



APPLICATION TERMS FOR DEVELOPMENT RESOLUTION 2024-01

(Restated 09/24/1984, 07/17/2014)

Officially adopted by the LDWA Board of Directors, 01/31/2024

A resolution of the Leeds Domestic Waterusers Association (LDWA), Leeds, Utah, adopting a comprehensive, Application Terms for Development Policy for its shareholders of Leeds, Utah, and establishing an effective date for the plan.

Be it ordained by the Board of Directors of the LDWA, Leeds, Utah, as follows:

SECTION 1. RECITALS

WHEREAS, the LDWA is engaged in supply of culinary water within the Town of Leeds, Utah, boundaries; and

WHEREAS, the Property Owner or Developer (the "Applicant") applying to construct one or more homes desires to obtain culinary water service in the area more particularly as thereon described; and

WHEREAS, the Applicant and LDWA desire to memorialize the Application by which culinary water may be supplied to the area therein described:

THEREFORE, BE IT ORDAINED by the LDWA as follows:

SECTION 2. GENERAL SUMMARY

The Association shall supply water to the area designated in the Application on the terms and conditions in this Resolution which include but are not limited to:

- a) submission of plans, and
- b) provision of water supply, and
- c) construction, completion and conveyance of any water system extensions as applicable, with special requirements for unmetered water infrastructure on private property, and
- d) payment of purchase of water share, as applicable, and
- e) payment of Impact Fee, and
- f) payment of Water Connection Fee, and
- g) payment of monthly fee and any other fees due the Association.

SECTION 3. CONSTRUCTION DRAWINGS

Applicant shall:

- Prepare and provide LDWA, at its sole expense, engineering drawings of the proposed development, complete with a licensed engineer PE stamp, and connections described in the Application.
- All required documents including any easements and water rights and infrastructure transfer documents shall be submitted to the LDWA Board prior to commencing construction.

The construction plans shall be submitted in electronic form and in duplicate hard copy form (minimum) with one (1) set to be retained by LDWA and one (1) set returned to the owner with the approval mark of the LDWA Board and/or their Designee.

These plans and designs shall meet the standards defined in the specifications and drawings hereinafter identified. The minimum information required on drawings for improvements are as follows:

- A. Drawings and/or prints for subdivisions shall be clear and legible and conform to the most current certified engineering practices. Size of drawings shall be 24" x 36" (trim line) with ½ inch border on top, bottom and right sides, left side 1-1/2 inches. Individual plot plans may be 8.5' x 11" standard copy paper.
- B. In general, the following shall be included on drawings:
 - a. North Arrow (plan), and
 - a. Scale and elevations referenced to U.S.G.S. datum, and
 - b. Stationing and elevations for profiles, and
 - c. Title block, located in lower right corner of sheet to include:
 - i. tax parcel ID number or numbers, and
 - ii. project title for subdivisions, and
 - iii. physical address of work, and
 - iv. space for approval signature of the LDWA Board and Date, and
 - v. Name and current license number of the engineer or firm preparing drawings, as well as a licensed PE stamp.
 - d. Submit to LDWA a "Record of Survey" as recorded at the county or as recorded as part of the 'Final Plat' for the development.
 - e. Individual Lots must submit to LDWA a "Plot Plan" of the said parcel, showing dimensional detail along with all structures and utilities included.
- C. Utility drawings shall show, if applicable:
 - a. Size and location of water mains, valves, and hydrants, and
 - b. type of pipe, and
 - c. minimum Pipe Zone bedding standard detail.
- D. Each set of plans shall be accompanied by a separate sheet of details for structures which are to be constructed and shall show the following:
 - a. drawing size: 24" x 36" (trim line), and
 - b. scale of each detail, and

- c. title block, lower right-hand corner (same format on all sheets) including the name of the subdivision, if applicable, and
- d. completely dimensioned and described.

Subdivision water system design and construction shall comply in all respects with the latest LDWA standards, including Kennedy hydrants and valves, latest edition of the International Uniform Building Code, the International Uniform Plumbing Code, and the latest edition of the Design and Construction Standards adopted by the LDWA Board.

For subdivisions, an exact copy of a certificate of title insurance company or attorney which shall set forth the names of all property owners included in the plat and shall include a list of all mortgages, judgments, liens, easements, contracts, and agreements of record which shall affect the easement location(s) covered by such plats. If the opinion of title discloses any of the above, then at the option of LDWA the holders or owners of such mortgages, judgments, liens, easements, contracts or agreements shall be required to join in and approved the Application before the plat shall be acted upon by LDWA.

SECTION 4. IMPROVEMENTS REVIEW FEE

The Applicant, upon submission of the plans, shall deposit with the LDWA a sum in the amount estimated by LDWA to cover engineering review, inspection of the above improvements, and all other expenses as determined necessary by the LDWA Board of Directors for completion of review and approval of the Applicant's plans.

SECTION 5. WATER RIGHTS

Prior to commencement of construction, the Applicant shall, except in the case of a subdivision of 3 or less, provide evidence of ability to convey unencumbered water rights to LDWA. Where applicable, the Applicant shall provide LDWA water rights for an amount of culinary water equivalent to one (1) acre foot of water per requested culinary connection to the area designated in the Application.

The water shall be of quality consistent with the quality of water presently in LDWA's system. Said water rights shall be certified or adjudicated and shall be transferred into a point or points of diversion within LDWA's system as pre-approved by the LDWA Board of Directors and the State Water Engineer.

In lieu of the provision of said water right(s), for subdivisions of 3 or less or single plots the LDWA Board of Directors may accept, at its sole option, payment by the Applicant of a sum equal to the appraised value of such water rights of an equivalent quantity and quality, in the LDWA diversion area.

SECTION 6. PLAN REVIEW

Within thirty (30) days after submission of all terms required above, the Association shall notify the Applicant of its initial findings and shall specify corrections, requirements and/or changes necessary prior to the LDWA Board of Directors commitment of water service. Thereafter, the

Applicant shall have thirty (30) days to make the changes required, which time may be extended at the option of LDWA by resolution of the LDWA Board.

SECTION 7. ADDITIONAL COSTS OR CREDITS

In the event LDWA shall deem it necessary, it may require the installation of larger conveyance, trunk or main lines, water storage, or other system components in addition to those strictly necessary to supply the area defined in the Application.

LDWA may require the Applicant to contribute toward the cost of the enlargement or improvement of water system components outside the area specified in the Application, to defray the cost of new service.

In the event any charges are deemed appropriate by LDWA under this paragraph, they shall be determined by LDWA within the review period as needed and written notice shall thereupon be given to the Applicant.

The act of the Applicant in proceeding with construction prior to the completion and approval of the plan reviews by LDWA shall constitute assent and agreement by the Applicant to the sums proposed by the Association, and may be assessed to the Applicant's property.

SECTION 8. TRANSFER OF TITLE

Once the LDWA Board of Directors completes its approval process and following posting of a guarantee pursuant to the requirements specified herein, but prior to commencement of active water service and/or connection receipt to any part of the area described in the Application, the Applicant shall present to LDWA for its review and approval, the following documents:

- A. Documents transferring title to the components of the system, including all easements, rights-of-way, licenses, permits, pipelines, mains, laterals, pipes, valves, hydrants, water storage and other system components, together with evidence of authority to execute same.
- B. Evidence of title by attorney's opinion or title insurance policy, stating that the title to the water systems and appurtenances, easements, rights-of-way, licenses, permits and other system components will be transferred, free and clear of all encumbrances, claims, etc., to the Association by the instruments attached.
- C. Evidence of compliance with all applicable State, County, and Town and LDWA standards by certificate or letter from the Washington County and the Leeds Town Council.
- D. Evidence of compliance with all other applicable regulations by presentation of certificates to issue such evidence of compliance.
- E. Certificate by a Utah licensed engineer of compliance of the system with the design and construction standards as enumerated in the requirements of this Application.
- F. Certificate by a Utah licensed engineer with compliance of the system with the design and LDWA construction standards.
- G. All drawings for proposed construction and "as-built" drawings completed with contractor specifications and reports and other inspection reports.

Within thirty (30) days thereafter, the Association shall have made review of the materials presented and if, in the determination of the Association, the above and foregoing requirements are met, LDWA shall, if the improvements are completed, accept the tender of title and permit issuance of water share connections.

If a guarantee is posted and construction is not completed, the documents shall be held by LDWA pending completion of the improvements and shall be accepted and recorded after completion of the improvements.

The property thereby transferred shall be thereafter the sole and exclusive property of LDWA and the Applicant shall have no further claim thereon.

SECTION 9. GUARANTEE

In lieu of actual installation of all the improvements required by this Application and before connection to the water system may occur, the Applicant shall qualify for connection to the system by making guarantee of the installation thereof by one or a combination of one or more of the methods specified below in an amount equal to the cost of the improvements as estimated by the LDWA Board plus a percentage to cover unexpected costs and inflation. The guarantee employed shall be approved as to method and form by the LDWA Board and its attorney.

- A. PERFORMANCE BONDS. The Applicant shall furnish and file with the Association a corporate surety bond in an amount equal to the cost of the required improvement as estimated by the LDWA Board plus a percentage to cover unexpected costs and inflation, to assure the actual construction of such improvements within a period of two (2) years immediately following execution of the bond, which bond shall be approved by the LDWA Board and its attorney.

- B. ESCROW DEPOSIT. The Applicant shall deposit in escrow with an escrow holder approved by the Association an amount of money equal to at least one hundred twenty-five percent (125%) of the cost of improvements required as estimated by the LDWA Board plus require a percentage to cover the cost of inflation, under an interest-bearing escrow agreement conditioned for the installation of said improvements within two (2) years from the approval of escrow. The escrow agreement aforesaid shall be approved by the LDWA Board and its attorney.

- C. TRUST DEEDS. The Applicant shall provide LDWA with trust deeds to property within the area described in the Application estimated by the LDWA Board to have an unencumbered fair market value at least equal to one hundred fifty percent (150%) of the estimated costs of the improvements required by this Application plus a percentage to cover unexpected costs and inflation. The trust deeds shall be in favor of LDWA and shall be in a form acceptable for filing in the office of the Washington County Recorder.

LDWA shall release all of the trust deeds held by it whenever it finds that the Applicant has installed and constructed the improvements required by this Application and that the

improvements have remained free from latent defects for one year after acceptance by LDWA.

In the event the Applicant fails to complete the required improvements within a period of two (2) years after final acceptance, the Association may cause the property to which it holds trust deeds to be sold and to apply the proceeds to make the required improvements.

In the event the required improvements are found to have defects or failures for one (1) year after completion or are found to have actual or latent defects, LDWA may cause the property to which it holds trust deeds to be sold and to apply the proceeds to make the required improvements.

The Association shall pay to the Applicant any proceeds it receives from the sale of the property which exceed the costs to LDWA of installing, constructing, replacing, or repairing the required improvements and the cost for foreclosing the trust deeds.

- D. IRREVOCABLE LETTER OF CREDIT. The Applicant shall file with LDWA an irrevocable letter of credit from a duly chartered state or national bank or savings and loan institution which letter shall contain provisions substantially similar to that required in the escrow agreement.
- E. DEFAULT. In the event the Applicant defaults or fails or neglects to install satisfactorily the required improvements within the required term, the LDWA Board may declare the guarantee forfeited, and may install or cause the required improvements to be installed, using the proceeds from the collection of the bond or other security to defray the expenses thereof.

SECTION 10. INSPECTION AND TESTING

All construction work involving the installation of water supply improvements shall be subject to LDWA inspection. Requests for inspection shall be made to LDWA by the person responsible for the construction. Notice shall also be given one (1) day in advance of the starting of work requiring periodic inspection.

Stages of construction which require inspection include:

- A. surveying, and
- B. bedding, and
- C. pipe laying, and
- D. pre-fill, and
- E. post-fill.
- F. Hard Surface Infrastructure

Additional stages may be designated by LDWA.

An inspection shall be made by the LDWA Board or its designee/representative upon receipt of a written request by the Applicant at the time each stage of construction begins. Any faulty or defective work, materials or installation shall be corrected within a period of thirty (30) days

of the date of the inspection report defining the faulty or defective work, materials, or installation.

Materials testing shall be conducted by an independent laboratory approved by ~~the~~ LDWA Board at the expense of the Applicant. All testing shall be in conformance to current ASTM, DEQ, and EPA standards.

SECTION 11. GUARANTEE OF WORK

The Applicant shall warrant and guarantee that the improvements provided hereunder, and every part thereof, will remain in good condition for a period of one (1) year after the date of the construction completion inspection report by the LDWA Board and its designee, and agrees to make all repairs or replacements to and maintain the improvements and every part thereof in good condition during that time with no costs to LDWA. The determination for necessity of repairs, replacement and/or maintenance of the work rests with the LDWA Board. Their decision upon the matter shall be final and binding upon the Applicant, and whenever, in judgment of the LDWA Board, said work shall be in need of repairs, maintenance, or rebuilding, it shall cause written notice to be served on the Applicant and thereupon the Applicant shall undertake and complete such repairs, replacement, maintenance, or rebuilding, or at the discretion of the LDWA Board, having LDWA employees complete the repairs, replacement or maintenance with the Applicant paying the cost. If the Applicant fails to do so within thirty (30) days from the date of the service of such notice, the LDWA Board shall have such repairs made, and the cost of such repairs shall be paid by the Applicant together with twenty-five percent (25%) in addition thereto as and for stipulated damages for such failure on the part of the Applicant to make or pay the cost of the repairs as decided by the LDWA Board.

Any omission on the part of the LDWA Board to condemn defective work or material at the time of construction shall not be deemed an acceptance, and the Applicant will be required to correct defective work or material at any time before the final acceptance and within one (1) year thereafter.

SECTION 12. WATER SHARE FEES

The Applicant, his heirs, successors or assigns, shall pay for each water share issued by LDWA. No water connection shall be allowed to anyone who is not a shareholder with respect to that connection. When a transfer is made of the title to the land upon which a connection is located and/or used, the water-share for which the connection is used shall transfer to the new owner of the land and shall be recorded in database of the Association.

SECTION 13. CONNECTION FEES

The Applicant, his heirs, successors or assigns shall pay for each connection described in the Application, the sum designated by LDWA as it may exist from time to time, for connect fees. The sum shall be in addition to the requirements heretofore set forth. LDWA shall thereupon install a meter and meter box, and the connection shall thereafter be an active connection, subject to standard monthly charges. In addition to the connection fee, the

shareholder of the said connection shall be liable, jointly and severally, to pay the monthly use fees as the same may be established from time to time by LDWA.

Without regard to the making of a guarantee required herein, the LDWA Board shall not approve the supply of water to any of the area described in the Application until the satisfactory completion of sufficient improvements to the supply connection(s) seeking service.

SECTION 14. COSTS OF ENFORCEMENT

Should any party default in any of the covenants or agreements herein contained that defaulting party shall pay all costs and expenses, including a reasonable attorney’s fee, which may arise or accrue from enforcing the terms of this Application or in pursuing a remedy provided hereunder or by applicable law, whether such a remedy is pursued by filing suit or otherwise.

SECTION 15. NOTICE

All notices or communications to be given under this Application shall be given in writing and shall be deemed given when deposited in the mail to the last known address of the party entitled to receive notice, postage prepaid, registered or certified.

SECTION 16. TIME OF ESSENCE

Time is of the essence in performance of any obligation hereunder.

SECTION 17. EFFECT OF DOCUMENT

All negotiations, understandings, representations and preliminary requirements and/or agreements are merged herein. The parties intend this document to be the final and exclusive expression of their Application. The Application may not be modified, amended or revoked unless in writing signed by all the parties hereto.

SECTION 18. APPLICABLE LAW

This Application shall be governed, interpreted, and construed by the laws of the State of Utah.

SECTION 19. BINDING OF SUCCESSORS

This Application shall apply to, insure to the benefit of and bind all parties hereto, their heirs, personal representatives and other successors.

LEEDS DOMESTIC WATERUSERS ASSOCIATION

By: _____

Donald Fawson, LDWA Board President

Attested and recorded

By: _____

Layna Larsen, LDWA Corporate Secretary Date: _____



APPLICATION TERMS FOR DEVELOPMENT CHECK LIST

SUBMISSION:

- of construction engineering drawings or plot plan for a single dwelling
- of engineering review inspection fee or Leeds building permit for single dwelling
- of evidence of ability to convey, when required, unencumbered water rights to the LDWA
- of payment of purchase of water share, as applicable
- of payment of impact fees
- of payment of water connection fee.
- of a corporate surety bond, where required.
- One of the following: where required**

deposit in escrow with an escrow holder approved by the Association an amount of money equal to at least one hundred twenty-five percent (125%) of cost improvements. Not required if connection meets 2005 exceptions.

- trust deeds to property within the area described in the Application estimated by the LDWA Board to have an unencumbered fair market value at least equal to one hundred fifty percent (150%) of the estimated costs of the improvements. Not required if connection meets 2005 exceptions.
- irrevocable letter of credit.
- warrant and guarantee that the improvements provided hereunder, and every part thereof, will remain in good condition for a period of one (1) year after the date of the construction completion inspection report by the LDWA Board and its designee, and agrees to make all repairs to and maintain the improvements and every part thereof in good condition during that time with no costs to the water company.