



Water Service Policy

Adopted by the Board of Trustees
August 31, 2022

Contents

Section 1. Basic Policy	2
Section 2. Petitions for Water Service.....	2
2.1 Petitions for additional Wholesale Water Service to Current Customers.....	2
2.2 Petitions for New Wholesale Water Service	3
2.3 Petitions for Temporary Water Service Not for Public Water Supply	3
2.4 Petitions for Wholesale Water Service to New Development or Existing Homes Located Outside the Service Area of a Public Water System or Within such Service Area but Denied Water Service from the Public Water System	4
2.5 Petitions for New Retail Water Service to a Residence, Commercial Entity, Industrial Facility or New Development Area.....	4
2.6 Petitions for Emergency Water Service.....	5
Section 3. Construction and Installation of Infrastructure.....	5
3.1 Existing District Facilities	6
3.2 No Existing District Facilities Available	6
3.3 Construction Requirements and Specifications for Facilities	6
Section 4. Project Warranty/Conveyance of Subdivision Improvement/ District to Assume Operation and Maintenance Responsibilities.....	7
Section 5. Pipeline Easement Locations	7
Section 6. Petition Procedures and Requirements	8
6.1 Pre-Petition Meeting	8
6.2 Recommendation Following Petition Being Presented to the Board.....	8
6.3 Engineering and Analysis Costs	9
6.4 Supplemental Studies / Engineering at Petitioner's Expense	9
6.5 Approval by Box Elder County and Other Governmental Entities	9
6.6 Meeting Public Drinking Water Standards	9
6.7 Transfer of Water Rights, Facilities, and Property	10

BEAR RIVER WATER CONSERVANCY DISTRICT WATER SERVICE POLICY

This policy applies to the provision of water service to areas located within the boundaries of the Bear River Water Conservancy District (“District”).

Section 1. Basic Policy

It is the policy of the District to provide water service, where possible, within the boundaries of the District, and to work closely with the planning and zoning departments of Box Elder County and municipalities within, in promoting the health and welfare of the residents of the County. The District is primarily a wholesale water supplier and provides retail water service in certain areas. Wholesale water service is when District provides water to an entity that provides water to the individual end user connections. Retail water service is when District provides water to the individual end user. The District may provide water service connections of any type necessary to fulfill its purpose and mission.

Each wholesale petitioner and/or developer for new multiple retail service connections shall file a formal petition by means of submitting a “Petition for Water Service” form (Appendix A) requesting water service to be considered by the District Board of Trustees (“Board”). The Board will consider each and every petition on an individual basis taking into consideration but not limited to the following: location, cost, impact, water supplies, system capacity and other factors as the Board may determine to be appropriate to determine if granting the petition is in the best interests of the District. If the Board does not vote to approve the petition for the service of water, the petition is found to be not in the best interests of the District.

Each area of retail water service is governed by an Impact Fee Plan and Analysis (“IFPA”) that has been approved by the Board. The purpose of the IFPA is to serve as the policy document for the given water system. District staff will process requests for a single retail water connection as outlined in the IFPA. These requests will not be required to petition the Board.

Section 2. Petitions for Water Service

2.1 Petitions for additional Wholesale Water Service to Current Customers

2.1.1. In the event a Petitioner, that is an existing wholesale customer of the District, requests the delivery of additional water and is currently receiving water from the District pursuant to an existing water service contract in good standing, the District shall evaluate the petition and shall amend the existing contract to provide the additional water service so long as (1) the District has adequate water supplies and system capacity, and (2) the

provision of additional water is in the best interests of the District, both as determined by District in its sole discretion.

2.1.2 In the event an existing wholesale customer of the District petitions for the delivery of additional water from the District pursuant to an existing water service contract in good standing, but the District does not have adequate water supplies or system capacity to provide the requested service as determined by District in its sole discretion, the District shall evaluate the petition and may enter into a new agreement with the petitioner to provide the additional water service as long as (1) adequate water supplies are obtainable by the installation and/or construction of the main lines, transmission lines, wells, storage reservoirs and facilities, water meters and/or any other facilities ("Facilities"), at no cost to the District, necessary for the provision of water service pursuant to the requirements of Section 3 herein, and (2) providing the additional water service would be in the best interests of the District, both as determined by District in its sole discretion.

2.2 Petitions for New Wholesale Water Service

2.2.1. In the event a non-customer petitioner requests the delivery of wholesale water, the District shall evaluate the petition and may provide the requested water service, pursuant to a written agreement between the Petitioner and the District, as long as (1) the District has or may obtain adequate water supplies and system capacity with the installation of any necessary Facilities, at no cost to the District, pursuant to the requirements of Section 3 herein, and (2) providing the requested water service would be in the best interests of the District, both as determined by District in its sole discretion.

2.3 Petitions for Temporary Water Service Not for Public Water Supply

2.3.1 The District may provide temporary water service for projects within Box Elder County in proximity to existing water system lines. The District will provide metering and backflow devices for the water service, however, the applicant may be required to reimburse District the cost of any new devices that are required to provide water. The applicant must complete and sign an application and agreement form (Appendix B provided by the District). The District will evaluate the petition and allow the temporary water service if deemed to be in the best interests of the District and all requirements are met by the petitioner.

2.3.2 A meter deposit of \$1,500.00 is required for use of the meter and backflow device. The deposit is refundable upon completion of the water service and the equipment is returned in working order and all outstanding bills for water are paid in full. Damages to the District's equipment will be assessed and deducted from the deposit.

2.3.3 The rate charged for temporary water service shall be the same as the current retail water rate in the same service area from which the water is taken. The meter will be read monthly during the project and an invoice will be sent to the water user. A \$200.00 charge for meter setup/take down will be added to the first monthly invoice. Payment for water used will be due immediately upon receiving the invoice.

2.3.4 The water user shall take all necessary precautions to protect the integrity of the District's water system and shall not access the system in any other manner as to constitute a cross connection or any other threat

of contamination. The water user shall not access the District's water system at any location other than the location approved by the District.

2.3.5 The water user shall provide adequate proof of insurance to cover any liability issues relating to the use of any District water system and such proof of insurance shall be received in the District's office prior to connection to the District's water system.

2.4 Petitions for Wholesale Water Service to New Development or Existing Homes Located Outside the Service Area of a Public Water System or Within such Service Area but Denied Water Service from the Public Water System

2.4.1 In the event a Petition involves a new development area or existing homes located outside of the service area of an existing Public Water System ("Public Water System") or within the service area of an existing Public Water System and the request for water service has been denied to the petitioner and the number of service connections among the homes would fall within the definition of a Public Water System under the applicable rules of the Utah Division of Drinking Water, the District shall evaluate the petition.

2.4.2 The Board may require the Petitioner to form its own water company or other entity to act as a Public Water System and assume responsibility for compliance with all applicable requirements under Utah law for Public Water Systems, including approval of the design and plans for development of the water company's water system by the Division of Drinking Water. Following such approval by the Division, the District may enter into an agreement to provide wholesale water service as long as (1) the District has or may obtain adequate water supplies with the construction and/or installation of any necessary Facilities, at no cost to the District, pursuant to the requirements of Section 3 herein, and (2) District determines providing the water service would be in the best interests of the District, both as determined by District in its sole discretion.

2.5 Petitions for New Retail Water Service to a Residence, Commercial Entity, Industrial Facility or New Development Area

2.5.1 The District shall evaluate a Petition for new retail water service to a residence, commercial entity, industrial facility or new development area located within the service area of an existing Public Water System, as defined by the rules adopted by the Utah Division of Drinking Water, after the Petitioner has requested water service from the Public Water System and has had their request denied in writing.

2.5.2 In the event a Petitioner subsequently files a petition with the District to receive retail water service from the District, the District shall evaluate the Petition and may enter into a written agreement to provide such service as long as (1) the District has or may obtain adequate water supplies with the installation and/or construction of any necessary Facilities, at no cost to the District, pursuant to the requirements of Section 3 herein, and (2) providing that additional water service would be in the best interest of the District.

2.5.3 In the event a Petition concerns new development or existing homes located outside of the service area of an existing Public Water System, or a petitioner requested retail water service from an existing Public Water System and had such request denied and subsequently filed a petition with the District to receive retail water service

from the District, and the number of service connections among the homes requesting service would not fall within the definition of a Public Water System under the applicable rules of the Division of Drinking Water, the District shall evaluate the Petition and may enter into an agreement to provide the requested water service as long as (1) the District has or may obtain adequate water supplies with the construction and/or installation of any necessary Facilities, at no cost to the District, pursuant to the requirements of Section 3 herein, and (2) providing the water service would be in the best interests of the District. Further, any such water supply agreement shall reserve the right for the District to, at its sole discretion, at such time that the number of homes in the general area receiving water from the District under this or other Petitions fall within the definition of a Community Water System, require those homes to form their own water company or other entity and assume all responsibilities of a Community Water System in order to continue to receive water from the District, which would then be delivered on a wholesale basis. In such case, the District shall provide written notice to those customers of such requirement and allow them a reasonable period of time to form the water company or other entity, not to exceed a period of twelve (12) months from the date of notification.

2.5.4 The Board reserves the right to consider a non-response from an existing Public Water System to a petitioner as a denial of service.

2.5.5 The Board has sole discretion to determine whether it has water available in a water service area and whether connections are available to sell to a retail water system.

2.6 Petitions for Emergency Water Service

2.6.1 In the event a Public Water Supplier petitioner (“Petitioner”) requests the delivery of wholesale water to provide for the emergency needs of its existing customers, the District shall evaluate the petition and may provide the requested water service pursuant to a written agreement between the Petitioner and the District. The Petitioner shall use the same “Petition for Water Service” form provided by the District (Appendix A) to request emergency water service.

2.6.2 The District will evaluate the Emergency Water Petition and shall only grant it if (1) the District determines that it has an adequate water supply available beyond that required to satisfy its existing water supply agreements and (2) the requested emergency water service is in the best interests of the District. If granted, an Emergency Water Petition shall be subject to and subordinate to the demands of the District’s existing customers.

2.6.3 An Emergency Water Petition shall only provide water on a temporary, emergency basis. In the event the Petitioner’s water supply needs extend beyond the emergency basis, the District, at its sole discretion, shall make the determination that the water provision is no longer on an emergency basis and the Petitioner must enter into a firm water sale and purchase agreement with the District, if water is available, or the emergency water supply will be terminated.

2.6.4 Pricing for Emergency Water Service may differ from the regular wholesale rate and will be determined on an individual basis.

Section 3. Construction and Installation of Infrastructure

3.1 Existing District Facilities

3.1.1 In the event a wholesale Petition is approved and the District has existing water diversion and delivery facilities available to deliver water to the Petitioner, the Petitioner shall be responsible, as its sole cost and expense, to construct, operate and maintain, repair and/or replace all facilities involved in the Petitioner's distribution and use of the water delivered by the District to the Petitioner at the place of delivery specified in the respective water delivery agreement between the Petitioner and the District.

3.2 No Existing District Facilities Available

3.2.1 In the event that a wholesale Petition is approved and the District determines it does not have existing water diversion and delivery facilities available to deliver water to a Petitioner, in its sole discretion, the District (1) may install the facilities necessary to divert and deliver wholesale or retail water to the Petitioner and require the Petitioner to pay for such Facilities, or (2) may elect to have the Petitioner install the necessary water diversion and delivery Facilities, at no cost to the District, subject to plans and specifications previously approved by the District and convey title to such facilities to the District free and clear of any liens or encumbrances.

3.3 Construction Requirements and Specifications for Facilities

3.3.1 Each retail development project shall be required to construct, at its own expense, all required internal (subdivision) water system improvements or facilities necessary to serve the proposed development. The internal water distribution system shall be constructed in accordance with the District's specifications and approved by the District's Engineer. The use of C900, ductile iron or equivalent pipe is required as specified by the District Engineer. Developer agrees to construct the water system pipelines of high-quality PVC pipe rated at a minimum pressure strength of 200 psi throughout the entire development. The size of the transmission lines will be evaluated and recommended by the District Engineer and System Operator. In the event the District and the Developers opinions differ, the Developer or Petitioner must agree to the District's recommendations. Any required booster stations, pressure reducing valves and/or storage facilities shall be placed at an elevation which will be compatible with existing pressure zones within the District's system. A pressure reducing valve station may be required where pressure exceeds 100 psi on the transmission lines. These improvements shall not be connected to the District's main transmission system until they have been inspected and approved by the District's Engineer and/or District's System Operator/ Inspector and accepted by the District.

3.3.2 The required improvements or facilities shall include such infrastructure as District determines are required for a secondary water system whether or not secondary water is currently available. In the event secondary water service is available, the developer shall be required to work with the secondary water purveyor for the design and inspection of the secondary water infrastructure and the District shall reserve the right to inspect the design, plans and construction of the secondary water system. Residential, commercial and industrial customers receiving culinary water service by the District shall be required to connect to a secondary water system whenever one is available.

3.3.3 The District will not, at any time, offer or agree to repay, or give any form of reimbursement, including future connection fees collected by the District, back to a developer for the construction of any transmission lines or any part of the subdivision infrastructure, to offset the costs of transmission lines or other infrastructure of the proposed project.

3.3.4 In constructing the Culinary Water System, a developer may construct certain infrastructure that will directly benefit the project and will benefit future development within the service area of the District. Accordingly, Developer may receive partial repayment of the costs it incurs for the planning and construction of the repayable infrastructure. In its sole discretion, District will determine whether Developer may receive partial repayment. District may collect a special assessment from those future developers that benefit from the infrastructure in an amount stated in the Development and Service Agreement with the Developer installing the repayable infrastructure. The Repayment Fee will be payable to the Developer from District as it is collected from future developers, as per the terms set forth in the Development and Service Agreement.

Section 4. Project Warranty/Conveyance of Subdivision Improvement/ District to Assume Operation and Maintenance Responsibilities

4.1 The Petitioner or Developer will be required to warrant the project Facilities against all defects and malfunctions for the period of one year after the project has been declared complete. The Petitioner or Developer will maintain and repair any leaks or damage, at their sole expense, that may occur and will complete all repairs in a timely manner in the effort to conserve the water and to protect the service of the customers and integrity of the system in accordance with the Development and Service Agreement. Upon (1) District's completion and satisfactory final inspection and approval of the project facilities; and (2) written acceptance of the project by the General Manager and District Engineer; the project will be declared complete and the one-year warranty period shall begin. The District shall promptly contact the Developer at such time repairs or problems with the project facilities occur within the one-year warranty period.

Section 5. Pipeline Easement Locations

5.1 Where possible, all line extension and subdivision water system improvements shall be constructed within public streets and easements. However, where the lines must cross private property, the developer shall obtain, at the developer's sole expense, all required and necessary easements and convey them to District at no cost. The size of the easements required will be discussed and authorized by the District Engineer and/or System Operator/Inspector. The Developer shall provide the District with title insurance for and copies of all necessary easements. Title to any required storage, pump station or other facilities along with perpetual rights of ingress and egress for operation, maintenance, repair and replacement of the same shall be transferred to the District. The secondary water purveyor shall be provided with all of the same documents for easements and title to any facilities pertaining to the secondary water system construction. The secondary water purveyor shall discuss and authorize the size of required easements for the secondary water system and necessary facilities.

Section 6. Petition Procedures and Requirements

6.1 Pre-Petition Meeting

6.1.1 The Owner/Developer of the property referenced in the Petition shall meet with the District's General Manager, District's System Operator, and, if applicable, a representative from the secondary water purveyor to discuss the proposed project, area to be served, number of connections required, estimated water use, and any other relevant information deemed necessary by the District prior to filing the Petition for Water Service with the District. If following such a meeting, the property owner/developer wishes to proceed with a petition, the property owner/developer shall complete a Petition form (Appendix A) provided by the District and return the completed Petition to the General Manager. The Petitioner will then present the proposed project to the Board at the next regularly scheduled Board Meeting. As part of the presentation by the Petitioner, if the secondary water purveyor is not present in the meeting, a written statement from the secondary water purveyor shall be presented indicating the status and availability of a secondary water system. Petitioner shall describe how a secondary water system will be integrated into the development plan.

6.2 Recommendation Following Petition Being Presented to the Board

6.2.1 Following the consideration of a Petition, the Board shall grant conditional approval of the Petition, deny the Petition, or request additional information before making a determination. In the event the Board grants conditional approval of the Petition, the District's General Manager and/or System Operator and/or Consulting Engineer shall meet again with the Petitioner and undertake a more detailed review of the proposed project and provide and discuss the District's requirements and specifications for new water service facilities.

6.2.2 The Petitioner will be provided with the check list of Requirements and Specifications to be met for new system facilities, the form of which is Appendix C. The Requirements and Specifications Checklist form, when correctly completed and submitted to District will act as the application for final approval of the water service.

6.2.3 The District Engineer will make recommendations to the Board concerning final approval or disapproval of the Petition, including any requirements to be completed prior to final approval of the Petition and prior to the commencement of construction in connection with the proposed project. Following and based on this review process, the Petitioner/Developer shall again meet with the Board at one of the regularly scheduled meetings of the Board to discuss and determine whether to grant final approval or deny the Petition.

6.2.4 In the event the Petitioner/Developer neglects to proceed with the proposed project for a period of twelve (12) months, as determined by District, all pre-approvals granted by the Board or District Engineer shall lapse and are not binding. Petitioner/Developer must resubmit a Petition to be considered for water service.

6.3 Engineering and Analysis Costs

6.3.1 The Petitioner/Developer may choose to use their own engineers for the system design and as-built drawings. In this case, the District engineers are required to review the Petitioner's plan of the proposed project, including but not limited to specific details concerning the property, the Facilities, transmission lines, storage reservoirs, water sources, easements or other property interests and water rights which the petitioner proposes to convey to the District upon completion of the project, at the sole cost to Petitioner/Developer. Petitioner/Developer may choose to use the District's engineers for the system design and as-built drawings. In this case, all engineering costs will be billed directly from the engineers to the Petitioner/Developer.

6.3.2 The Petitioner/Developer will be responsible to pay actual costs for the services rendered on the proposed project by the District's consulting engineers, hydrologists, legal counsel, accountants, or other service professionals deemed necessary by the District to assist in reviewing the Petitioner's plan of the proposed project. An estimate of the hourly rate/hours will be given to Petitioner/Developer at the pre-petition meeting.

6.4 Supplemental Studies / Engineering at Petitioner's Expense

6.4.1 The Board may require the Petitioner to complete additional studies and/or provide additional design, construction detail, or other material data during the District's investigation of the project proposed by a Petition. The Petitioner shall provide all requested information at its sole cost and expense, without any obligation on the part of the District.

6.5 Approval by Box Elder County and Other Governmental Entities

6.5.1 Prior to and as a condition on any approval by the Board of a final Petition, the Petitioner shall provide documentation that the proposed project is in compliance with all applicable land use and zoning regulations of the State of Utah, Box Elder County and/or other governmental entities, and that conditional or final approval of the proposed project has been granted by the appropriate authority of Box Elder County and any other applicable governmental entities. The Board reserves the right to consider approval of the water service in the amount corresponding to the number of homes approved in each phase of the development approved by the County Planning Department or other appropriate authority. The developer shall be required to complete a new Petition for water service for each phase of development in the proposed project.

6.6 Meeting Public Drinking Water Standards

6.6.1 Prior to any approval of a final Petition, the Petitioner shall show verification that the design and plans for the project have been submitted and approved by the Division of Drinking Water and all requirements have been met and are in compliance with the State of Utah rules for Public Drinking Water Systems.

6.6.2 The Board and/or the District's Engineer or Inspector shall make a recommendation concerning the proposed project and define the requirements and specifications of the District to be fulfilled prior to

commencing the project. If the Board does not vote to approve the project, the project shall be found not in the best interests of the District.

6.7 Transfer of Water Rights, Facilities, and Property

6.7.1 Board may require Developer to convey sufficient water rights and/or water shares associated with the property to the District to meet the anticipated water needs for the development project, including water rights associated with the property to be developed. The developer will be required to prepare, file, and prosecute to approval a change application with the Division of Water Rights to change the rights so they may be used by District for its purposes (Change Application). The Developer will prepare the Change Application; District must approve it before developer files it with the Division of Water Rights. The Change Application shall be at the sole cost of the Developer. The water rights to be conveyed shall have been approved for District use from District's sources by the State Engineer prior to their conveyance to the District. The District will negotiate a price with Developer for the water rights and/or water shares conveyed to the District upon the State Engineer's approval of the Change Application. This payment may be in the form of a credit toward the impact fees to be paid by Developer. The developer shall convey title of the water rights to the District without cost and by warranty deed in recordable form to the District. Developer will be required to pay for a water right title policy to ensure this conveyance is free and clear of all liens and encumbrances, except as may be expressly agreed to in writing and accepted by the District. Thereafter, the District shall be the owner of the water rights involved. The water rights may be co-mingled and become a part of the water rights and water supply of the District through which all of its customers will be served, including the proposed development.

6.7.2 If the secondary water purveyor requires Petitioner/Developer to transfer water rights and/or water shares in order for it to provide secondary water to the development, the Petitioner/Developer shall abide by all rules, regulations and/or provisions established by the secondary water purveyor regarding the transfer water rights and/or water shares, including the transfer or water rights or shares associated with the property being developed.

6.7.3 All Facilities having to do with culinary water system shall be transferred to the District. All Facilities having to do with the secondary water system shall be transferred to the secondary water purveyor. The Developer shall convey the facilities to the District and to the secondary water purveyor, free and clear of all liens and encumbrances, except for those specifically agreed to in writing by the District and/or the secondary water purveyor, by means of a conveying instrument acceptable to the District and the secondary water purveyor, i.e., Bill of Sale (Appendix D) provided by the District and the secondary water purveyor; the following items:

(A) The internal subdivision distribution system and all appurtenant facilities specifically including but not limited to all distribution lines, pumps, storage facilities, booster pumps, and any required treatment facilities, together with all appurtenant easements and rights-of-way for the operation, maintenance, repair and replacement of the same.

(B) Ownership to all storage and well sites, together with any and all easements and appurtenances in connection therewith, including any required protection zone easements to protect water sources, pipeline and utility easements and rights-of-way.

(C) Ownership to any water and all water rights required to be conveyed to the District and/or the secondary water purveyor as provided in Section 6.7.1 and 6.7.2.

BRWCD Forms for use with this Water Service Policy:

APPENDIX A - Petition for Water Service

APPENDIX B - Application & Agreement for Temporary Water Service

APPENDIX C - Requirements and Specification Checklist for New Water System Facilities

APPENDIX D - Bill of Sale, Exhibit 1 Description of the Facilities