

ARROWHEAD TRAIL SEWER PIONEERING AGREEMENT FOR SPANISH FORK CITY

COME NOW the parties hereto, Spanish Fork City, a Utah municipal corporation (Spanish Fork) and Salem City, a Utah municipal corporation (Salem), and enter into this pioneering agreement to assure the orderly development of real property within City limits, while maintaining and enhancing property values.

- A. A developer in Spanish Fork installed a 15-inch sewer trunkline in Arrowhead Trail as per the Spanish Fork Sewer Master Plan from approximately 1015 West to 1320 West, a distance of 1,771 feet, at a cost of \$125,617.53, which amount is being reimbursed to that developer by Spanish Fork.
- B. Since the sewer trunk line was installed, Spanish Fork and Salem have adjusted their municipal boundary and the sewer trunk line now lies within Salem City and flows to the Salem City wastewater treatment plant.
- C. Attached hereto and incorporated herein by this reference is Exhibit A, which identifies the sewer trunk line.
- D. It is anticipated that owners of adjacent property will, at some time in the future, desire to develop their property. Those other property owners would have had to install an 8 inch sewer main to develop their property, if not already installed by the developer. Therefore, because Spanish Fork is reimbursing the developer for the cost to install the sewer trunk line, Spanish Fork is entitled to reimbursement from other properties which benefit from these improvements.
- E. However, only a portion of the property fronting the sewer trunkline in Arrowhead Trail is located within Spanish Fork, and therefore, rather than being reimbursed for the full 15-inch trunkline, the parties acknowledge that Salem should only collect from adjacent developing properties the cost of an 8-inch sewer trunkline, at a cost of \$60.78 per linear foot.

NOW, THEREFORE, the parties hereto contract, covenant, and agree as follows:

- 1. Spanish Fork is paying for the construction of a 15-inch sewer trunk line, a total distance of 1,771 feet, in Arrowhead Trail, as shown on the map attached hereto as Exhibit A and incorporated herein by this reference.

Salem's share of this line is that of an 8-inch trunk line or \$60.78 per foot. This sewer trunk line improvement will service other properties as they develop in the future.

2. Salem has inspected and accepted the improvements and has incorporated them into its sewer collection system.
3. Salem will require the payment of \$60.78 per frontage foot of property developed along Arrowhead Trail, as shown on Exhibit A, as a condition of permitting any owner of property to develop their property.
4. The payment of the sums mentioned in the preceding paragraphs shall bear no interest from the date hereof to the date of payment.
5. If a development application is made after 30 years from the date hereof, there shall be no payment required as a pre-condition of development approval.
6. Upon receipt of any sums due hereunder, Salem agrees to remit said sum to Spanish Fork or its assignees.
7. It shall be the responsibility of Spanish Fork or its assigns to advise Salem, in writing, of any impending development which likely would trigger the pioneering fee. In no event shall Salem be liable for failure to make collection, it being understood and agreed that Salem will use its best efforts to make such collection.
8. The portion of the 15-inch sewer trunkline that lies within Salem City boundaries shall become Salem City property upon signing of this agreement by the Parties.

DATED this ____ day of _____, 2021.

SPANISH FORK CITY by:

Steve Leifson, Mayor

Attest:

Tara Silver, Recorder

SALEM CITY by:

Kurt L Christensen, Mayor

Attest:

Jeffrey Nielson, Recorder