

June 12, 2023

## DEVELOPER'S WATER SERVICE AGREEMENT WITH COALVILLE CITY

\_\_\_\_\_  
Project Name

\_\_\_\_\_, ("**Developer**") and Coalville City ("**City**"), for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, mutually agree as follows with respect to the Developer's dedication of water rights to the City to service new development proposed by the Developer in accordance with the City's duly adopted Ordinances, Resolutions and Policies:

1. The Developer hereby agrees, at the discretion of the City, to: (a) deed, convey, and assign to the City, by special warranty deed (warranting titles as to all who claim by or through the Developer) as to all perfected water right interests (e.g., certificated or decreed rights) and/or by assignment as to all unperfected water right interests (e.g., pending applications); or (b) endorse over and deliver to the City shares of stock in good standing in an approved water company or companies, all of the Developer's rights, title and interests in and to:

\_\_\_\_\_ **acre-feet of water**, which can be satisfied with \_\_\_\_\_  
**Water Company** shares, other shares of irrigation water, current culinary connections, payment of a "fee in lieu" of **\$12,500.00 per acre-foot of water**, or in the case of the transfer of water shares a **\$2,000 water right conversion fee for each residential connection or equivalent commercial connection**, and/or a combination of share transfers and payment of "fee in lieu". The Developer proposes that this water be approved for:

☐ **Culinary Water** year-round municipal use in the City's system.

☐ **Secondary Water** seasonal municipal (irrigation) use in the City's system; or

☐ other (specify) \_\_\_\_\_, and the City accepts said proposal, subject to Developer obtaining the necessary approvals. The City, however, reserves the right to change or add types of use, points of diversion, etc., as it deems appropriate, on any change application and will credit Developer with an equitable adjustment concerning the amount of water dedicated should such changes negatively impact the quantity of water ultimately approved in a change application.

2. The Developer shall be solely responsible for: (a) conveying good and marketable title, approved by the City, to all dedicated water rights; (b) purchasing water right/share title insurance naming the City as the insured with a policy of insurance approved by the City for all dedicated water rights and shares; (c) filing with the Utah Division of Water Right the applications necessary to change the water right(s) so that they are approved for use by the City in its water system(s); (d) paying all associated fees and costs; (e) prosecuting the application(s) to completion; and, if applicable, (f) obtaining the cooperation and approval of the transfer and water right change from the appropriate water company(ies) if shares of stock are being dedicated.

All applications shall be submitted to the City for review and approval prior to filing. The City shall cooperate with the Developer in filing and prosecuting any such applications. At the City's sole discretion, it may choose to prepare and prosecute any change application(s) prepared and filed.

4. Upon final non-appealable approval of the necessary change application(s), if any, by the State Engineer and the completion of the conveyance(s) set forth in paragraph 1 above, the Developer shall be deemed to have satisfied the City's water dedication requirements: (a) **for culinary water at the rate of one residential equivalent ("RE") for each 0.5 acre-feet of water** (in minimum terms for both diversion and depletion) approved **for year-round municipal use in the City's culinary system** within the City's boundaries; and/or (b) **for secondary water at the rate of one residential equivalent ("RE") for each 0.5 acre-feet of water for seasonal irrigation use in the City's secondary water system** in the proposed development..
5. If the amount of water approved for use by the City is insufficient to meet the water dedication requirements for Developer's proposed development, Developer shall take appropriate steps to satisfy the remaining water dedication requirements. If the approved quantity exceeds the dedication requirements, the Developer may use the excess amounts on other projects, or the City will make those excess amounts available for purchase by other developers at the City's then standard price and will pass the proceeds on to the Developer.
6. The necessary water right application approvals must be obtained, and the ownership transfer must be completed prior to or contemporaneous with the sale of Lots in the Subdivision or Project Development. No water shall be delivered to the development until the transfer of the required amount of water is complete.
7. If the City adopts impact fees which contain a component for the acquisition of new water rights, persons paying said impact fees on properties that have been developed based on water dedicated in accordance with this Agreement shall receive a credit for the amount of said water acquisition component of the impact fees.
8. Developer is responsible for constructing any needed improvements/infrastructure, on and off site, to deliver adequate water (as determined by Coalville City) to the \_\_\_\_\_ Lots/Units in the subdivision or project development and to any common areas in the subdivision or project.

IN WITNESS WHEREOF, the undersigned parties have executed this agreement this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

ATTEST:

COALVILLE CITY  
CORPORATION

DEVELOPER

\_\_\_\_\_  
Mayor Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
City Recorder Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
City Attorney Date