

## **CITY COUNCIL MEETING**

### ***ADDENDUM***

*6:00 pm*

*Tuesday, August 16, 2005*

#### **I. PRELIMINARY ACTIVITIES**

- A. Pledge of Allegiance
- B. Minutes
- C. Parks and Recreation Tournament Report\*

#### **II. STAFF REPORTS**

- A. Emil Pierson - Planning
  - 1. [Evans-Nebo School District Annexation Petition](#) - 2000 East 200 North
  - 2. [Charter Rezone Amendment Request](#) - 1173 Del Monte
- B. Junior Baker - Legal
  - 1. [Utah County Interlocal Agreement](#)
  - 2. [South Utah Valley Municipal Water Association Amended Agreement for Joint and Co-Operative Action](#)

#### **III. OTHER BUSINESS**

#### **IV. EXECUTIVE SESSION IF NEEDED - TO BE ANNOUNCED IN MOTION**

*(\*) indicates support information, if any, will follow at the Council meeting.*

**The public is invited to participate in all Spanish Fork City Council Meetings located at 40 South Main St. If you need special accommodation to participate in the meeting, please contact the City Manager's Office at 798-5000.**

**SPANISH FORK CITY  
CITY COUNCIL  
STAFF REPORT**



<b>To:</b>	<b>City Council</b>	<b>Property Size:</b>	<b>21.55 acres</b>
<b>From:</b>	<b>Emil Pierson, City Planner</b>	<b>General Plan:</b>	<b>Residential</b>
<b>Date:</b>	<b>August 4, 2005</b>		<b>2.5-3.5 u/a</b>
<b>Subject:</b>	<b>Evans-Nebo Annexation</b>	<b>Zoning:</b>	<b>R-R</b>
<b>Location:</b>	<b>2000 East 200 North</b>		

**Background**

The applicant(s), Nebo School District, is requesting to annex approximately 21.55 acres into Spanish Fork City from Utah County.

**Analysis**

The City Boundary is to the east and south of the properties. This is the where the future high school will be located. The properties are within Spanish Fork City's policy declaration boundary but outside of the current growth boundary. The General Plan currently shows the parcels as Residential 2.5 to 3.5.

**Staff recommendation**

I would recommend that the City investigates the proposed annexation.

**OPTIONS**

One:

Decide if you want to investigate the possibility of annexing the properties into the City and have DRC and Planning give a recommendation.

Two:

Decide that the City Council is not interested in annexation the properties at this time.

# Evans-Nebo Annex. Map



1 Inch equals 750 Feet

## Legend

### Roads

--- Not Paved

— Paved

+ Railroad

— Rivers

■ Parks

■ Schools

□ Property Lines

County\_SF\_Parcels

▭ draft\_growth\_bound

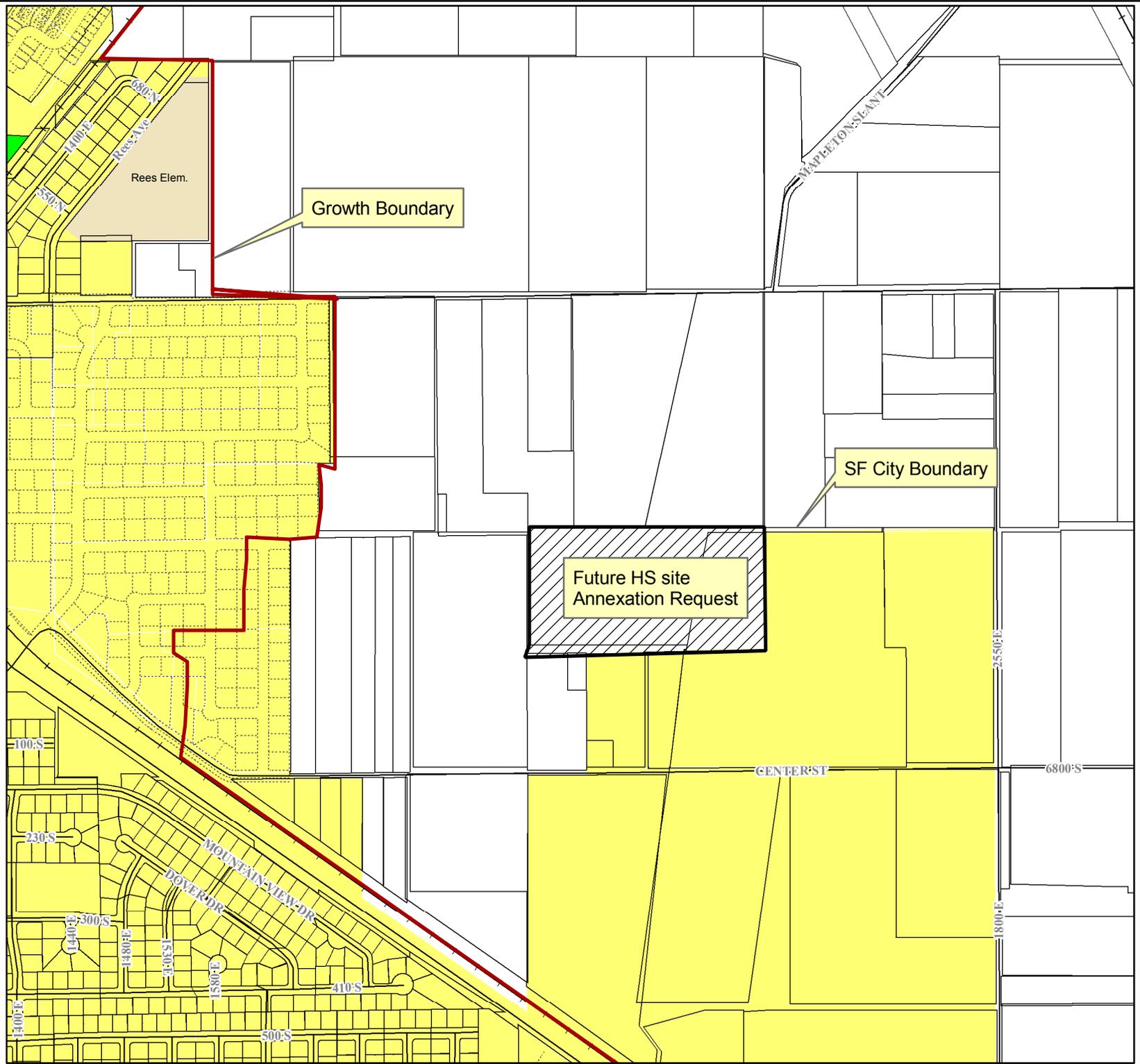
9/29/2004



Geographic Information Systems

Spanish Fork City GIS  
40 South Main Street  
Spanish Fork, UT 84660  
(801) 798-5000

Disclaimer: Spanish Fork City makes no warranty with respect to the accuracy, completeness, or usefulness of these maps. Spanish Fork City assumes no liability for direct, indirect, special, or consequential damages resulting from the use or misuse of these maps or any of the information contained herein. Portions may be copied for incidental uses, but may not be resold.



# Spanish Fork City Council Report

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<b>To:</b>	<b>City Council</b>	<b>ID # Rezone</b>	<b>05-01</b>
<b>From:</b>	<b>Emil Pierson, City Planner</b>	<b>Current Zoning</b>	<b>R-1-30</b>
<b>Date:</b>	<b>August 16, 2005</b>		
<b>Subject:</b>	<b>Charter Rezone Amendment</b>	<b>Property Size</b>	<b>56.4 acres</b>
<b>Location:</b>	<b>1173 Del Monte Road</b>		

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**Everyone within 300 feet was notified of this request for the Planning Commission**

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## **BACKGROUND**

The applicant(s), Charter One Development L.C. (Glenn Way), is asking for an Amendment to a condition of the Rezone.

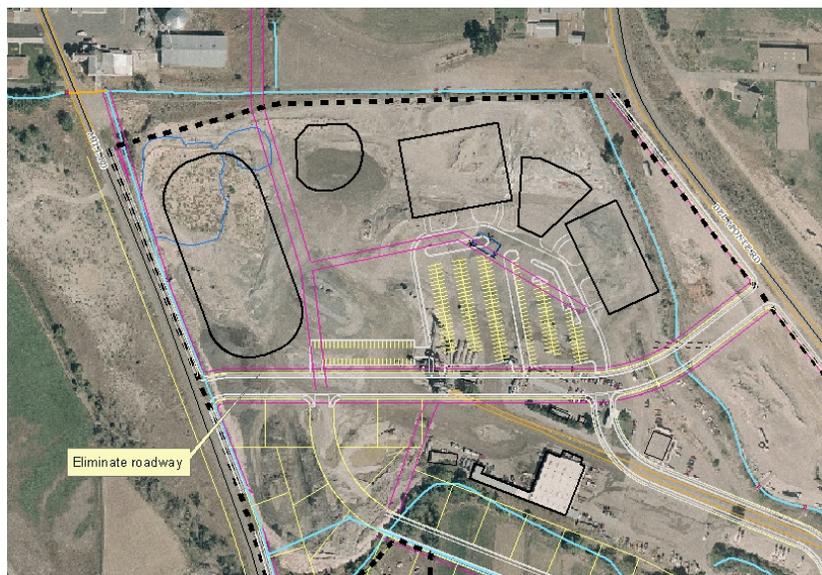
Condition #1 stated: “Access onto Mill Road from the proposed development would be for emergency access only.”

The applicant is requesting to:

- (1) Remove condition #1 “Access onto Mill Road from the proposed development would be for emergency access only.”
- (2) With **ONE** of the following recommendations:
  - a. That no road or fire access be constructed or required to Mill Road
  - b. If a 66-foot road way is constructed then the development be allow to have full access onto Mill road with no conditions
  - c. Only a fire access is required to be constructed on to Mill road

## **ANALYSIS**

When the project was first proposed a road was shown from Del Monte to Mill Road. This road allowed for free flowing traffic movement in front of the proposed Charter School and MATC. As the project went through the Development Review Committee, Planning Commission, and approved by the City Council a condition was placed on the rezone prohibiting access onto Mill Road except in times of an emergency.



## **DEVELOPMENT REVIEW COMMITTEE**

The Development Review Committee reviewed this request at their July 27<sup>th</sup> meeting and made the following recommendation:

**The DRC recommended leaving the road as shown and allowing the petitioner full access onto Mill Road. This recommendation was based the applicant's original request asking for the proposed road to go through to Mill Road and that the traffic report stated that Mill Road can handle the additional traffic from the Charter School.**

## **PLANNING COMMISSION**

The Planning Commission held public meeting on this request at their August 3<sup>rd</sup> meeting and discussed the request in great detail. The main issue was there a true need for a fire access. After much discussion and hearing comments from the public they recommended the following:

- (1) **Remove condition #1 "Access onto Mill Road from the proposed development would be for emergency access only."**
- (2) **That no road or fire access be constructed or required to Mill Road.**

## **RECOMMENDATION**

### **APPROVE**

Make a motion to **APPROVE** the Charter Rezone Amendment for the property located at 1173 Del Monte Road by:

- (1) Removing condition #1 "Access onto Mill Road from the proposed development would be for emergency access only."
- (2) With **ONE** of the following recommendations:
  - a. That no road or fire access be constructed or required to Mill Road
  - b. If a 66-foot road way is constructed then the development be allow to have full access onto Mill road with no conditions
  - c. Only a fire access is required to be constructed on to Mill road

### **DENY**

Make a motion to **DENY** the Charter Rezone Amendment for the property located at 1173 Del Monte Road:

- (1) Leave condition #1 as stated: "Access onto Mill Road from the proposed development would be for emergency access only."
- (2) And require one of the following options:
  - a) Construct the 66-foot road way
  - b) Construct only a fire access onto Mill road

### **TABLE**

Make a motion to **TABLE** the Charter Rezone Amendment for the property located at 1173 Del Monte Road for the following reason(s):

RICHARD J. NANCE, LCSW  
DIRECTOR



SUBSTANCE ABUSE  
PREVENTION & TREATMENT  
INDIGENT SERVICES

## UTAH COUNTY DIVISION OF SUBSTANCE ABUSE

.....a division of the Health Department

Health & Justice Building, 151 South University Ave., Suite 3200, Provo, UT 84601 P: 801/851-7127 F: 801/851-71

July 20, 2005

Spanish Fork City  
Spanish Fork Attorney's Office  
40 S Main Street  
Spanish Fork, Utah 84660

RE: Contract No. 2005-272 ~ Interlocal Cooperation Agreement

Enclosed are three (3) original contracts, please sign all contracts. Keep one (1) for your file.

**Please return two (2) original signed contracts to:**

**Utah County Division of Substance Abuse  
Health & Justice Building  
151 South University Ave., Suite 3200  
Provo, UT 84601.**

Thank you for your quick cooperation on this matter. If you have any questions, I can be reached at 801/851-7127

Sincerely,

Maritza Pizarro  
Office Specialist III

Enclosures

INTERLOCAL COOPERATION AGREEMENT

THIS IS AN INTERLOCAL COOPERATION AGREEMENT, made and entered into by and between UTAH COUNTY, UTAH, a body corporate and politic of the State of Utah, and the municipalities of, LEHI CITY, LINDON CITY, MAPLETON CITY, OREM CITY, PAYSON CITY, PLEASANT GROVE CITY, PROVO CITY, SALEM CITY, SPANISH FORK CITY, and SPRINGVILLE CITY, each municipality being a municipal corporation and a political subdivision of the State of Utah.

WITNESSETH:

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated, 1953, as amended, public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into written agreements with one another for joint or cooperative action; and

WHEREAS, all of the parties to this Agreement are public agencies as defined in the Interlocal Cooperation Act; and

WHEREAS, Utah County and the municipalities within Utah County, through their respective governing bodies, have voluntarily determined that the interests and welfare of the public within their respective jurisdictions will best be served by this Interlocal Cooperative Agreement for joint or cooperative action.

NOW THEREFORE, in consideration of the covenants and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

**Section 1. Effective Date; Duration.**

This Interlocal Cooperation Agreement shall become effective June 21, 2005 and shall enter into force, within the meaning of the Interlocal Cooperation Act, upon the submission of this Interlocal Cooperation Agreement to, and the approval and execution hereof by a majority of the governing bodies of all of the parties to this Agreement. The term of this Interlocal Cooperation Agreement shall be from April 18, 2005 hereof until April 17, 2006. This Interlocal Cooperation Agreement shall not become effective until it has been reviewed and approved for form and compatibility with the laws of the State of Utah by the Utah County Attorney's Office, and the attorney for each of the municipal entities party to this Agreement. Prior to becoming effective, this Interlocal Cooperation Agreement shall be filed with the person who keeps the records of each of the parties hereto.

**Section 2. Administration of Interlocal Cooperation Agreement.**

The parties to this Agreement do not contemplate nor intend to establish an interlocal entity under the terms of this Interlocal Cooperation Agreement. The parties do agree that, pursuant to Section 11-13-207, Utah Code Annotated, 1953 as amended, that Utah County shall act as the administrator responsible for the administration of this Interlocal Cooperation Agreement. The parties further agree that this Interlocal Cooperation Agreement does not anticipate nor provide for any organizational changes in the parties.

**Section 3. Purposes**

This Interlocal Cooperation Agreement is established for the following purposes:

- a. To coordinate with other governmental agencies in conducting alcohol compliance checks for off-premise beer sales.
- b. To promote a spirit of cooperation among all governmental entities in Utah County, law enforcement and local businesses.
- c. To acquire data in regards to the evaluation of the Beer Handler's Training with Utah County's Division of Substance Abuse and Prevention.

- d. To Eliminate Alcohol Sales to Youth which is more commonly known as the EASY program.

**Section 4. Manner of Financing.**

This Interlocal Cooperation Agreement and the joint, cooperative actions contemplated herein shall not receive separate financing, nor shall a separate budget be required. Each party shall be responsible for its own obligations under this Interlocal Cooperation Agreement. Utah County agrees to reimburse all participating cities in this Interlocal Agreement the cost of \$15.00 for each completed alcohol compliance check.

Utah County shall also provide necessary petty cash for attempted alcohol purchases; collect and compile compliance check results; coordinate dates of compliance checks with participating cities; provide youth for alcohol compliance checks; and provide transportation and supervision of underage individuals involved in the compliance checks.

The participating cities shall, on a quarterly basis, conduct four (4) alcohol compliance checks at area retailers; provide an unmarked vehicle for transportation during compliance checks; provide law enforcement to conduct compliance checks; issue citations to persons violating alcohol sales laws and coordinate dates of compliance checks with Utah County.

**Section 5. Property Used in Joint and Cooperative Undertaking.**

There will be no real or personal property acquired, held, and used pursuant to this Interlocal Cooperation Agreement.

**Section 6. Methods of Termination.**

This Interlocal Cooperative Agreement shall automatically terminate at the end of its term herein pursuant to the parameters of Section 1 of this Agreement. The parties to this Agreement may also withdraw from participation herein by giving at least thirty days' notice to each of the other parties to this Agreement. Any notice of termination or notice of withdrawal

shall be on served upon each of the parties to this Agreement.

**Section 7. Indemnification.**

All parties to this Agreement are bodies corporate and politic, municipal corporations, and/or political subdivisions of the State of Utah. Each party agrees to indemnify and save harmless the others for damages, claims, suits, and actions arising out of a negligent error or omission of its own officials or employees in connection with this Agreement. It is expressly agreed between the parties that the obligation to indemnify is limited to the dollar amounts set forth in the Governmental Immunity Act, Section 63-30d-604, Utah Code Annotated, 1953 as amended.

**Section 8. Filing of Interlocal Cooperation Agreement.**

Executed copies of this Interlocal Cooperation Agreement shall be placed on file in the office of the County Clerk/Auditor of Utah County, and with the official keeper of records of each of the municipal entities party to this Agreement, and shall remain on file for public inspection during the term of this Interlocal Cooperation Agreement.

**Section 9. Adoption Requirements.**

This Interlocal Cooperation Agreement shall be (a) approved by the executive body or officer of each of the parties, (b) executed by a duly authorized official of each of the parties, (c) submitted to and approved by an authorized attorney of each of the parties, as required by Section 11-13-202.5, Utah Code Annotated, 1953 as amended, and (d) filed in the official records of each party.

**Section 10. Amendments.**

This Interlocal Cooperation Agreement may not be amended, changed, modified or altered except by an instrument in writing which shall be (a) approved by the executive body or officer of the legislative body of each of the parties, (b) executed by a duly authorized official of

each of the parties, (c) submitted to and approved by an authorized attorney of each of the parties, as required by Section 11-13-202.5, Utah Code Annotated, 1953 as amended, and (d) filed in the official records of each party.

**Section 11. Severability.**

If any term or provision of this Interlocal Cooperation Agreement or the application thereof shall to any extent be invalid or unenforceable, the remainder of this Interlocal Cooperation Agreement, or the application of such term or provision to circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and shall be enforced to the extent permitted by law. To the extent permitted by applicable law, the parties hereby waive any provision of law which would render any of the terms of this Interlocal Cooperation Agreement unenforceable.

**Section 12. Governing Law.**

All questions with respect to the construction of this Interlocal Cooperation Agreement, and the rights and liability of the parties hereto, shall be governed by the laws of the State of Utah.

**Section 13. Committees.**

The parties may establish from time to time such committees as shall be deemed appropriate and necessary.

**Section 14. Headings.**

Section headings are for convenience of reference only and shall not be considered any interpretation of the Interlocal Cooperation Agreement.

**Section 15. Entire Agreement.**

This Interlocal Cooperation Agreement contains the entire agreement of the parties. No promise, representation, warranty, or covenant not included in this Agreement has been or is relied upon by the parties to it.

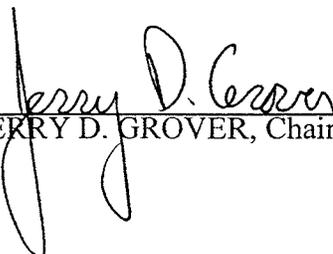
**Section 16. Execution by Counterparts.**

This Interlocal Cooperation Agreement may be executed in counterparts. The original of each executed Agreement shall be filed with Utah County.

IN WITNESS WHEREOF, the parties have signed and executed this Interlocal Cooperation Agreement on the dates listed below:

DATED this 21st day of June, 2005.

BOARD OF COUNTY COMMISSIONERS  
UTAH COUNTY, UTAH

  
\_\_\_\_\_  
JERRY D. GROVER, Chairman

ATTEST:  
KIM T. JACKSON  
Utah County Clerk/Auditor

By:   
\_\_\_\_\_  
Deputy

APPROVED AS TO FORM AND COMPATIBILITY WITH THE LAWS OF THE STATE OF  
UTAH:

CARLYLE K. BRYSON,  
Utah County Attorney

By:   
\_\_\_\_\_  
Deputy Utah County Attorney

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

SPANISH FORK CITY

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
Spanish Fork City Recorder

APPROVED AS TO FORM AND COMPATIBILITY WITH THE LAWS OF THE STATE OF  
UTAH:

By: \_\_\_\_\_  
Spanish Fork City Attorney

SOUTH UTAH VALLEY MUNICIPAL  
WATER ASSOCIATION AMENDED AGREEMENT  
FOR JOINT AND CO-OPERATIVE ACTION

THIS AMENDED AGREEMENT FOR JOINT AND CO-OPERATIVE ACTION ("Agreement") dated as of April ~~December~~ \_\_\_\_\_, 2005~~1994~~ is made and entered into between and among the public agencies which have executed this Agreement in counterpart pursuant to the provisions of the Utah Interlocal Co-Operation Act, Utah Code Ann. Title 11, Chapter 13, as amended (the "Act").

Recitals

1. The public agencies entering into this Agreement perceive a need to cooperate in the development and conservation of the water resources, the development of a regional sewage and wastewater treatment plant, and issues relating to storm drainage to service the needs of the respective public agencies.

2. The public agencies believe that an interlocal co-operative entity would be the most effective means by which these entities can cooperate to evaluate and develop water supply and conservation projects; the feasibility of creating a sewage and wastewater treatment plant and issues relating to storm drainage that will provide for the health, safety and welfare of its citizens.

3. For these reasons, the public agencies have determined to enter into this Agreement for Joint and Co-operative Action and to form the South Utah Valley Municipal Water Association ("SUVMW A").

NOW, THEREFORE, the public agencies that are signatories hereto agree to the following terms and conditions.

Section 1. Definitions.

- 1.1. Board means the Board of Directors established pursuant to Section 11 hereof.
- 1.2. Current Members means the following described public agencies of the State of Utah: Elk Ridge City Town, Genola Town, Goshen Town, Mapleton City, Payson City, Salem City, Santaquin City, Spanish Fork City, Springville City, and Woodland Hills Town.
- 1.3. Director means the individual selected by a Member to act on its behalf concerning SUVMWA or a given Project. Each Member may appoint only one individual to represent it as Director and one alternate director to serve in the absence of the Director.
- 1.4. Member means (i) each of the Current Members, (ii) each new Member admitted pursuant to Section 6.4 hereof, and (iii) each public agency which, in the future, becomes a Member of SUVMWA in accordance with the requirements of Section 6.4 hereof.
- 1.5. Participant means any Member taking part in a Project. A Member may be a Participant in a Project and be represented by a Director or other person designated by the Member.
- 1.6. Project means:
  - (a) any facility for the acquisition, development, diversion, conservation, treatment, storage, transportation, distribution, and/or delivery of water for culinary or secondary irrigation purposes ("water facility").

- (b) any studies with respect to planning, designing, engineering, feasibility, environmental or other aspects of a proposed water facility.
- (c) any contract between SUVMWA and other parties for the purchase, sale, lease, exchange, conservation, treatment, storage, transportation, distribution, and/or delivery of water for culinary or secondary irrigation purposes.
- (d) any contract between two or more members of SUVMWA for the development, purchase, sale, lease, exchange, conservation, treatment, storage, transportation, distribution, and/or delivery of water for culinary or secondary irrigation purposes.
- (e) any sewage and wastewater facilities for transmission or distribution of sewage and wastewater and all rights, properties and improvements necessary therefor; all feasibility, environmental, or other studies, all surveys, estimates, licenses, permits, rights, approvals, and options associated with a Project;
- (f) all contracts between SUVMWA and other parties for the acquiring, constructing, financing, operating, maintaining, and repairing regional sewage and wastewater plants and facilities; and other facilities, improvements, and activities consistent with the purposes of SUVMWA as set forth herein.
- (g) any and all issues relating to storm drainage systems including facilities for transmission or distribution, properties and

improvements necessary therefore, all feasibility, environmental or other studies, all surveys, estimates, licenses, permits, rights, approvals, and options associated with a project.

- (h) All contracts between SUVMWA and other parties for the acquiring, construction, financing, operating, maintaining and repairing storm drainage facilities, improvements and activities consistent with the purposes of SUVMWA as set forth herein.

**Section 2. Creation of SUVMW A.**

- 2.1. The parties to this Agreement hereby create, pursuant to the Act, a separate legal entity as a political subdivision of the State of Utah known as South Utah Valley Municipal Water Association.

**Section 3 Term of Agreement.**

- 3.1. The term of this Agreement shall be for a period of fifty (50) years commencing with the effective date of the Agreement, and for such additional terms or extensions as may be authorized by law and by the parties hereto. Unless otherwise specifically provided, any subsequent restatement, amendment, or supplement of this Agreement shall extend the term of this Agreement fifty (50) years from the effective date of such restatement, amendment, or supplement.

**Section 4. Purpose of SUVMW A.**

- 4.1. The purpose of this Agreement, of the creation of SUVMWA as a

body politic and corporate and a separate political subdivision of the State of Utah, and of the joint or cooperative action of the parties to this Agreement is to provide for the following:

- 4.1.1 Securing reliable sources of culinary and secondary irrigation water for the Members of SUVMWA;
- 4.1.2. Protecting, fostering, and conserving the benefits of culinary and secondary irrigation water;
- 4.1.3. Assisting SUVMWA's Members in providing reliable, competitive, low-cost culinary and secondary irrigation water to citizens of the Members; and
- 4.1.4 Evaluating, planning, financing, developing, acquiring ~~construction~~ constructing, reconstructing, improving, enlarging, bettering, operating, and/or maintaining one or more Projects pursuant to the Act for the benefit of all or some of the Members to carry out the foregoing purposes.
- 4.1.5. The purchase, sale, lease, exchange, transfer, development, distribution, and/or delivery of culinary and secondary water between two or more Members of SUVMWA.
- 4.1.6 Promoting the efficient, economic and reliable operation of the Members' respective sewage and wastewater treatment plants and facilities;
- 4.1.7 Developing facilities and improvements that will facilitate the coordinated operation of the Members' respective sewage and

wastewater treatment plants and facilities;

4.1.8 Assisting Members to provide reliable, competitive, low-cost sewage and wastewater treatment service to their consumers; and

4.1.9 Assist Members with storm drainage issues, which may include planning, financing, developing, contracting, operating or any other necessary issue that may arise

4.1.10 Plan, finance, develop, acquire, construct, reconstruct, improve, enlarge, operate, and/or maintain one or more Projects pursuant to Section 11-13-204, 205 of the Act for the benefit of all or some of the Members.

4.2 In connection with a Project, SUVMWA may assist and agree with two or more Members in any way allowed by law to acquire or manage water rights, water resources, ~~or~~ water facilities, ~~or~~ regional sewage and wastewater treatment facilities and/or storm drainage projects for Members' mutual benefit, including acquiring or managing water rights, water resources, ~~or~~ water facilities regional sewage and wastewater treatment facilities, and storm drainage issues which are in excess of those currently needed for Members, in anticipation of future growth, in order to provide the benefit of economies of scale, interconnected systems, acquisition of all or parts of existing culinary or secondary irrigation systems, regional sewage and wastewater treatment facilities, storm drainage issues and adoption of Projects to the unique needs of the parties participating in that Project.

Section 5. Effective Date.

5.1. This Agreement shall be effective as of the date of this Agreement.

Section 6. Qualification and Admission of Members.

6.1. A Member admitted to SUVMWA after the effective date of this Agreement shall be a public agency, as defined in the Act, and shall either (i) own and operate, or be in the process of acquiring, its own water facility to provide culinary or secondary irrigation water service to individual customers residing within the boundaries of the Member or (ii) own and operate, or be in the process of acquiring, its own sewage and wastewater facilities to individual customers residing within the boundaries of the Member or (iii) be an agency organized under the Act whose members each provide such service.

6.1.1. A Member shall be governed by a body elected by individuals residing within the boundaries of the Member or within the boundaries of the public agencies which belong to the Member if the Member is a joint action agency organized under the Act.

6.2. A Member shall participate in one or more Projects, as evidenced by the execution of an agreement with SUVMWA governing the Member's participation in a Project.

6.3. The governing body of the Member shall adopt and file with SUVMWA a resolution agreeing to membership in SUVMWA and accepting the terms and conditions of this Agreement.

6.4. A Member shall be accepted into SUVMWA upon a two-thirds vote of

the Directors at a duly noticed annual or special meeting of the Directors.

- 6.5 Each Member shall execute and file with SUVMWA a counterpart to this Agreement and any amendments thereto, approved by an authorized attorney.

**Section 7. Partial or Complete Termination of Agreement.**

- 7.1. The membership of a Member may be terminated upon two-thirds vote of the Directors at a duly noticed membership meeting. No such termination shall constitute termination of any contract between SUVMWA and the Member nor shall it relieve such Member of its obligation under any contract to which such Member is then a party.
- 7.2 Upon such termination, Project assets shall be disposed of according to the terms of the Project. No assets shall be held by SUVMWA separate and apart from a Project except to the extent assets must be acquired for non-Project operations or management of SUVMWA.
- 7.3 If there is a complete termination of this Agreement, and SUVMWA owns or leases assets separate and apart from a Project, any such assets will be disposed of in a manner approved by a majority of the Directors at the time of the termination.

**Section 8. Contractual Relationships.**

- 8.1. If a public agency does not qualify as a Member under this Agreement or under the Act or if the Members of SUVMWA do not accept a public

agency as a Member, that public agency may be extended certain benefits of membership through a contract with SUVMWA upon approval by the SUVMWA Board of Directors and to the extent allowed by law.

Section 9 Organization.

9.1. The Bylaws for SUVMWA shall be established and amended from time to time by the Board of Directors and shall provide, among other things, for (i) the powers and duties of the officers, (ii) the rules governing the appointment and removal of Directors, and (iii) the calling and holding of regular and special meetings of the Board of Directors; and (iv) the establishing and governing of Projects.

Section 10 Meetings of Members.

10.1. SUVMWA's Members shall, through their Directors, meet no less frequently than annually to consider the business of SUVMWA.

10.2. For purposes of transacting the business of SUVMWA, a quorum shall consist of at least 51 percent of the Directors.

10.3. The business of the annual meeting of the Directors shall be include, among other business items of SUVMWA, ~~limited to (a) the adoption of this Agreement and any amendments or supplements to this Agreement; (b) the acceptance of new Members or the renewal of Existing Members; (c) the appointment and removal of officers; and (d) other matters relating to the organization of SUVMWA. Matters relating to a Project or Projects may also shall only be considered by the Board of Directors under~~ pursuant to the provisions of Section 11 below.

- 10.4. Notice of annual or special meetings of the Directors shall comply with applicable requirements of state law governing notices of public meetings.

Section 11. Board of Directors.

- 11.1. The Board of Directors of SUVMWA shall consist of one Director representing each Member.
- 11.2. Decisions on matters relating to a Project shall be made upon the vote of only those Directors representing Participants in the Project elected under Section 11.1 above, except that a decision by SUVMWA to enter into a Project shall be made by a majority of all of the Directors present constituting a quorum.
- 11.3. A decision on or to enter into a Project shall require a majority vote of the Directors representing the Participants in the Project or proposed Project who are present and constitute a quorum as defined in Section 11.7 below, unless a weighted vote is called for pursuant to the provisions of this Section 11.3. A weighted vote may be called for by any Director on a matter relating to a Project or proposal to establish a Project involving all Members only if the Director calling for the weighted vote represents a Participant in the Project or proposed Project which is subject to the vote. For Projects or proposed Projects involving or proposed to involve less than all the Members, the procedure for voting shall be agreed to by all Participants in the Project prior to proceeding with the Project. If a weighted vote is called for, a decision on the matter relating to a Project shall require both (i) a majority of the Directors representing the

Participants in the Project or proposed Project who are present and constitute a quorum and (ii) a majority plus two other Members of the "weighted vote," as defined below, of Directors who are present and constitute a quorum. For purposes of this Agreement, each Director shall be accorded a weighted vote based on the population (to the nearest one thousand) of the Member which that Director represents divided by the population (to the nearest one thousand) of all Members in a particular Project or proposed Project. For the purposes of this Agreement, the agreed upon population of each member is set forth on the Exhibit A to this Agreement. Said Exhibit A will be updated based upon the next United States Government Census and, as agreed by the Members, at five year intervals between said Censuses.

- 11.4. Each Director and alternate director shall serve at the pleasure and selection of the Member designating that Director. A Member's designation of its Director and alternate director shall be in writing, signed by an authorized representative of the Member.
- 11.5 A Director may be appointed to represent a Member which is a Participant in more than one Project. However, no Member may be represented by more than one Director.
- 11.6. For purposes of making decisions concerning a Project, a quorum shall consist of 51 percent of the Directors representing the Participants in that Project.
- 11.7. For purposes of making decisions not related to a specific Project or

affecting the rights or obligations of other Members, a quorum shall consist of 51 percent of the Directors currently serving on the SUVMWA Board of Directors. Such decisions shall be made by a simple majority of the Directors which are present and constitute a quorum. Such decisions shall include, but not be limited to (i) termination of this Agreement and (ii) election of officers.

11.8. The Board of Directors shall meet at such time and place as the Chairman of the Board shall direct, subject to the requirements of Utah law relating to notice of such meetings and the provisions of the bylaws.

11.9 Meetings of the Board of Directors may be held through electronic communication to the extent allowed by law. A Director participating in a meeting through such means shall be considered present for purposes of a quorum and voting.

Section 12. Selection and Qualifications of Officers.

12.1 The officers of SUVMWA shall consist of a Chairman of the Board, a Vice Chairman of the Board, a Secretary, a Treasurer, and such assistant officers as the Board of Directors may by resolution designate from time to time. Each officer shall be a Director and shall be elected annually for a one-year term. Beginning with the effective date of this Agreement, no officer shall serve more than three consecutive terms in the same office, after which officer's terms shall expire at the date of the annual meeting.

Section 13. Powers.

13.1. In furtherance of the purposes set forth in this Amended Agreement, SUVMWA shall have the power to:

- (a) own, purchase, lease, acquire by condemnation or otherwise, construct, operate, maintain and repair or cause to be constructed, operated, maintained and repaired any Project or Projects;
- (b) borrow money or incur indebtedness, issue revenue bonds or notes for the purposes for which SUVMWA and/or a Project was created; and assign, pledge or otherwise convey as security for the payment of any such indebtedness, the revenues and receipts derived from or in connection with a Project or Projects, which assignment, pledge or other conveyance may, if so determined by SUVMWA, rank prior in right to any other obligation except taxes, or payments in lieu of taxes, if any, payable to the State of Utah or its political subdivisions;
- (c) contract for the purchase, lease, exchange, or other acquisition of water resources, water facilities, ~~or~~ water rights, either for culinary or secondary irrigation purposes, sewage and wastewater treatment facilities or storm drain facilities;
- (d) contract for the construction, operation, maintenance and repair of a Project or Projects or any part thereof;
- (e) make and enter into contracts in addition to those referred to in this Section 12;
- (f) enter into participation agreements and other contracts pursuant to

which a Project or the benefits of a Project are made available to some or all of the Members and, if approved by the Board of Directors, to one or more entities not Members of SUVMWA, either by sale, lease, or other transfer of the assets comprising the Project or any portion thereof;

- (g) acquire by gift, grant, purchase, the exercise of the power of eminent domain~~condemnation~~, or otherwise and to lease any property (real or personal), building, works or improvements necessary or convenient for the purposes provided for in this Agreement;
- (h) employ or contract with persons or firms for personnel to accomplish its purposes and powers;
- (i) incur debts, liabilities or obligations which are those of SUVMWA and not the debts, liabilities or obligations of any of the parties hereto;
- (j) sue and be sued in its own name;
- (k) contract with any Member hereto or with third parties upon behalf of any Member to provide any such Member with such culinary or secondary irrigation water or water service and/or operation, maintenance and repair services as may be necessary for the operation of the water facilities of such Member;
- (l) plan and/or develop one or more Projects for two or more of the Members under separate accountability, control and administration

as may be required by financing arrangements as to each such Project without obligating Members to any one Project for the obligation of any other Project undertaken by SUVMWA; and

- (m) exercise all other powers allowed under the Act; and
- (nn) take such other actions, engage in such other transactions and do all other things as may be necessary, convenient or appropriate to accomplish its purposes or carry out any of its powers.

13.2. The powers of SUVMWA shall be exercised by the Board of Directors.

Section 14. Financing and Budget.

14.1 A Project may be financed in whole or in part by the issuance of bonds and notes of SUVMWA payable from and/or secured by the revenues and receipts derived from the ownership and operation of the Project.

14.2 Such revenues, receipts and other funds shall be applied for the purposes and on the terms and conditions set forth in the bond or note resolutions or agreements of SUVMWA securing such bonds or notes and as required by the Act.

14.3. No Member shall be liable for any bond, note, indebtedness or other obligation incurred by SUVMWA, nor liable for the indebtedness of any other Member, nor liable for any indebtedness or other obligation with respect to a Project, other than the obligations of such Member arising under its separate contracts with SUVMWA as to each separate Project.

14.4. SUVMWA shall annually adopt a budget for the ensuing year which shall set forth in reasonable detail:

- (a) estimates of revenues and operating and maintenance expenses with respect to each Project;
- (b) debt service and reserve requirements;
- (c) payments with respect to renewals and replacements for each Project and contingency reserves therefor; and
- (d) such other items and matters as shall be required pursuant to its agreements, service contracts and bond resolutions.

Such budget shall be adopted and may be amended from time to time in the manner provided in such agreements, sales and service contracts and bond and note resolutions. To the extent that Project revenues do not exist, Members may be assessed and required to pay monies to SUVMWA in order to fund operations as may be agreed to by the Members. This right of assessment will only be used for general overhead expenses and not for the costs of any specific Project. All amended budgets must be approved by each Members Governing Body.

Section 15. Relationship and Obligations.

- 15.1 The Members shall not be deemed under this Agreement to be partners, joint ventures, or associated in any manner which obligates one Member for the debts, defaults or miscarriages of any other Member, nor to render any Member liable for obligations of SUVMWA.

Section 16. Amendments.

- 16.1. This Agreement may be amended from time to time in any particular which does not jeopardize or adversely affect any existing contracts,

notes, bonds, or other evidence of indebtedness, provided that such amendment shall not subject any Member to any dues, assessments, or liability without its consent thereto. Proper amendments may be adopted by the submission of the proposed amendment to the duly convened Board of Directors for approval of the Board by resolution passed by affirmative vote of at least two-thirds of the Directors currently serving on the Board of Directors and thereafter by submission to the governing bodies of the Members for written approval thereof by at least three-fourths of the Members. Such amendment shall become effective upon the execution by the party whose signing accomplishes approval by at least three-fourths of the Members, the approval by an authorized attorney as required by applicable law and publication of the amendment as may be required by applicable law.

16.2. At a later date, if it is determined to be in the best interest of SUVMWA and/or the Members, a separate legal entity may be created to separate the water issues from the waste water issues.

Section 17. Limitation on Liability of Directors.

17.1. A Director shall have no liability to a Member for any act or omission in the performance of his duties as Director. The Members hereby agree not to make any claim or file any cause of action arising from any act or omission of a Director in the performance of his duties as Director.

Section 18. Execution of Counterparts.

18.1. This Agreement may be executed in any number of counterparts each of which shall constitute an original.

Section 19. Governing Law.

19.1. This Agreement is made in the State of Utah, under the Constitution and laws of such State and is to be construed pursuant to such laws.

Section 20. Severability

20.1. Should any part, term, or provision of this Agreement be held by the courts to be illegal or in conflict with any law of the State of Utah, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

IN WITNESS WHEREOF, this party hereto has caused this Agreement to be executed and attested by its proper officers, thereunto duly authorized, and its official seal affixed hereto, pursuant to a resolution of its governing body, and deems itself bound hereby with all other parties executing a counterpart hereof.

Dated this \_\_\_\_\_ day of March, 2004

PAYSON CITY by:

\_\_\_\_\_  
BERNELL C. EVANS, Mayor

ATTEST:

\_\_\_\_\_  
JEANETTE CURTIS, Recorder

Approved as being in proper form and In  
Compliance with the laws of the State of Utah.

\_\_\_\_\_  
DAVID C. TUCKET, Attorney

SPRINGVILLE CITY by: