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Document Control Changes: Created 25 September 2007 (was CF-038-RS-07), New Format May 2016

**AN ORDINANCE OF THE GOVERNING BODY OF CEDAR FORT TOWN ADOPTING A WATERLINE REIMBURSEMENT SCHEDULE WITHIN THE TOWN OF CEDAR FORT.**

WHEREAS, Town waterlines and water system infrastructure are currently limited to the immediate central area of the Town, and

WHEREAS, developers and individuals may want to build beyond the current Town water system boundaries; and

WHEREAS, the Town does not have the financial means to provide new infrastructure;

NOW, THEREFORE, be it ordained by the governing body of Cedar Fort Town as follows:

**1.0 PURPOSE**

Individuals or developers that have been approved by the Town for water connections (associated water right have been deeded to the Town or purchased, if available) must have access to the Town water system. If no such access is available, the individual or developer at their own expense shall provide such access. Subsequent users, within prescribed limits, must reimburse the original customer when connecting in to the line.

**2.0 DEFINITIONS**

- 2.1 "Access" means having a Town water main pass in front of the property. The customer shall not be permitted to access the Town water main through another person's private property. The connection point shall be in the Town right-of-way in front of the customer's property
- 2.2 "Original Customer" means the individual or developer that requests and pays for the new water line. The Town WILL install the water line for an individual user and charge the customer for the installation and all associated costs to bring the water to the new location. Developers WILL install the water line per Town Standards and Specifications and have the line inspected prior to covering it over.
- 2.3 "Reimbursement Schedule" refers to the schedule included in this ordinance that defines the time limits and amounts to be reimbursed to individuals or developers that initially request and pay for new water lines.

2.4 "Subsequent user" means anyone that connects on to a waterline that has been paid for by an original customer.

2.5 Cost of Fire protection hydrants and other connections required by original or subsequent users shall be borne by the party or parties requiring or receiving the service. Cost of waterlines only is considered for reimbursement unless it benefits subsequent users.

### **3.0 REIMBURSEMENT SCHEDULE**

When an original customer is required to extend the existing Town waterline infrastructure in order to receive Town water service, that customer must pay the entire cost of the addition. Any subsequent users of the extended waterline shall reimburse the original user as follows:

Year*	Percentage of line used **	Reimbursement Percentage +	Escrow Percentage++
First year (100%)	1-100%	50%	90%
Second year (90%)	1-50%	22.5%	85%
	51-100%	45%	
Third year (80%)	1-50%	20%	80%
	51-100%	40%	
Fourth year (70%)	1-50%	17.5%	75%
	51-100%	35%	
Fifth year (60%)	1-50%	15%	70%
	51-100%	30%	
Sixth year		None	

**Notes:**

\* Year is defined as 12 month increments following the date of acceptance of the new line by the Town. Percentage of reimbursement depreciation is shown in brackets.

\*\* Total waterline length is divided in half to determine percentage, based on where the customer connects into the line. Example: 100% means that the subsequent user is connecting on to the end of the new line.

+ Reimbursement is the maximum amount a subsequent user must place in escrow. The final reimbursement shall be determined by how many additional users add on in that year.

++ Escrow is the percentage of the total original cost the original customer can receive (varies by year).

#### **4.0 PROCEDURE**

4.1 The original customer shall only be reimbursed for additional connections within the time limit defined in the schedule and only to the maximum Escrow Amount shown in the Schedule for his original investment (costs must be substantiated by written proof from original customer).

4.2 Within each 12 month period after acceptance, all subsequent users that add on to the original line in that period shall remit to the Town the Reimbursement Percentage amount as shown on the Reimbursement Schedule regardless of how many subsequent users connect to the line. These amounts will be held in escrow for the entire 12 month period. At the end of the period, an amount up to the value of the Escrow Percentage amount of the original cost shall be paid to the original customer, unless that Escrow percentage amount has been attained. The remaining Escrow amount (less interest and handling fees) shall be divided equally among all the subsequent users for that year. Subsequent users shall reimburse the original customer until the maximum Escrow Percentage amount, as shown in the current year, has been reached. If advancing to a subsequent year achieves the Escrow Percentage amounts already paid, then no further escrow amounts will be collected in the subsequent year.

4.3 Prior to issuance of a building permit(s) for additional users on a reimbursable waterline, the Town of Cedar Fort shall hold in escrow, from said users, an amount equal to the amount set forth in the above schedule. The escrow amount shall be released as noted above to the original customer of the waterline upon completion and final approval of the subsequent user's building. In developments, the Escrow Percentage amount will be released after the first home accessing the original customer's line receives final inspection and occupancy approval, or at the end of the year, whichever occurs last.


4.4 The Town shall retain 1% of the total Escrow as a handling fee and remit the remainder to the original customer or subsequent users, if applicable. If the building permit is revoked, the Town shall retain 5% of the Escrow as a handling fee and return the remainder to the subsequent user. The Town shall retain all interest from the Escrow account.

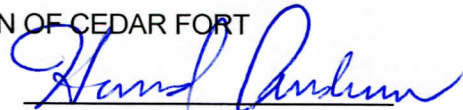
**5.0 EFFECTIVE DATE**

This ordinance will become effective on final passage vote of the Town Council and posting in three (3) public places.

Passed this 24<sup>th</sup> Day of May 2016, TOWN OF CEDAR FORT

Attested By:

  
\_\_\_\_\_  
Town Clerk

  
\_\_\_\_\_  
Mayor

Councilmember Howard Anderson	Voted <u>Yea</u>
Councilmember Ellen Cibula	Voted <u>Yea</u>
Councilmember Larry Mohler	Voted <u>Yea</u>
Councilmember Chris Murphy	Voted <u>Yea</u>
Councilmember Richard Stark	Voted <u>YEA</u>

STATE OF UTAH                    )  
  ) ss.  
COUNTY OF UTAH                )

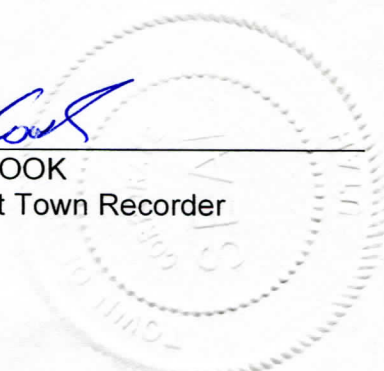
I, VONDA COOK, Town Recorder of Cedar Fort Town, Utah, do hereby certify and declare that the above and foregoing is a true, full, and correct copy of an ordinance passed by the Town Council of Cedar Fort Town, Utah, on the 24<sup>th</sup> day of May 2016, entitled

**“REIMBURSEMENT SCHEDULE (Waterline) Ordinance”**

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of Cedar Fort Town Utah this 24<sup>th</sup> day of May 2016.



\_\_\_\_\_  
VONDA COOK  
Cedar Fort Town Recorder



(SEAL)

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**AFFIDAVIT OF POSTING**

STATE OF UTAH                    )  
  ) ss.  
COUNTY OF UTAH                )

I, Vonda Cook, Town Recorder of Cedar Fort Town, Utah, do hereby certify and declare that I posted in three (3) public places the following summary of the ordinance which was passed by the Cedar Fort Town Council on the 24<sup>th</sup> day of May 2016 and herein referred to as:

**“REIMBURSEMENT SCHEDULE (Waterline) Ordinance”**

**SUMMARY:**

The above named ordinance was enacted to define and describe the requirements, limitations and restrictions on waterline connection add-ons by private citizens after another citizen has paid for a town waterline to be installed by the Town to their property within the Town of Cedar Fort. This ordinance allows these add-on connections, but provides for a reimbursement to the original installation requestor based on certain criteria such as time and distance.

The three places are as follows:

1. Post Office
2. Town Hall
3. Cedar Valley Store

  
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Vonda Cook  
Cedar Fort Town Recorder

Date of Posting 25 May 2016