATIONAL RECOMMENDATIONS

Operational expenses and projects were not covered in detail as part of this master plan. However, over the course of the study, SMSSD personnel suggested several potential improvements to increase redundancy and help with system operation. These suggestions are listed below and recommended for further study.

- Consider drilling or purchasing another Well in Area 3 to provide redundancy.
- Ensure that all meters are functioning properly and installed for every connection.
- Identify all the sizes and locations of pipes and identify what that was not replaced in 2013. Develop a detailed map documenting this information.
- Investigate the peak capacity of Thad's Peak Well to see if its capacity could be increased.

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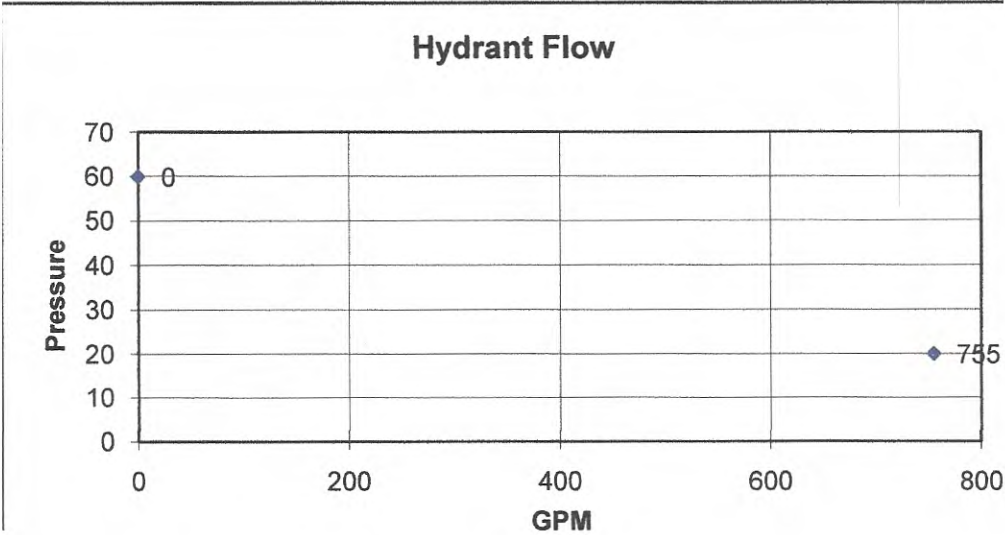
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https://le.utah.gov/xcode/Title11/Chapter36A/11-36a.html?v=C11-36a_1800010118000101.
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<https://le.utah.gov/~2019/bills/static/HB0031.html>.
- . 2019e. Utah State Legislature, House Joint Resolution 1: Proposal to Amend Utah Constitution – Municipal Water Resources. Accessed May 16, 2022.
<https://le.utah.gov/~2019/bills/static/HJR001.html>.
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APPENDIX A

Fire Flow and Hydrant Tests

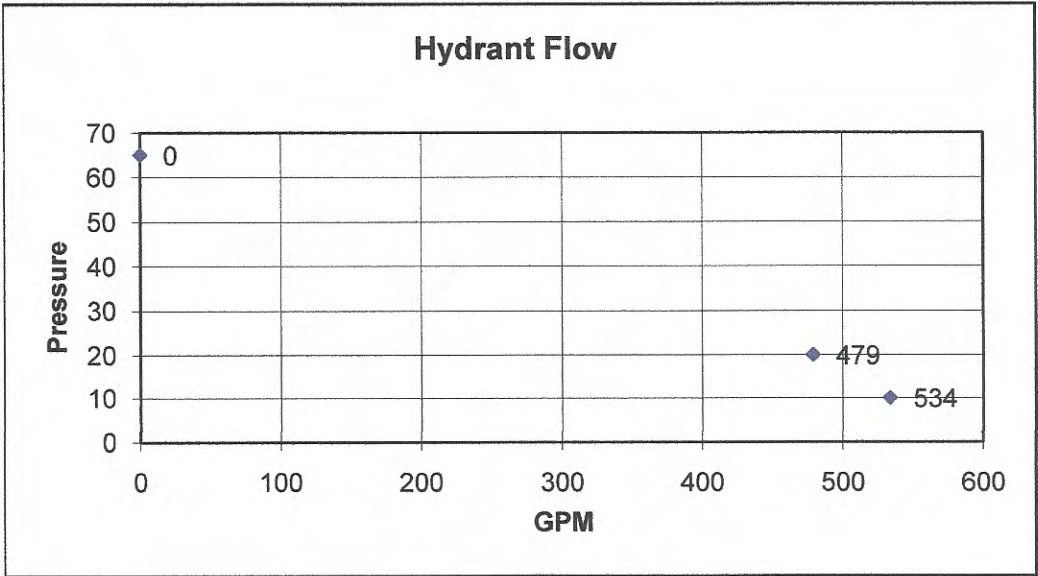
Hydrant Information Sheet

Hydrant Number	A14
Hydrant Location	Skyline Mountain Resort 12135 East Fairview Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	20
Residual Pressure	20
Static Pressure	60
Flow, gpm =	755
Flow, gpm at 20 psi=	755



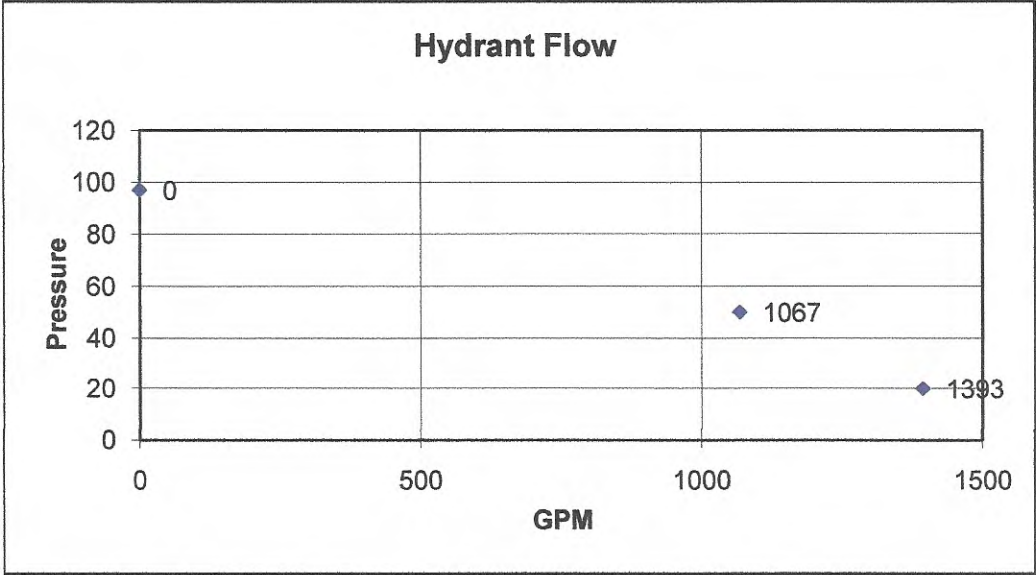
Hydrant Information Sheet

Hydrant Number	A41
Hydrant Location	Skyline Mountain Resort 12125 East Sports Haven Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	10
Residual Pressure	10
Static Pressure	65
Flow, gpm =	534
Flow, gpm at 20 psi=	479



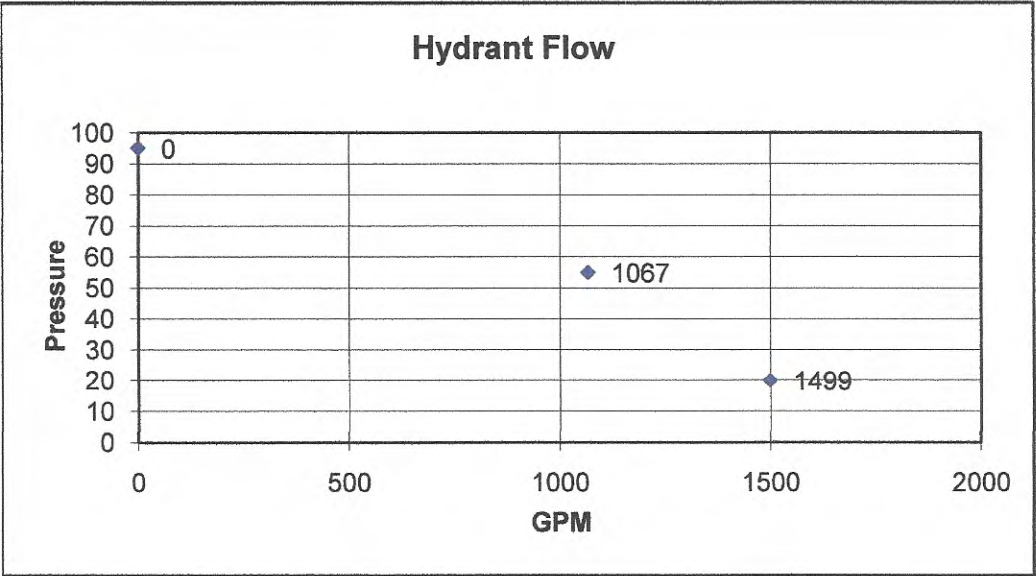
Hydrant Information Sheet

Hydrant Number	B56
Hydrant Location	Skyline Mountain Resort 22440 North Spring Creek Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	40
Residual Pressure	50
Static Pressure	97
Flow, gpm =	1067
Flow, gpm at 20 psi=	1393



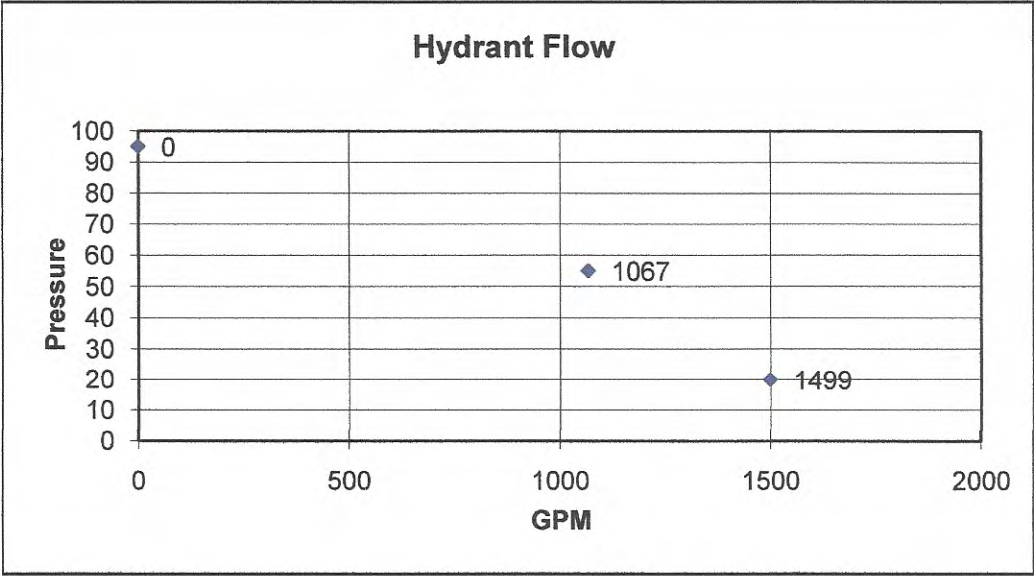
Hydrant Information Sheet

Hydrant Number	GC37
Hydrant Location	Skyline Mountain Resort 11985 East Long Drive Road Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	40
Residual Pressure	55
Static Pressure	95
Flow, gpm =	1067
Flow, gpm at 20 psi=	1499



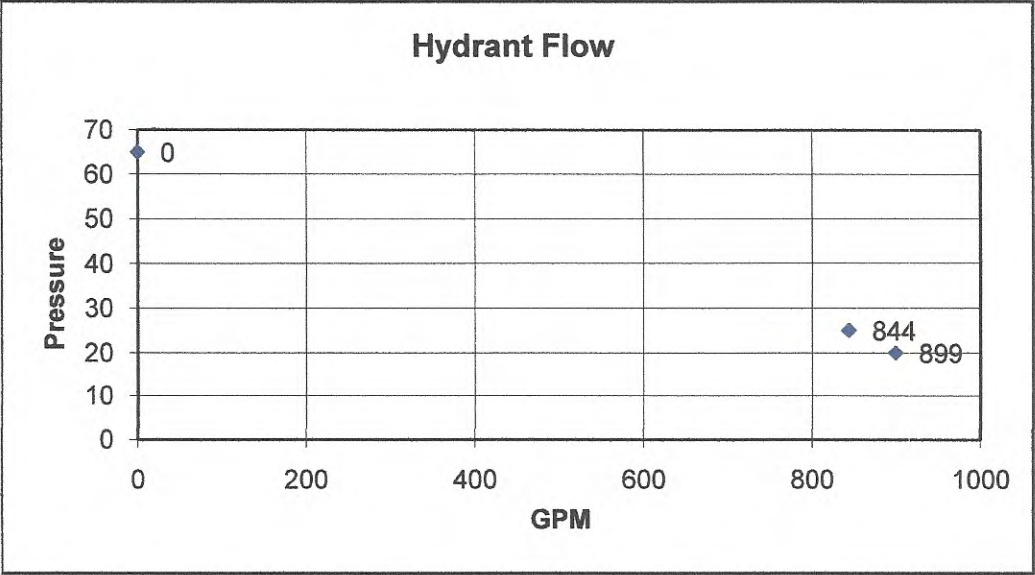
Hydrant Information Sheet

Hydrant Number	B67
Hydrant Location	Skyline Mountain Resort 22760 North Spring Creek Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	40
Residual Pressure	55
Static Pressure	95
Flow, gpm =	1067
Flow, gpm at 20 psi=	1499



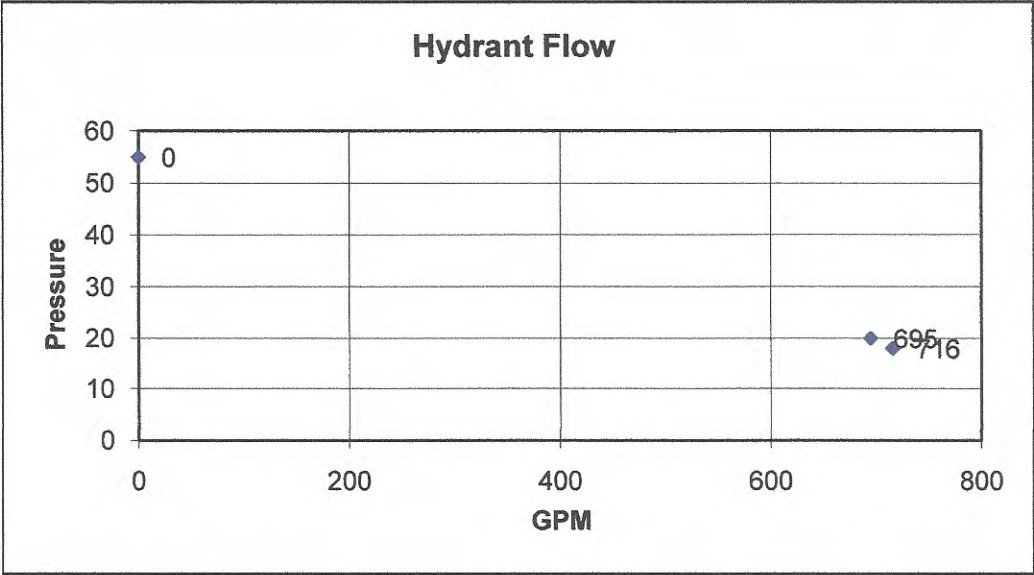
Hydrant Information Sheet

Hydrant Number	B48
Hydrant Location	Skyline Mountain Resort 12510 East Juniper Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	25
Residual Pressure	25
Static Pressure	65
Flow, gpm =	844
Flow, gpm at 20 psi=	899



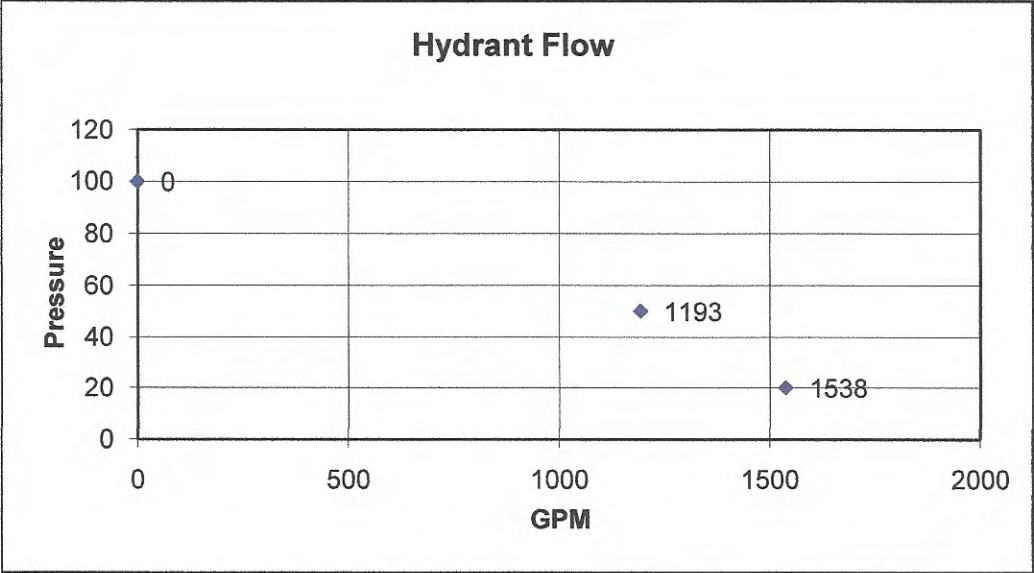
Hydrant Information Sheet

Hydrant Number	B102
Hydrant Location	Skyline Mountain Resort 22565 North Juniper View Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	18
Residual Pressure	18
Static Pressure	55
Flow, gpm =	716
Flow, gpm at 20 psi=	695



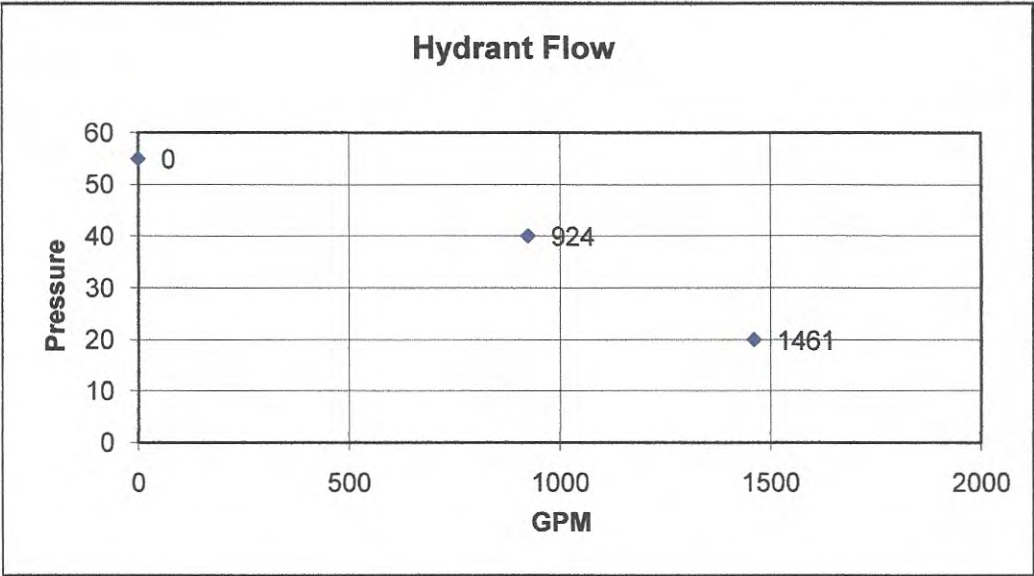
Hydrant Information Sheet

Hydrant Number	B121
Hydrant Location	Skyline Mountain Resort 22760 North Juniper View Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	50
Residual Pressure	50
Static Pressure	100
Flow, gpm =	1193
Flow, gpm at 20 psi=	1538



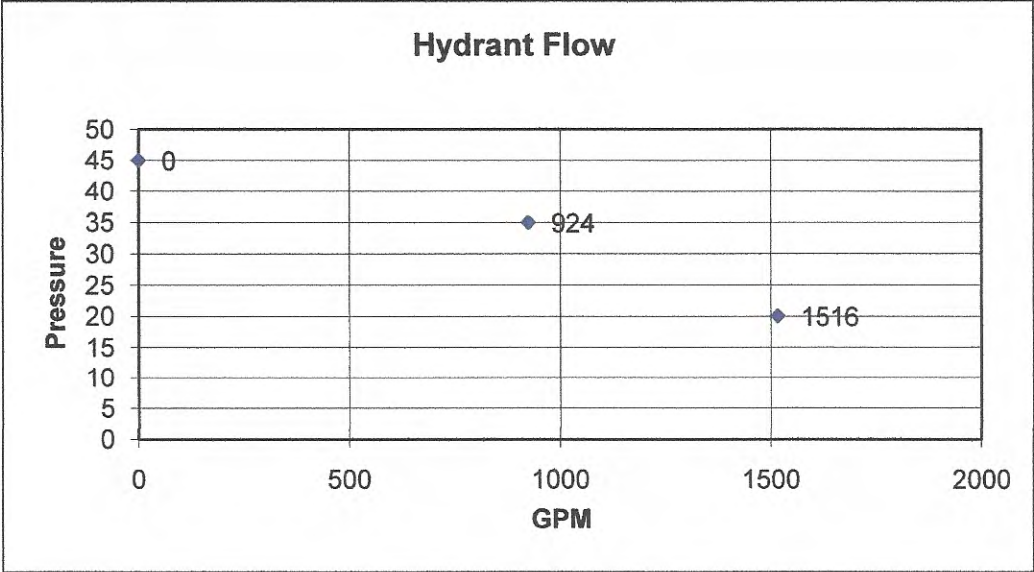
Hydrant Information Sheet

Hydrant Number	B33
Hydrant Location	Skyline Mountain Resort 12785 East Spring Creek Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	30
Residual Pressure	40
Static Pressure	55
Flow, gpm =	924
Flow, gpm at 20 psi=	1461



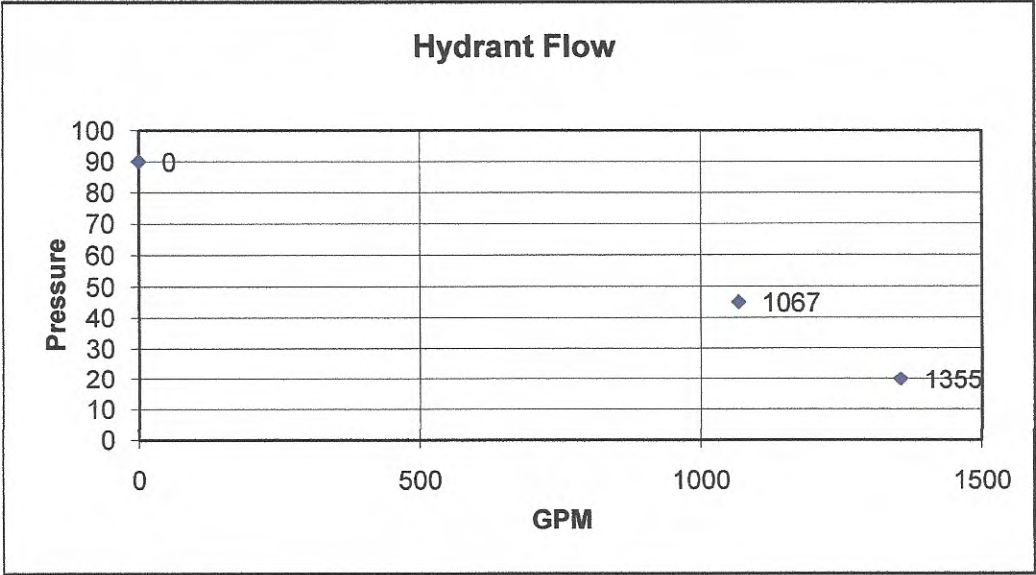
Hydrant Information Sheet

Hydrant Number	M92
Hydrant Location	Skyline Mountain Resort 23740 North Pine Canyon Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	30
Residual Pressure	35
Static Pressure	45
Flow, gpm =	924
Flow, gpm at 20 psi=	1516



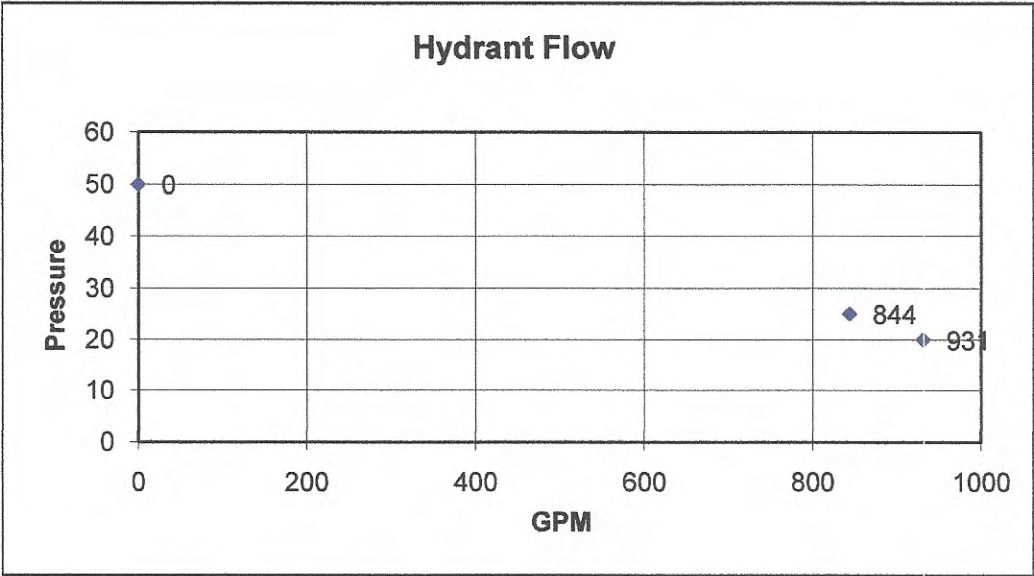
Hydrant Information Sheet

Hydrant Number	C1
Hydrant Location	Skyline Mountain Resort 12450 East Cedar Ridge Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	40
Residual Pressure	45
Static Pressure	90
Flow, gpm =	1067
Flow, gpm at 20 psi=	1355



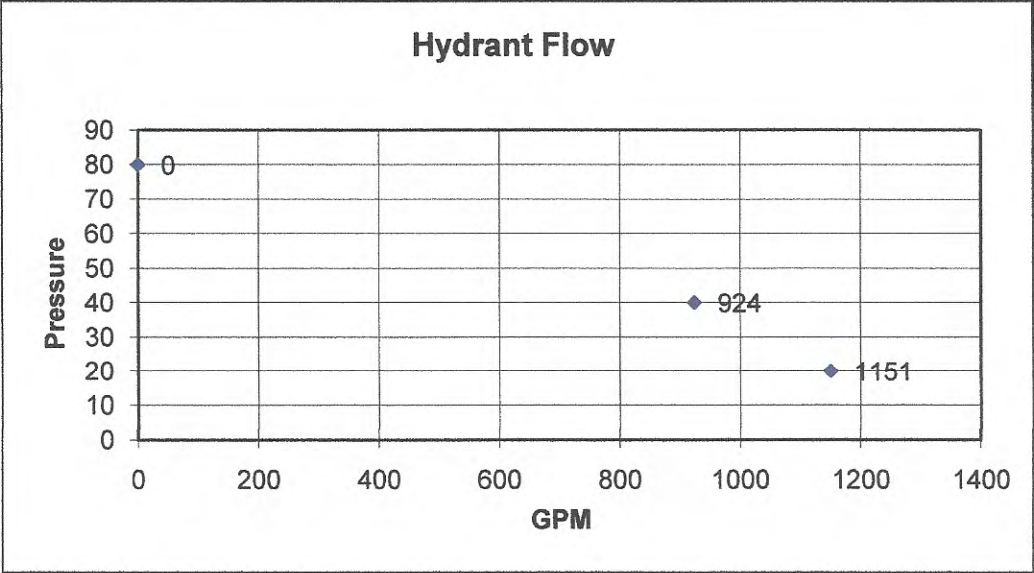
Hydrant Information Sheet

Hydrant Number	C22
Hydrant Location	Skyline Mountain Resort 22285 North Cedar Ridge Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	25
Residual Pressure	25
Static Pressure	50
Flow, gpm =	844
Flow, gpm at 20 psi=	931



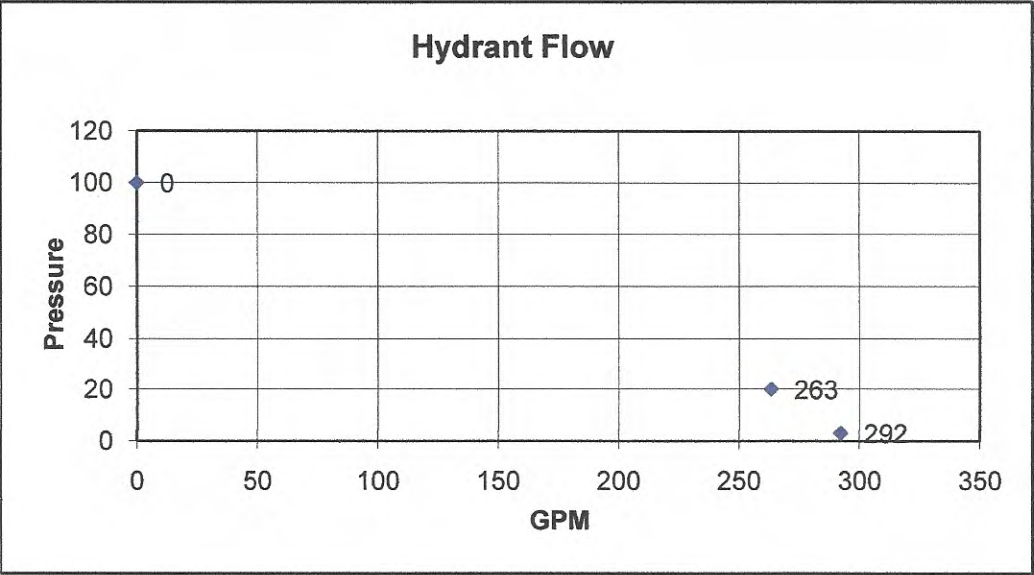
Hydrant Information Sheet

Hydrant Number	C49
Hydrant Location	Skyline Mountain Resort 22345 North Cedar Ridge Drive Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	30
Residual Pressure	40
Static Pressure	80
Flow, gpm =	924
Flow, gpm at 20 psi=	1151



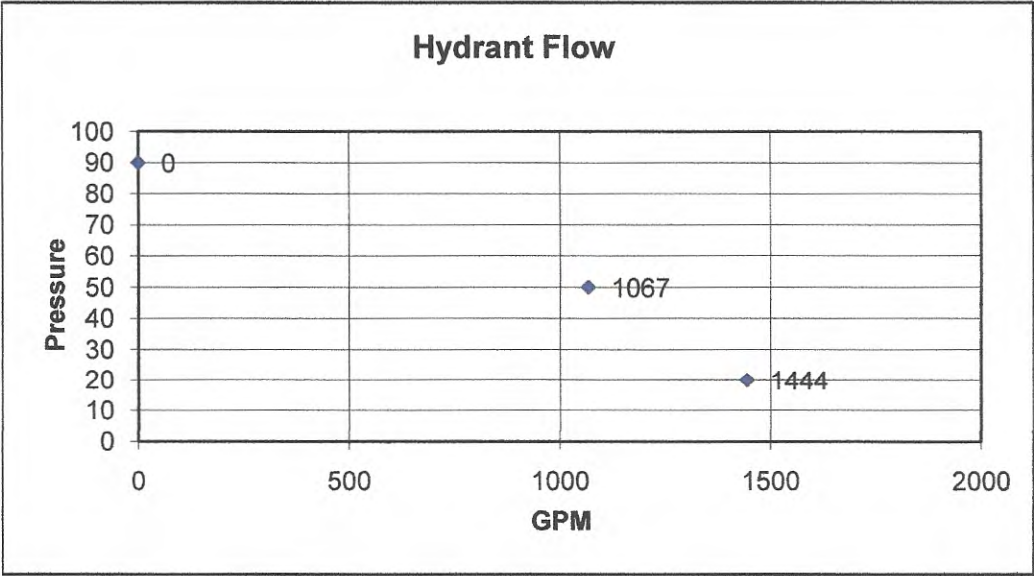
Hydrant Information Sheet

Hydrant Number	E21
Hydrant Location	Skyline Mountain Resort 2213 North Owen Thomas Drive by Old Managers House Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	3
Residual Pressure	3
Static Pressure	100
Flow, gpm =	292
Flow, gpm at 20 psi=	263



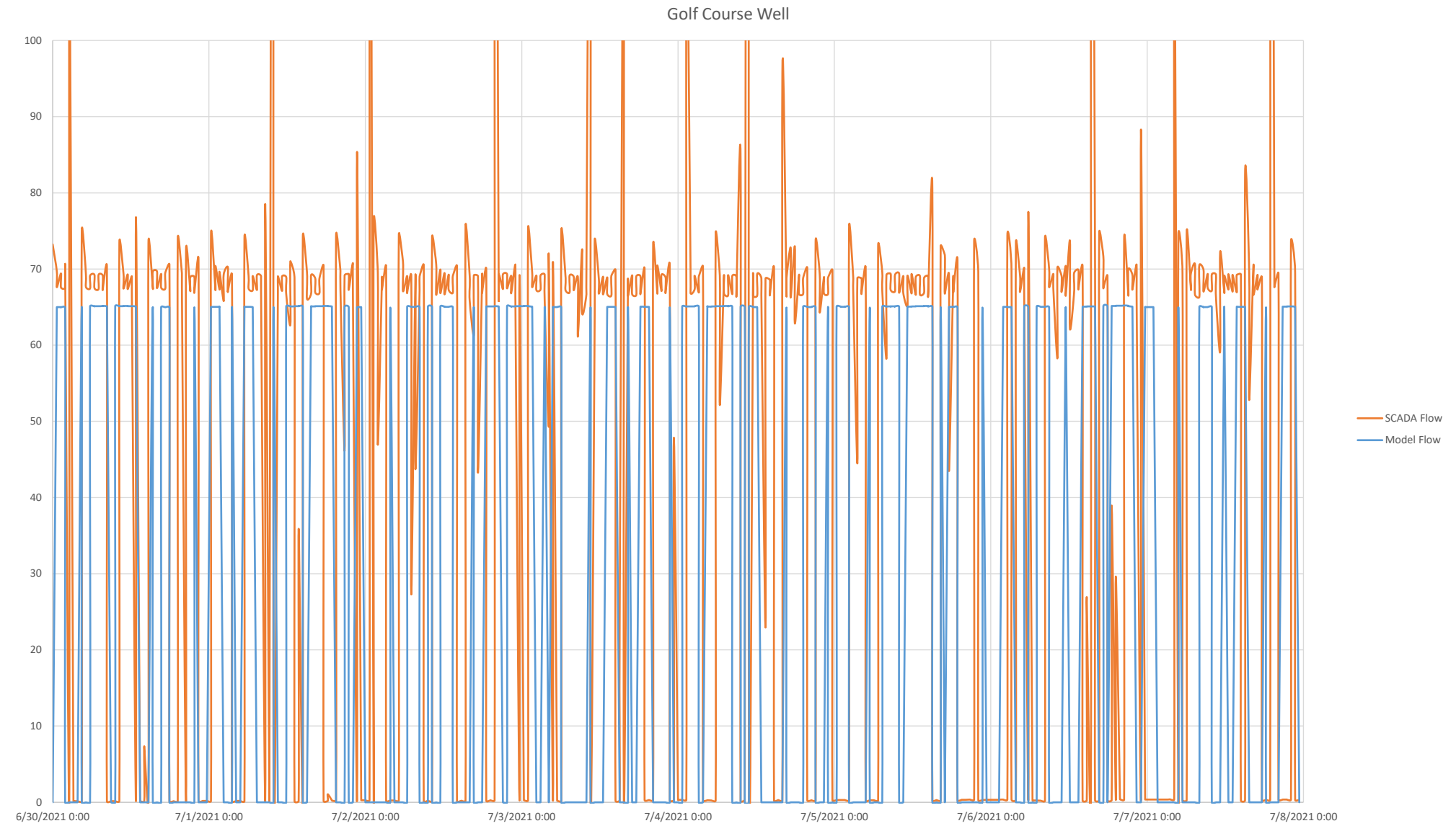
Hydrant Information Sheet

Hydrant Number	Pavilion
Hydrant Location	Skyline Mountain Resort 22130 North 11750 East by New Club House Fairview, Utah 84629
Nozzle Coefficient	0.90
Nozzle I.D., inches	2.50
Pitot Pressure	40
Residual Pressure	50
Static Pressure	90
Flow, gpm =	1067
Flow, gpm at 20 psi=	1444

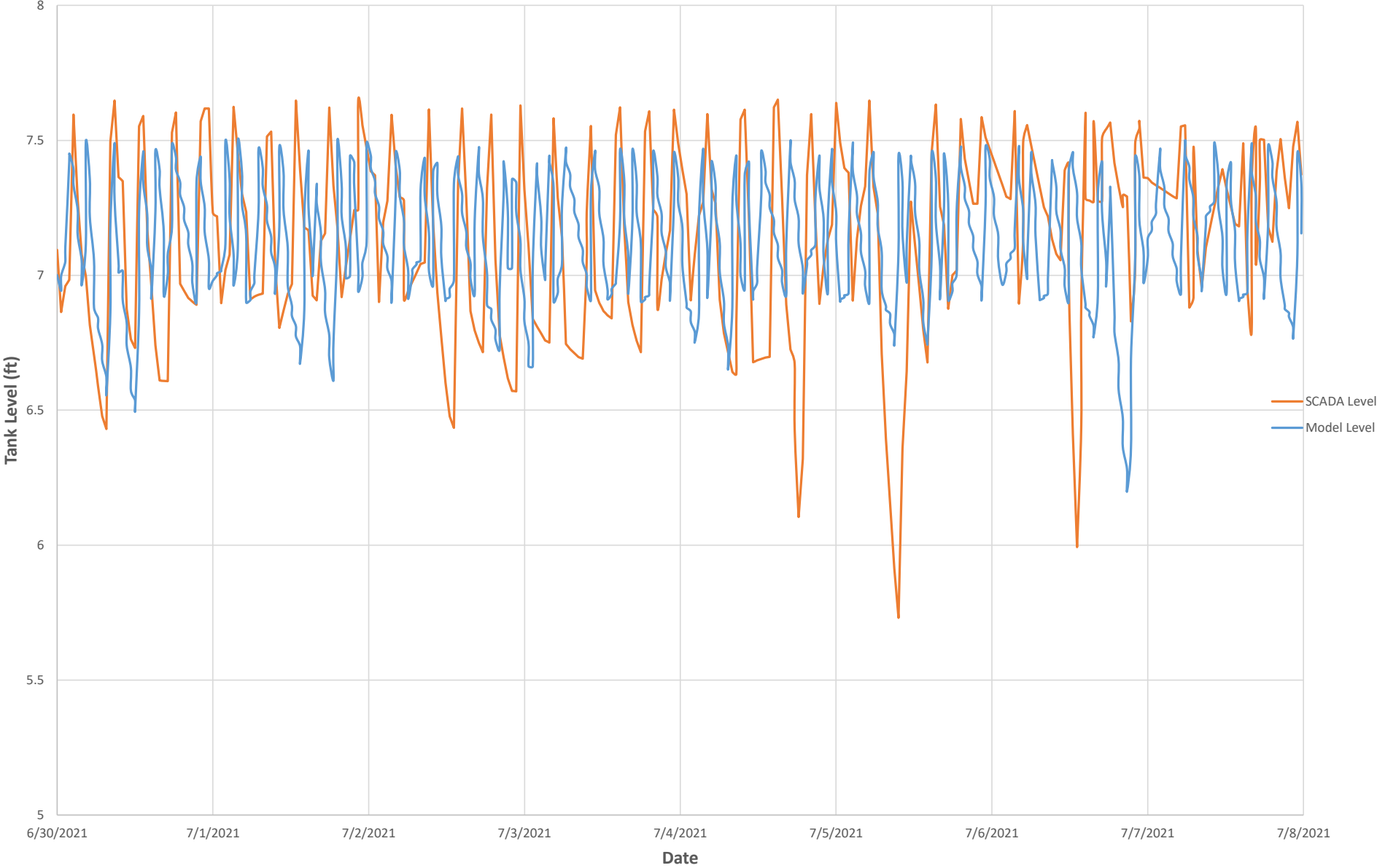


APPENDIX B

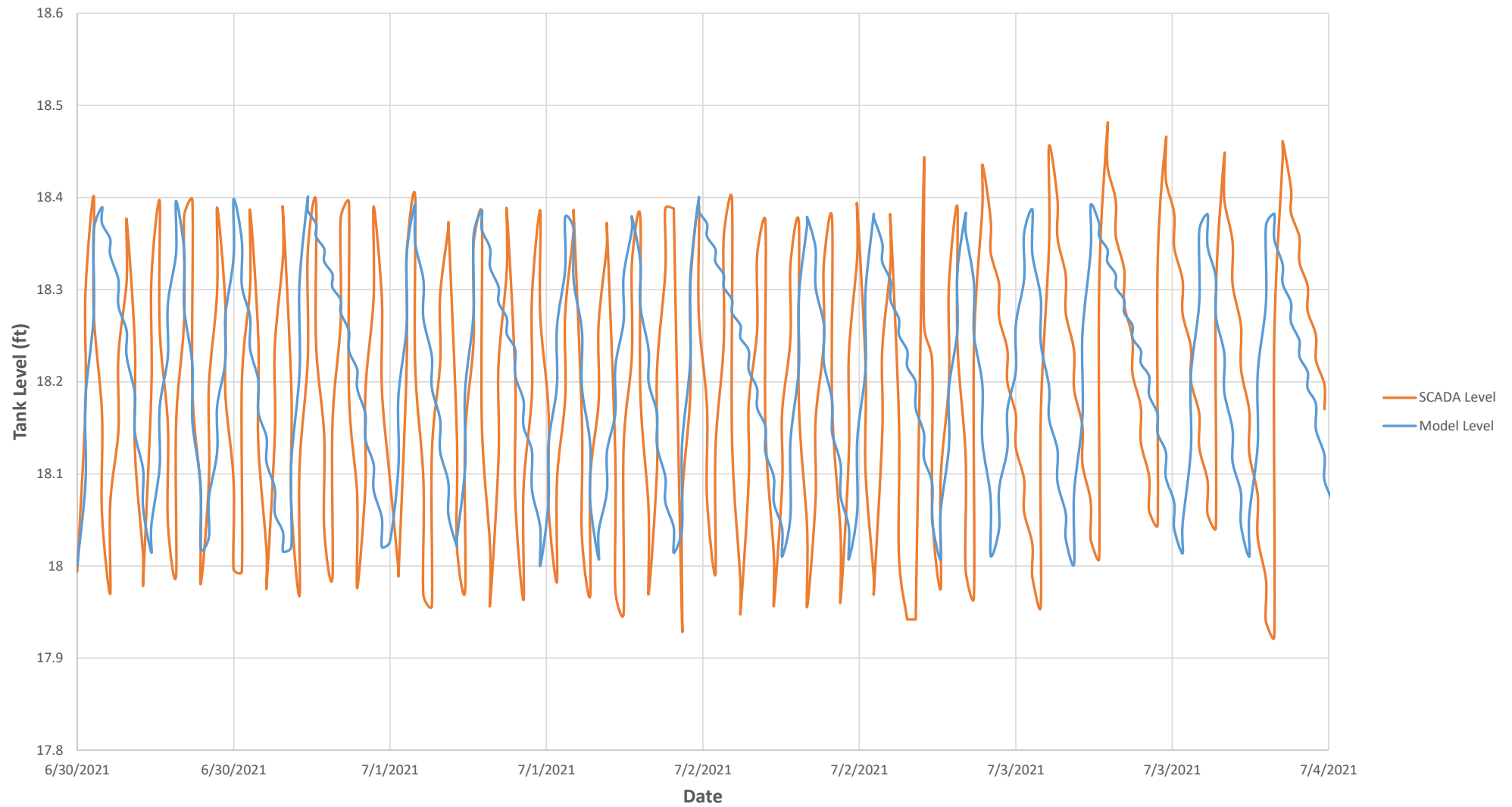
Hydraulic Model Calibration Data



Booster Tank



Upper Tank



APPENDIX C

Estimated Project Costs

**SMSSD Drinking Water Projects
Water Recommended Improvements
Preliminary Engineers Cost Estimates**

	Item	Unit	Unit Price	Quantity	Total Price
1-1	Area 1 Storage Capacity Upgrade				
	Tank	GAL	\$ 1.75	250000	\$ 437,500
				Engineering & Admin. (10%)	\$ 43,750
				Contingency (10%)	\$ 43,750
	Total to Area 1 Storage Capacity Upgrade				\$ 530,000
1-2	Equip Cottonwood Springs for Use				
	4" Water Line	LF	\$ 135	5800	\$ 784,648
	Develop Springs and Construct Connection	LS	\$ 300,000	1	\$ 300,000
				Engineering & Admin. (10%)	\$ 108,465
				Contingency (10%)	\$ 108,465
	Total to Equip Cottonwood Springs for Use				\$ 1,300,000
	Total Costs for Area 1				\$ 1,830,000
2-1	Area 2 Transmission Upgrades				
	8" Water Line	LF	\$ 170	62500	\$ 10,640,188
	6" PRV	EA	\$ 30,000	16	\$ 480,000
				Engineering & Admin. (10%)	\$ 1,112,019
				Contingency (10%)	\$ 1,112,019
	Total to Area 2 Transmission Upgrades				\$ 13,340,000
2-2	Area 2 Source Capacity Upgrade				
	Well Drilling and Development (50 gpm)	EA	\$ 192,000	1	\$ 192,000
	Well Equipment and Well House	EA	\$ 400,000	1	\$ 400,000
				Engineering & Admin. (10%)	\$ 59,200
				Contingency (10%)	\$ 59,200
	Total to Area 2 Source Capacity Upgrade				\$ 710,000
2-3	Area 2 Storage Capacity Upgrade				
	Tank	GAL	\$ 1.75	325000	\$ 568,750
				Engineering & Admin. (10%)	\$ 56,875
				Contingency (10%)	\$ 56,875
	Total to Area 2 Storage Capacity Upgrade				\$ 680,000
	Total Costs for Area 2				\$ 14,730,000
3-1	Area 3 Transmission Upgrades				
	8" Water Line	LF	\$ 170	26500	\$ 4,511,440
	6" PRV	EA	\$ 30,000	8	\$ 240,000
				Engineering & Admin. (10%)	\$ 475,144
				Contingency (10%)	\$ 475,144
	Total to Area 3 Transmission Upgrades				\$ 5,700,000
3-2	Area 3 Source Capacity Upgrade				
	Purchase of Colledge Well, upgrade to public drinking water source and re-equip to provide 75 gpm	EA	\$ 95,000	1	\$ 95,000
				Engineering & Admin. (10%)	\$ 9,500
				Contingency (10%)	\$ 9,500
	Total to Area 3 Source Capacity Upgrade				\$ 110,000
3-3	Area 3 Storage Capacity Upgrade				
	Tank	GAL	\$ 1.75	225000	\$ 393,750
				Engineering & Admin. (10%)	\$ 39,375
				Contingency (10%)	\$ 39,375
	Total to Area 3 Storage Capacity Upgrade				\$ 470,000
	Total Costs for Area 3				\$ 6,280,000
	Total Costs				\$ 22,840,000

APPENDIX D

Checklist for Hydraulic Modeling Design Elements Report

APPENDIX

CHECKLIST FOR HYDRAULIC MODEL DESIGN ELEMENTS REPORT

The hydraulic model checklist below identifies the components included in the Hydraulic Model Design Elements Report for

Skyline Mountain Special Service District Master Plan
(Project Name or Description)
20043
(Water System Number)
Skyline Mountain SSD Drinking Water System
(Water System Name)
September 7, 2022
(Date)

The checkmarks and/or P.E. initials after each item indicate the conditions supporting P.E. Certification of this Report.

1. The Report contains:
- (a) A listing of sources including: the source name, the source type (i.e., well, spring, reservoir, stream etc.) for both existing sources and additional sources identified as needed for system expansion, the minimum reliable flow of the source in gallons per minute, the status of the water right and the flow capacity of the water right. [R309-110-4 “Master Plan” definition]

☒_____
- (b) A listing of storage facilities including: the storage tank name, the type of material (i.e., steel, concrete etc.), the diameter, the total volume in gallons, and the elevation of the overflow, the lowest level (elevation) of the equalization volume, the fire suppression volume, and the emergency volume or the outlet. [R309-110-4 “Master Plan” definition]

☒_____
- (c) A listing of pump stations including: the pump station name and the pumping capacity in gallons per minute. Under this requirement one does not need to list well pump stations as they are provided in requirement (a) above. [R309-110-4 “Master Plan” definition]

☒_____
- (d) A listing of the various pipeline sizes within the distribution system with their associated pipe materials and, if readily available, the approximate length of pipe in each size and material category. A schematic of the distribution piping showing

node points, elevations, length and size of lines, pressure zones, demands, and coefficients used for the hydraulic analysis required by (h) below will suffice.

[R309-110-4 "Master Plan" definition]

☒ _____

(e) A listing by customer type (i.e., single family residence, 40 unit condominium complex, elementary school, junior high school, high school, hospital, post office, industry, commercial etc.) along with an assessment of their associated number of ERCs. [R309-110-4 "Master Plan" definition]

☒ _____

(f) The number of connections along with their associated ERC value that the public drinking water system is committed to serve, but has not yet physically connected to the infrastructure. [R309-110-4 "Master Plan" definition]

☒ _____

(g) A description of the nature and extent of the area currently served by the water system and a plan of action to control addition of new service connections or expansion of the public drinking water system to serve new development(s). The plan shall include current number of service connections and water usage as well as land use projections and forecasts of future water usage. [R309-110-4 "Master Plan" definition]

☒ _____

(h) A hydraulic analysis of the existing distribution system along with any proposed distribution system expansion identified in (g) above. [R309-110-4 "Master Plan" definition]

☒ _____

(i) A description of potential alternatives to manage system growth, including interconnections with other existing public drinking water systems, developer responsibilities and requirements, water rights issues, source and storage capacity issues and distribution issues. [R309-110-4 "Master Plan" definition]

☒ _____

2. At least 80% of the total pipe lengths in the distribution system affected by the proposed project are included in the model. [R309-511-5(1)]

☒ _____

3. 100% of the flow in the distribution system affected by the proposed project is included in the model. If customer usage in the system is metered, water demand allocations in the model account for at least 80% of the flow delivered by the distribution system affected by the proposed project. [R309-511-5(2)]

☒ _____

4. All 8-inch diameter and larger pipes are included in the model. Pipes smaller than 8-inch diameter are also included if they connect pressure zones, storage facilities, major demand areas, pumps, and control valves, or if they are known or expected to be significant conveyers of water such as fire suppression demand. [R309-511-5(3)]

☒ _____

5. All pipes serving areas at higher elevations, dead ends, remote areas of a distribution system, and areas with known under-sized pipelines are included in the model. [R309-511-5(4)] ☒ _____
6. All storage facilities and accompanying controls or settings applied to govern the open/closed status of the facility for standard operations are included in the model. [R309-511-5(5)] ☒ _____
7. Any applicable pump stations, drivers (constant or variable speed), and accompanying controls and settings applied to govern their on/off/speed status for various operating conditions and drivers are included in the model. [R309-511-5(6)] ☒ _____
8. Any control valves or other system features that could significantly affect the flow of water through the distribution system (i.e. interconnections with other systems, pressure reducing valves between pressure zones) for various operating conditions are included in the model. [R309-511-5(7)] ☒ _____
9. Imposed peak day and peak instantaneous demands to the water system's facilities are included in the model. The Hydraulic Model Design Elements Report explains which of the Rule-recognized standards for peak day and peak instantaneous demands are implemented in the model (i.e., (i) peak day and peak instantaneous demand values per R309-510, *Minimum Sizing Requirements*, (ii) reduced peak day and peak instantaneous demand values approved by the Director per R309-510-5, *Reduction of Sizing Requirements*, or (iii) peak day and peak instantaneous demand values expected by the water system in excess of the values in R309-510, *Minimum Sizing Requirements*). The Hydraulic Model Design Elements Report explains the multiple model simulations to account for the varying water demand conditions, or it clearly explains why such simulations are not included in the model. The Hydraulic Model Design Elements Report explains the extended period simulations in the model needed to evaluate changes in operating conditions over time, or it clearly explains (e.g., in the context of the water system, the extent of anticipated fire event, or the nature of the new expansion) why such simulations are not included in the model. [R309-511-5(8) & R309-511-6(1)(b)] ☒ _____
10. The hydraulic model incorporates the appropriate demand requirements as specified in R309-510, *Minimum Sizing Requirements*, and R309-511, *Hydraulic Modeling Requirements*, in the evaluation of various operating conditions of the public drinking water system. The Report includes:
 - the methodology used for calculating demand and allocating it to the model;
 - a summary of pipe length by diameter;

- a hydraulic schematic of the distribution piping showing pressure zones, general pipe connectivity between facilities and pressure zones, storage, elevation, and sources; and
- a list or ranges of values of friction coefficient used in the hydraulic model according to pipe material and condition in the system. In accordance with Rule stipulation, all coefficients of friction used in the hydraulic analysis are consistent with standard practices.

[R309-511-7(4)]

☒ _____

11. The Hydraulic Model Design Elements Report documents the calibration methodology used for the hydraulic model and quantitative summary of the calibration results (i.e., comparison tables or graphs). The hydraulic model is sufficiently accurate to represent conditions likely to be experienced in the water delivery system. The model is calibrated to adequately represent the actual field conditions using field measurements and observations. [R309-511-4(2)(b), R309-511-5(9), R309-511-6(1)(e) & R309-511-7(7)]

☒ _____

12. The Hydraulic Model Design Elements Report includes a statement regarding whether fire hydrants exist within the system. Where fire hydrants are connected to the distribution system, the model incorporates required fire suppression flow standards. The statement that appears in the Report also identifies the local fire authority's name, address, and contact information, as well as the standards for fire flow and duration explicitly adopted from R309-510-9(4), *Fireflow*, or alternatively established by the local fire suppression agency, pursuant to R309-510-9(4), *Fireflow*. The Hydraulic Model Design Elements Report explains if a steady-state model was deemed sufficient for residential fire suppression demand, or acknowledges that significant fire suppression demand warrants extended model simulations and explains the run time used in the simulations for the period of the anticipated fire event. [R309-511-5(10) & R309-511-7(5)]

☒ _____

13. If the public drinking water system provides water for outdoor use, the Report describes the criteria used to estimate this demand. If the irrigation demand map in R309-510-7(3), *Irrigation Use*, is not used, the report provides justification for the alternative demands used in the model. If the irrigation demands are based on the map in R309-510-7(3), *Irrigation Use*, the Report identifies the irrigation zone number, a statement and/or map of how the irrigated acreage is spatially distributed, and the total estimated irrigated acreage. The indicated irrigation demands are used in the model simulations in accordance with Rule stipulation. The model accounts for outdoor water use, such as irrigation, if the drinking water system supplies water for outdoor use. [R309-511-5(11) & R309-511-7(1)]

☒ _____

14. The Report states the total number of connections served by the water system including existing connections and anticipated new connections served by the water system after completion of the construction of the project. [R309-511-7(2)]

☒ _____

15. The Report states the total number of equivalent residential connections (ERC) including both existing connections as well as anticipated new connections associated with the project. In accordance with Rule stipulation, the number of ERC's includes high as well as low volume water users. In accordance with Rule stipulation, the determination of the equivalent residential connections is based on flow requirements using the anticipated demand as outlined in *R309-510, Minimum Sizing Requirements*, or is based on alternative sources of information that are deemed acceptable by the Director. *[R309-511-7(3)]* ☒ _____
16. The Report identifies the locations of the lowest pressures within the distribution system, and areas identified by the hydraulic model as not meeting each scenario of the minimum pressure requirements in *R309-105-9, Minimum Water Pressure*. *[R309-511-7(6)]* ☒ _____
17. The Hydraulic Model Design Elements Report identifies the hydraulic modeling method, and if computer software was used, the Report identifies the software name and version used. *[R309-511-6(1)(f)]* ☒ _____
18. For community water system models, the community water system management has been provided with a copy of input and output data for the hydraulic model with the simulation that shows the worst case results in terms of water system pressure and flow. *[R309-511-6(2)(c)]* ☒ _____
19. The hydraulic model predicts that new construction will not result in any service connection within the new expansion area not meeting the minimum distribution system pressures as specified in *R309-105-9, Minimum Water Pressure*. *[R309-511-6(1)(c)]* ☒ _____
20. The hydraulic model predicts that new construction will not decrease the pressures within the existing water system such that the minimum pressures as specified in *R309-105-9, Minimum Water Pressure* are not met. *[R309-511-6(1)(d)]* ☒ _____
21. The velocities in the model are not excessive and are within industry standards. ☒ _____

APPENDIX E

Preliminary Office Building Site Plan

FILE NAME: PROJECTS\299 - SKYLINE MOUNTAIN SSD\09.100 MASTER PLAN\CAD\G-1 SITE PLAN.DWG
FILE DATE: 9/3/2022 09:44:52 (DCL)



PROJECT ENGINEER

DESIGNED RJG
DRAFTED DCL
CHECKED RJG
DATE SEPTEMBER 2022

3
2
1

NO. DATE

REVISIONS

BY APVD.

SCALE
AS SHOWN

SKYLINE MOUNTAIN SSD
2201 SMR
FAIRVIEW, UTAH 84629

SKYLINE MOUNTAIN SSD
SITE PLAN
OFFICE BUILDING & FILL STATION

SHEET
1
299.09.100

SMSSD
Office Building
Preliminary Engineers Cost Estimates

Item		Unit	Unit Price	Quantity	Total Price
O-1	Office Building - Low Range				
	Office Building	SF	\$ 150.00	1728	\$ 259,200
	Engineering & Admin. (10%)				\$ 25,920
	Contingency (10%)				\$ 25,920
	Total to Office Building - Low Range				\$ 310,000
O-1	Office Building - High Range				
	Office Building	SF	\$ 500.00	1728	\$ 864,000
	Engineering & Admin. (10%)				\$ 86,400
	Contingency (10%)				\$ 86,400
	Total to Office Building - High Range				\$ 1,040,000