

**CENTRAL VALLEY WATER RECLAMATION FACILITY
AMENDED AND RESTATED INTERLOCAL AGREEMENT**

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Exhibit A- Post 2016 Ownership Example

**CENTRAL VALLEY WATER RECLAMATION FACILITY
AMENDED AND RESTATED INTERLOCAL AGREEMENT**

I. PARTIES TO AGREEMENT

THIS AMENDED AND RESTATED INTERLOCAL AGREEMENT (“**Agreement**”), is made, entered into, and deemed effective in conformance with the requirements of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated, the _____ day of _____, 2016 (“**Effective Date**”), by and among Cottonwood Improvement District, formerly known as Salt Lake County Cottonwood Sanitary District, a governmental entity (“**Cottonwood**”); Mt Olympus Improvement District, formerly known as Salt Lake City Suburban Sanitary District No. 1, a governmental entity (“**Mt. Olympus**”); Granger-Hunter Improvement District, a governmental entity (“**Granger-Hunter**”); Kearns Improvement District, a governmental entity (“**Kearns**”); Murray City, a municipal corporation (“**Murray**”); City of South Salt Lake, a municipal corporation (“**South Salt Lake**”); and Taylorsville-Bennion Improvement District, a governmental entity (“**Taylorsville-Bennion**”). Collectively the parties may be referred to as the “**Member Entities**” or individually as a “**Member Entity**”. The Member Entities hereby amend and restate that certain agreement made and entered into by and among the Member Entities, originally dated the 17th day of October, 1978, amended November 1, 1981, amended October 17, 1993, amended March 16, 1995, amended December 1, 1995, amended November 1, 2000, amended April 18, 2005, and amended July 2, 2013 (collectively “**Original Agreement**”).

II. BACKGROUND INFORMATION

A. WHEREAS, the Member Entities are comprised of two municipal corporations and five local districts, created and established pursuant to and under the laws of the State of Utah, with the power and authority to construct, operate and maintain systems for the collection, treatment and disposition of sewage and wastewater.

B. WHEREAS, under the provisions of Title 17B, Chapter 1, Section 103, and Title 11, Chapter 8, Section 1, and Title 11, Chapter 13, Section 1, et seq. Utah Code Annotated, the Member Entities are authorized and empowered to contract with each other for the purpose of creating an interlocal entity to finance, construct, acquire, and operate sewage and wastewater works and facilities related thereto.

C. WHEREAS, Federal Law enacted under the Federal Water Pollution Control Act Amendment of 1972, as amended, mandated the integration and regionalization of sewage treatment facilities, and authorized the Administrator of the United States Environmental Protection Agency to make grants available to municipal and inter-municipal agencies for the construction and improvement of publicly-owned treatment works.

D. WHEREAS, in 1978 the Member Entities, through their respective governing bodies, determined that the interests and welfare of the public in their respective jurisdictions would best be served by a cooperative, joint effort on the part of the Member Entities with respect to the regionalization of sewage treatment and disposition facilities, and related matters and created a Utah interlocal entity known as the Central Valley Water Reclamation Facility (“**Central Valley**”).

E. WHEREAS, Central Valley is managed and directed by a board of trustees referred to herein as the “**Central Valley Board**” or the “**Board**.”

F. WHEREAS, the Member Entities, pursuant to a Memorandum of Understanding, dated June, 1980, transferred the operation of the existing five treatment plants owned individually by the Member Entities to Central Valley.

G. WHEREAS, Central Valley then acquired real property at the “Vitro Mill” site in Salt Lake County, Utah, together with all necessary real and personal property, rights of way,

permits and easement to construct and operate a new, regional sewage treatment plant and related facilities.

H. WHEREAS, the Member Entities reduced their understandings and agreements into the Original Prior Agreement, pursuant to which Central Valley designed, planned and constructed the Central Valley sewage and wastewater treatment plant and related facilities located at the “Vitro” site and all regional interceptor lines and related facilities for conveying sewage and wastewater to the treatment plant, (“**Central Valley Facility**”).

I. WHEREAS, Central Valley has continued to operate, finance and maintain the Central Valley Facility in full compliance with all applicable state and federal governmental standards and regulations pertaining thereto.

J. WHEREAS, the initial respective ownership interest in the capacity of the Central Valley Facility, its real and personal property and related facilities, was as follows:

Figure 1.

Cottonwood	24%
Mt. Olympus	25
Granger-Hunter	14
Kearns	6
Murray	10
South Salt Lake	10
Taylorsville-Bennion	11

Central Valley, subsequently adopted a new percentage of ownership that has been used as the basis of ownership and financial participation. That ownership relationship was examined by the Member Entities through the Interlocal Agreement Revision Committee and the Board and, at its September, 1981 meeting, the Board reaffirmed the following as the adjusted ownership interest of the Member Entities:

Figure 2.

Cottonwood	24.4%
Mt. Olympus	24.5
Granger-Hunter	18.1
Kearns	5.6
Murray	10.4
South Salt Lake	5.6
Taylorsville-Bennion	11.4

Subsequently, Central Valley again adopted a plan to reallocate ownership of the real property and related facilities of the first phase of the treatment works which was constructed to treat flows up to 62.5 million gallons per day. Using flow and load data available on October 31, 1992 as a baseline and a negotiated present value of the Central Valley Facility, the Central Valley Board readjusted ownership interest with the concurrence of the Member Entities at the November 1993 Board meeting subject to full consideration and payment as provided in the September 8, 1993 Memorandum of Understanding between Central Valley and the Member Entities. The adjusted ownership of the Member Entities was then as follows:

Figure 3.

Cottonwood	19.569%
Mt. Olympus	25.622%
Granger-Hunter	21.124%
Kearns	5.978%
Murray	8.892%
South Salt Lake	6.120%
Taylorsville-Bennion	12.695%

K. WHEREAS, the ownership interests of each Member Entity in plant expansions and other capital acquisitions subsequent to the first phase of the treatment works and the cumulative ownership interest of each Member Entity have varied from phase to phase and from project to project.

L. WHEREAS, now, in order to coordinate and expedite the adjustment of the ownership percentages of the Central Valley Facility and any other real and personal property and related facilities so as to better match the ongoing sewage and wastewater treating requirements of each Member Entity, and to expedite additional needed construction for permit compliance, nutrient removal, and asset management to maintain the desired level of service, the Member Entities desire to amend and restate the Original Agreement to, among other things, establish a single ownership category which is reflective of both their proportional financial contributions to Central Valley and their actual on-going use of Central Valley assets.

M. WHEREAS, it is the desire of the Member Entities to reconcile their ownership interests in all prior plant construction, and other capital acquisitions, into a single cumulative ownership which is based upon their previous proportional financial contributions to the plant construction, real property, and capital acquisitions.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Member Entities agree as follows:

III. CENTRAL VALLEY WATER RECLAMATION FACILITY

A. Restated Purpose. Central Valley is created by the Member Entities pursuant to Utah Code Ann. § 11-13-101 et seq. to plan, finance, construct, administer, maintain, operate and improve the Central Valley Facility, and all future improvements, additions, and expansions thereof, to serve all of the Member Entities, in the treatment of sewage and wastewater emanating from the Member Entities' various collection systems, and to conduct all other activities allowed under law and approved by the Board.

B. Term of Agreement. The term of this Agreement shall expire upon the occurrence of the latest of the events listed in Utah Code Ann. 11-13-204(3) (2015).

C. Obligation to Treat All Sewage and Wastewater. Each Member Entity is entitled to have all of its delivered sewage and wastewater treated by Central Valley.

D. Undivided Interests.

1. The Member Entities acknowledge and agree that the Member Entities are the beneficial owners of all real and personal property, rights of way, permits, and easements used in the joint and cooperative undertaking and that Central Valley shall hold legal title to said real and personal property, rights of way, permits, and easements in trust for and in behalf of the Member Entities in conformance with the terms of this Agreement. The beneficial ownership percentages of the Member Entities in the first phase of the treatment works were the adjusted ownership percentages stated in section II. J. Figure 3.

2. In the event that any asset of Central Valley, other than real property, is sold by Central Valley, the proceeds, if any from the sale, may, at the option of the Member Entities: (i) be used as a credit to offset the remaining contribution required by the Member Entities for the operation and maintenance of Central Valley in the respective amounts due and owing as of the year in which said assets are sold, calculated pursuant to Section V. C. 2., or (ii) be distributed pursuant to their single Post 2016 Ownership interest, as defined in Section III. E.

3. In the event any real property, acquired prior to January 1, 2017, is sold by Central Valley, the proceeds of such sale shall be distributed directly to the Member Entities in accordance with the revised adjusted beneficial ownership percentages stated in Section II. J. Figure 3. Proceeds from the sale of real property, acquired after January 1, 2017, shall be distributed to the Member Entities in accordance with their single Post 2016 Ownership interest

as defined in Section III. E. herein.

E. Post 2016 Ownership. The Post-2016 Ownership is defined as a single ownership and asset allocation strategy as described herein, calculated and administered in conformance with the following:

1. The Post-2016 Ownership percentage of beneficial ownership and valuation of the respective Member Entities' undivided beneficial ownership interest in Central Valley shall be a fraction, the numerator of which shall be the summation of the depreciated value of each Member Entity's beneficial ownership interest in all ownership categories shown in the Central Valley Water Reclamation Facility-Schedule of Changes in Net Position as reported in the most recent Annual Audit Report; and the denominator of which shall be the summation of the Total Depreciated Value Balance of all assets shown on the Central Valley Water Reclamation Facility-Schedule of Changes in Net Position as reported in the most recent Annual Audit Report. The fraction shall be multiplied by one hundred to derive a percentage and rounded to two decimal places.

2. The Post-2016 Ownership percentage of beneficial ownership and valuation of the respective Member Entities' undivided beneficial ownership interest in Central Valley will be recomputed on an annual basis at the end of each calendar year, commencing on December 31, 2016. The re-computation will proceed as follows:

a. Central Valley prepares tables on a monthly basis entitled "Summary of Loadings to the Central Valley Plant Based on Data from Previous 12 Months" and "Member Entities Share of Total O&M [Operation and Maintenance] Costs" based upon the 12 month rolling average of flow and waste load of each Member Entity's delivered sewage and wastewater (the "Flow and Load Tables"). Commencing in 2017 and each year thereafter, Central

Valley shall bill real property acquisition, capital expansion and replacement, and plant or process enhancement costs to the Member Entities based upon their actual annual utilization as shown in the Flow and Load Tables through the month of August that precedes the year in which the re-computation is conducted.

b. The Post-2016 Ownership as described in Section III E. 2.a. above will be recalculated each year, commencing in 2017 as follows: (i) the billed costs described in Section III E. 2.a. above will be added to the numerator for each respective member entity shown in the audited Central Valley Financial Statements – Schedule 1, Schedule Changes in Net Position and (ii) the total of all billed costs will be added to the denominator shown in said statement in order to determine the percentage of each Member Entity’s undivided ownership interest. By way of example only, an annual ownership recalculation based upon a hypothetical amount of real property acquisition, capital expansion and replacement, and plant or process enhancement cost of \$1,000,000 is attached as Exhibit A.

c. Interest and other financing costs associated with bonding or other types of financing will not be included in computation of the Post 2016 Ownership, but will appear as Long Term Debt, for the affected Member Entities, in the Annual Audit Report.

IV. CENTRAL VALLEY WATER RECLAMATION FACILITY BOARD

A. General Powers. The Member Entities each confer and delegate to Central Valley all rights, duties, powers, privileges and obligations necessary for the planning, financing, acquisition of real and personal property, construction, operation, maintenance, and enlargement of the Central Valley Facility which can, under the laws of the State of Utah, be delegated to it by the Member Entities but withhold only the power to directly levy and collect ad valorem taxes. The rights,

duties, powers, privileges and obligations conferred to Central Valley include, but are not limited to, the following:

1. The Power to Receive Grants. The power to apply for and receive grants with respect to the treatment facility for all of the Member Entities.

2. Management Agency Power. The power to accept designation by the Governor of the State of Utah as a management agency for sewage treatment; and to enter into a management agency agreement as specified in the Federal Register on September 6, 1977, with Salt Lake County which is the designated area-wide water quality planning agency for Salt Lake County, State of Utah. It is expressly understood that the foregoing enumeration of powers conferred upon Central Valley in no way limits the general conferral of powers set forth herein above.

B. Board Membership and Voting. Each Member Entity is entitled to appoint to the Central Valley Board one of its elected officials such as mayor, city councilmember, commissioner, or trustee to serve as a member of the Board. Each Member Entity shall designate by action of its governing body, its Central Valley Board member. Each Board appointee shall serve at the pleasure of the governing body making the appointment so long as the appointee remains an elected official of that body. In the event a Board appointee is unable to attend any Board function, each Member Entity may designate an alternate. The designated alternate is not required to be an elected official of the Member Entity. It is not the intent of this alternate provision to allow non-elected officials to become regular members of the Central Valley Board. Such alternate shall have the right to fully represent said Member Entity as a Board member in the absence of the assigned Board member. In the event of removal and/or the resignation or death of any member of the Board, the governing body which appointed that member shall appoint a new representative to the Central

Valley Board to fill the vacancy. Written notice of Board appointment and alternate designation shall be provided by the Member Entities to Central Valley. All such representatives and alternates shall serve until their respective successors are appointed. The votes to be allotted to each Member Entity's Board representative are as follows:

Cottonwood	1
Mt. Olympus	1
Granger-Hunter	1
Kearns	1
Murray	1
South Salt Lake	1
Taylorsville-Bennion	1

C. Required Majority. All actions taken by the Central Valley Board shall require the affirmative vote of two-thirds (2/3) of the Board members.

D. Administrative Duty. The Central Valley Board is authorized and empowered to supervise, manage, and direct the planning, financing, construction, operation, maintenance, enlargement and improvement of the Central Valley Facility and to proceed with the acquisition of real property to be obtained for use in connection with the same and to acquire all appropriate insurance coverage, personal property and equipment to be utilized in connection with same and to employ the professional services of such professional firms and/or individuals and/or entities as shall be deemed necessary by the Central Valley Board for the accomplishing of its purposes. The Board shall have the ability to use any legal form of debt financing to achieve the objectives provided herein. The Board shall be empowered to employ and fix the terms and compensation of all employees of Central Valley and of those providing professional services to Central Valley. The Board shall be empowered to set compensation for Board Members. The Board shall also be empowered to take any necessary and proper procedures before any administrative boards or agencies.

E. Rule Making Authority. The Central Valley Board is authorized to adopt and/or

amend such rules, regulations and surcharge penalties as are deemed necessary for the orderly and proper operation and maintenance of the Central Valley Facility and accomplishing the business of the Central Valley.

F. Enforcement Powers. The Central Valley Board is entitled to prosecute actions in the name of the Central Valley for violations of any applicable laws, rules, or regulations which the Member Entities hereto may adopt in connection with the operation, regulation and functioning of the sewage treatment plants and related facilities as well as to protect the contractual and statutory rights of Central Valley and its best interests.

G. Records Subject to Inspection. The books and records of Central Valley shall be open for inspection by the duly authorized officers and/or agents of each of the governing bodies of the Member Entities during all reasonable business hours.

H. Officers.

1. The Board shall select from its membership a Chair and Vice Chair who shall serve one-year terms. The Board shall make such selections in January of each year, and the term shall begin on February 1. Any officer may be removed from the office by the Board with or without cause.

2. The Chair shall be the presiding officer of the Board. The Vice Chair shall serve at request of the Chair or in the absence of the Chair.

I. Utah Open and Public Meetings Act. Central Valley is subject to the Utah Open and Public Meetings Act, Utah Code Title 52, Chapter 4 and, as such, notice of agenda items, minutes of such meetings and actual meetings must be open to the public as required by law.

J. Wastewater Reuse Designation.

1. Reuse Background Information. Central Valley has an agreement and statutory authorization to treat sewage and wastewater collected by its Member Entities and has received from the Utah Department of Environmental Quality, Division of Water Quality, the UPDES Permit for the operation of a Public Owned Treatment Works ("POTW") to treat the sewage and wastewater collected by the Member Entities.

a. The Member Entities either supply to their customers Municipal and Industrial ("M&I") water for which the Member Entities have legal and/or contractual rights or the Member Entities have other claims to the sewage and wastewater collected in their systems and delivered to Central Valley. The sewage and wastewater actually delivered to Central Valley can be traced back to the Member Entities' legal and or contractual rights, or to water from other sources such as individual wells and infiltration by ground water. No customer of the Member Entities has any claim to water which has been abandoned by introducing it into the sewer collection systems. The Member Entities and Central Valley have control over sewage and wastewater from the time it enters the collection system until it is discharged back into the receiving waters of the state.

b. The treated sewage and wastewater at the Central Valley Facility is a valuable resource that can be reused as a water source. The Utah Wastewater Reuse Act ("**Wastewater Act**"), Utah Code Title 73, Chapter 3c, recognizes the right of local governmental entities to reuse their sewage and wastewater and authorizes local governmental entities participating in a regional POTW to contract with the POTW as their agent for the purpose of using treated effluent. The Act allows reuse of treated effluent for beneficial use.

2. Reuse Agent Designation. The Member Entities jointly and individually designate Central Valley to act as their agent for the reuse of sewage and wastewater delivered to Central Valley through the collection systems of the Member Entities.

3. Reuse Authorization. Central Valley is authorized to plan, construct, operate and maintain both a reuse demonstration project at the Central Valley Facility and other reuse projects that will reuse sewage and wastewater treated by Central Valley. This authorization also includes the development of legislation and the development and revision of wastewater reuse rules adopted by the Water Quality Board, designed to promote and enhance the reuse of treated effluent.

4. Reuse Funding. Any proposed reuse project will be funded, constructed and owned pursuant to the terms of a separate agreement.

V. BOARD FINANCIAL AND BUDGET AUTHORITY

A. Authority Vested in Board.

1. The budget of Central Valley is established and maintained in accordance with Utah law by the Central Valley Board. The budget provides for all expenditures including but not limited to administration, construction, operation and maintenance, and reserve expenditures as appropriate. Central Valley is empowered to obtain such fiscal and accounting services as it deems necessary in formulating, adopting, and administering its budget. Central Valley shall operate on a calendar year budget.

2. Periodic audits will be conducted as directed by the Board in compliance with Utah law.

B. Member Entities' Responsibilities.

1. The Member Entities are responsible and obligated to pay their share of the costs and expenses required to fund Central Valley as determined by the Central Valley Board, pursuant to this Agreement.

2. Each Member Entity shall be responsible to provide its share of the funds required by the Board and to determine the manner in which said funds are raised.

C. Budget Allocations.

1. Future Capital Expenditures. Future capital expenditures by Central Valley shall be financed from funds which shall be allocated to and paid by the Member Entities in the following manner:

a. Commencing on January 1, 2017 and each year thereafter, real property acquisition, capital expansion and replacement, and plant or process enhancement costs will be borne by the Member Entities and billed to the Member Entities based upon their annual utilization, as shown in the Flow and Load Tables for the month of August immediately preceding the year in which the costs are incurred. An example of the allocation annual real property acquisition, capital expansion and replacement, and plant or process enhancement costs to the Member Entities based upon a hypothetical amount of real property acquisition, capital expansion and replacement, and plant or process enhancement costs of \$1,000,000 is attached hereto as Exhibit A.

b. Real property acquisition, capital expansion and replacement, and plant or process enhancement asset ownership will be allocated to the Member Entities in accordance with Section III. E.

2. Operation and Maintenance Costs.

a. The cost of operation and maintenance of the Central Valley Facility, including but not limited to administration, construction, maintenance and operation, and reserve expenditures as appropriate will be allocated to the Member Entities based on the utilization of each Member Entity as determined by flow and load of its delivered sewage and

wastewater. The Board may develop a formula considering these factors and other issues consistent with this Agreement in the allocation of all Central Valley costs.

b. Central Valley shall provide for measurement and recording of flows and load received from each Member Entity at the Central Valley Facility, and provide for weekly and/or other appropriate sampling of the delivered sewage and wastewater at appropriate points. The valid sampling data will be used to determine compliance with established effluent standards and the costs for treating of sewage and wastewater.

D. Allocation of Revenue From Operations. Any revenue generated by Central Valley from operations shall be allocated to reduce the operating costs of Central Valley. Using revenues to offset operating costs will reduce the operating contribution required of each Member Entity. The remaining operational costs will continue to be allocated to Member Entities pursuant to this Agreement. In the event that in any one month revenues exceed expenditures, any remaining revenues shall be held in reserve and be offset against the next month's expenditures.

E. Terms of Payment of Entity Assessments. All assessments for Central Valley expenditures shall be issued in writing to the Member Entities on or before the 10th day of each month. Should the 10th day fall on a holiday or weekend, the assessment will be issued on the first business day following said holiday or weekend. All assessments for Central Valley expenditures are due and payable on the later of: 1) the date of the Board meeting in the month in which the assessment was issued; or 2) the 26th day of the month in which the assessment was issued. Should the 26th day of the month fall on a holiday or weekend, the assessment will be due on the first business day following said holiday or weekend. If no Board meeting is held in a given month, the assessment for that month is due on the 26th day of said month or on the next business day if the 26th day of said month falls on a holiday or weekend. Any assessment

not paid on the due date shall bear interest at an annual rate to be determined by the Board. Any assessment plus interest not paid within 20 days of receipt of the written assessment must be presented to the Board and a plan for payment of such assessment plus interest approved by the Board. If the Board so determines, any Member Entity may lose its voting privilege until applicable assessments are paid.

VI. CLEAN WATER STANDARDS

A. Construction Standards. The Central Valley Facility has been and shall continue to be constructed and operated in a manner utilizing the best practicable wastewater treatment technology needed to meet applicable state and federal water quality standards and effluent standards over the life of the Central Valley Facility. Application of advance technology in the future will be encouraged which will aid in appropriate reclamation and recycling.

B. Pretreatment Authority.

1. Rule Making Authority. Central Valley is expressly authorized and empowered to adopt rules, regulations and surcharge penalties which are deemed necessary to prevent excessive treatment costs and control industrial wastes and to limit additional treatment wherever possible. Central Valley has adopted uniform rules and regulations concerning the quality of materials to be treated at the treatment plant.

2. Refusal of Services. Central Valley, in cooperation with the Member Entities, has power to refuse service to a Member Entity's customer if pretreatment requirements are not met and to sample sewage and wastewater at the point of introduction into any publicly owned collection system.

C. Compliance with 208 and 303 Plans. The Member Entities agree that they will comply with all applicable federal and state rules and regulations, including but not limited to

any state plan adopted pursuant to Sections 208 and 303 of the Clean Water Act of 1977, as amended.

D. User Fee Compliance. The Member Entities and all other entities contracting for treatment of sewage and wastewater shall provide for the review and establishment of appropriate guidelines and schedules for treatment fees for residential, commercial, industrial, public and other uses to comply with all federal and state regulations, rules, and laws.

VII. COLLECTION SYSTEMS

A. Infiltration Prevention. Each Member Entity will maintain ownership and control of its respective collection system, and each Member Entity agrees that it will use and exercise due diligence in preventing surface and subsurface waters from entering into its respective collection system, and that construction of its respective sewage collection lines will be performed in such a manner as to resist infiltration. Any grants for the study or control of infiltration and inflow into collection systems shall be applied for and made to the individual Member Entities with regard to their respective collection systems. It is the intent of the Member Entities that Central Valley will not include collection systems.

B. Sewage and Wastewater Operation and Delivery. Each Member Entity shall operate its own collection system and shall deliver its sewage and wastewater to Central Valley interceptor lines at its own cost and expense.

VIII. TERMINATION OF AGREEMENT

A. Termination of Interest. A Member Entity may terminate its interest as provided for herein.

B. Notice. Any Member Entity wanting to terminate its interest shall give reasonable written notice to Central Valley and the other Member Entities.

C. Right of First Refusal. Central Valley shall have a right of first refusal to purchase any Member Entity's interest. Terms of such purchase must be negotiated within 90 days of Central Valley receiving written notice. In the event that Central Valley declines to purchase such an interest within 90 days, or terms cannot be negotiated, the terminating Member Entity's interest must then be offered to each other Member Entity. The purchase of any Member Entity's ownership interest must be negotiated between the involved Member Entities and must be in writing by the involved Member Entities. Terms of such purchase are subject to negotiation by the Member Entities. If terms are not successfully negotiated within 90 days after the interest is offered to the Member Entities, then the Member Entity seeking termination may sell its interest to any purchaser that is willing and legally able to become a party to and be subject to the terms of this Agreement.

D. Division of Central Valley Interest. In the event that Central Valley exercises its right of purchase a Member Entity's interest, it is expressly understood and agreed that, notwithstanding anything herein to the contrary, the undivided interest of any participating Member Entity in the title to the underlying real property and improvements comprising the regional treatment facility will remain in the participating Member Entities who have not terminated this Agreement on a pro-rata basis in accordance with the Member Entities' cumulative interests.

E. Complete Termination By All Member Entities. In the event of a complete termination by all of the Member Entities to this Agreement, the real property and improvements held by Central Valley shall be sold in accordance with Utah law and the proceeds therefrom shall be distributed to the Member Entities in proportion to their then current ownership interest. In the event of such termination, Central Valley shall be dissolved as an entity at the date of termination fixed by the Member Entities subject to preservation of any then current employee benefits.

IX. AMENDMENT AND MODIFICATION

This Agreement shall not be modified or amended except in writing, which shall be signed by the duly authorized representative of each Member Entity after the adoption of a resolution of each Member Entity approving the modification or amendment.

X. BINDING ON SUCCESSORS

This Agreement shall be binding upon each of the Member Entities hereto and their respective legally permitted assigns and successors-in-interest.

IN WITNESS WHEREOF, the Member Entities hereto have caused this Agreement to be executed by and through their duly authorized representatives the day and year first herein above written.

COTTONWOOD IMPROVEMENT DISTRICT

ATTEST:

Clerk

By: _____
Its: Chairman,
Board of Trustees

Approved as to form and compatibility with
the laws of the State of Utah:

By: _____

MT OLYMPUS IMPROVEMENT DISTRICT

ATTEST:

Clerk

By: _____
Its: Chairman,
Board of Trustees

Approved as to form and compatibility with
the laws of the State of Utah:

By: _____

GRANGER-HUNTER IMPROVEMENT
DISTRICT

ATTEST:

Clerk

By: _____
Its: Chairman,
Board of Trustees

Approved as to form and compatibility with
the laws of the State of Utah:

By: _____

KEARNS IMPROVEMENT DISTRICT

ATTEST:

Clerk

By: _____
Its: Chairman,
Board of Trustees

Approved as to form and compatibility with
the laws of the State of Utah:

By: _____

MURRAY CITY

ATTEST:

By: _____
Its: Mayor

City Recorder

Approved as to form and compatibility with
the laws of the State of Utah:

By: _____

SOUTH SALT LAKE

ATTEST:

By: _____
Its: Mayor

City Recorder

Approved as to form and compatibility with
the laws of the State of Utah:

By: _____

TAYLORSVILLE-BENNION
IMPROVEMENT DISTRICT

ATTEST:

By: _____
Its: Chairman,
Board of Trustees

Clerk

Approved as to form and compatibility with
the laws of the State of Utah:

By: _____

Exhibit A

POST 2016 OWNERSHIP EXAMPLE

Member Entity	Example 2016 Initial Ownership		Example 2017 Capital Contribution (Based upon the Flow and Load Tables through August 2016)		Example Post 2016 Ownership	
Cottonwood	\$166,340	16.63%	\$185,159	18.52%	\$351,499	17.57%
Mt Olympus	\$247,644	24.76%	\$226,260	22.63%	\$473,904	23.69%
Granger-Hunter	\$221,011	22.10%	\$227,802	22.78%	\$448,813	22.44%
Kearns	\$108,752	10.88%	\$106,547	10.65%	\$215,299	10.77%
Murray	\$83,305	8.33%	\$91,446	9.14%	\$174,751	8.74%
South Salt Lake	\$51,445	5.14%	\$57,754	5.78%	\$109,199	5.46%
Taylorsville-Bennion	\$121,503	12.15%	\$105,032	10.50%	\$226,535	11.33%
Total Depreciated Assets Central Valley	\$1,000,000	100.00%	\$1,000,000	100.00%	\$2,000,000	100.00%