

1-15-03

**GRANTSVILLE CITY  
TOOELE COUNTY  
DESERET PEAK WATER SUPPLY AGREEMENT**

This Deseret Peak Water Supply Agreement ("Agreement") is made and entered into as of the 28<sup>th</sup> day of January, 2003 ("Effective Date") by and between Tooele County, a political subdivision of the State of Utah ("Tooele County"), and Grantsville City Corporation, a Utah municipal corporation ("Grantsville City").

**RECITALS**

**WHEREAS**, Tooele County owns and operates the Deseret Peak Complex ("DP Complex"), a recreation facility comprised of 800 acres and located approximately two miles east of Grantsville City; and

**WHEREAS**, the DP Complex has been supplied with culinary, irrigation, and dust control water by Tooele City; and

**WHEREAS**, Tooele City has disconnected the DP Complex from Tooele City's water supply system; and

**WHEREAS**, Tooele County wishes to secure a long-term water supply for the DP Complex, and

**WHEREAS**, Tooele County wishes to supply water to the DP Complex by drilling one or more wells in the vicinity south of Grantsville City, connecting such well(s) to the Grantsville City's water system, and connecting the DP Complex to Grantsville City's water system through construction of a 16" pipeline; and

**WHEREAS**, Grantsville City wishes to assist Tooele County in supplying water to the DP Complex in return for certain advantages enjoyed by Grantsville City in obtaining additional water

during power outages, augmenting its sources of supply, flexibility of management, and securing additional culinary water sales to the DP Complex.

**NOW, THEREFORE**, in consideration of the benefits to and the obligations of the parties hereto, the receipt and sufficiency of which are hereby acknowledged, Tooele County and Grantsville City **AGREE AS FOLLOWS:**

**1.0 Definitions.** When used in this Agreement, the following terms shall have the meanings set forth below:

a. "Delivery Point" shall mean one or more places at which water from wells established by Tooele County under this agreement are connected to the Grantsville City water System. The Delivery Point for the initial well shall be at a connection to a 10" pipeline feeding the South Willow Tank, the actual location of which shall be agreed to in writing by the parties to this Agreement. Additional Delivery Points, if any, shall be at places also agreed to by the parties to this Agreement.

b. "DP Well No. 1" shall mean the initial water well drilled by Tooele County for supply to Grantsville City and the DP Complex.

c. "DP Wells" shall mean DP Well No. 1 and any additional wells drilled by Tooele County for use at the DP Complex.

d. "Redelivery Point" shall mean one or more places at which water from the Grantsville City system is connected to a pipeline for delivery to the DP Complex. The initial Redelivery Point will be at a location on the 12" delivery line from the South Willow Tank near the Tooele Army Depot boundary.

e. "Summer Period" shall mean the time from April 1<sup>st</sup> through October 31<sup>st</sup>.

f. "Surplus Water" shall mean all water delivered to Grantsville City which is not redelivered to the DP Complex.

g. "Temporary Emergency" shall mean a failure to meet the water demands of (a) Grantsville City's customers, or (b) the DP Complex, due to power failures, equipment problems, Tooele County's inability to meet its dust control needs through other water sources, pipeline breakages or blockages, or similar interruptions of an expected duration of less than two weeks.

h. "Winter Period" shall mean the time from November 1<sup>st</sup> through March 31<sup>st</sup>.

**2.0 Obligations of Tooele County.** Tooele County agrees to:

2.1 Drill DP Well No. 1 located south of Grantsville City and equip such well with all required pumps, valves, meters, telemetric equipment approved by Grantsville City, and such other equipment necessary to operate the well. Tooele County will also be responsible for installation of required chlorination equipment.

2.2 Prior to delivery of water to the Delivery Point, Tooele County shall secure all necessary approvals from the State of Utah Division of Drinking Water to qualify as a culinary water system.

2.3 Provide an emergency generator together with a twelve hour fuel capacity to permit operation of DP Well No. 1 during power outages.

2.4 Obtain necessary easements and construct pipelines and interconnection facilities from the DP Wells to the Delivery Point and from the Redelivery Point to the DP Complex. Tooele County shall be responsible for interconnection costs. The design and construction of metering and interconnection facilities shall be subject to review and approval by Grantsville City

to insure compatibility with Grantsville's system. Grantsville City shall have the right to inspect the construction of all facilities. The line to be installed by Tooele County from the Redelivery point to the DP Complex shall be a 16" diameter pipe.

2.5 Install separate meters for culinary and irrigation uses at the DP Complex.

2.6 Pay all pumping costs for DP Wells during the Summer Period.

2.7 Install backflow prevention devices to protect culinary systems from contamination by irrigation and dust control facilities.

2.8 Upon Tooele County's completion of the well(s), pipelines and related equipment as specified in this Agreement and acquisition of all necessary easements, Tooele County agrees to transfer ownership of said well(s), pipelines, equipment and easements to Grantsville City.

**3.0 Water Rights.** Tooele County currently has water rights of up to 772 acre-feet with priority dating to 1868 which will be transferred at least in part to the DP Wells. Tooele County agrees not to transfer more than 772 acre-feet to the DP Wells without Grantsville City's express written consent. Tooele County shall obtain any necessary approvals by the State Engineer to transfer sufficient water rights to the DP Wells and to change the place, type and season of use to meet Tooele County's requirements of the Deseret Peak Complex. Such water rights shall remain the property of Tooele County and nothing herein shall be interpreted as a conveyance of water rights to Grantsville City. Nevertheless, Tooele County agrees not to use the DP Wells to supply water to any water user outside the DP Complex and Grantsville City unless otherwise agreed to in writing by Grantsville City. Grantsville City agrees not to protest any change applications as to the point of diversion or place, type or season of use for the purposes contemplated by this

Agreement. Annually, Grantsville City agrees to provide to Tooele County a certificate of use for all water taken from DP Wells that is used by the City.

**4.0 Obligations of Grantsville City.** Grantsville City agrees to:

4.1 Provide free of charge to Tooele County access on lands or rights-of-way owned by Grantsville City from the DP Wells to the Delivery Point and from the Redelivery Point to the DP Complex. The specific location of access upon or across Grantsville City's land or rights of way shall be agreed to in writing by Grantsville City.

4.2 Provide free of charge to Tooele County access to and sufficient capacity in existing Grantsville City storage tanks to meet DDW fire storage requirements for the DP Complex.

4.3 Pay all pumping costs of DP Wells during the Winter Period.

4.4 Provide for operation of any required chlorination equipment, including chemical costs.

4.5 After the transfer of ownership of the wells, pipelines and equipment to Grantsville City, Grantsville City agrees to maintain at its expense, all of said facilities up to the culinary and irrigation meters at the DP Complex, which meters shall be maintained by Tooele County.

**5.0 Wheeling Arrangements.**

5.1 Grantsville City agrees to redeliver, at no charge, all water delivered to it by Tooele County for irrigation at the DP Complex.

5.2 Grantsville City agrees to redeliver all water delivered to it by Tooele County for culinary use at the DP Complex. Tooele County agrees to pay to Grantsville City the standard culinary water rate for all culinary water used at the DP Complex. The culinary rate for the DP

Complex may be increased with regular changes to Grantsville City's culinary rate, but shall not be increased in a greater proportion than the increase in the average culinary rate approved for Grantsville City water users. The total culinary and irrigation water redelivered to the DP Complex shall not exceed 772 acre-feet or 2000 gpm, without Grantsville City's express written consent.

**6.0 Additional Wells.** The DP Complex comprises 800 acres, of which 200 acres have been developed as of the date of this Agreement. Tooele County believes DP Well No. 1 will have an initial capacity of at least 600 gpm which is sufficient source capacity to meet the irrigation (April 1 through October 31) and year-round culinary needs and perhaps some expansion of the DP Complex. Tooele County shall have the right to drill one or more additional wells of sufficient capacity to meet the water demand of about 2000 gpm. Such additional wells shall be subject to the same terms and conditions of Section 2.0 and the other provisions of this Agreement that are applicable to the DP Well No. 1, excepting the requirement to supply emergency power generation to such additional wells and then only as necessary to meet the peak daily demand of the DP Complex.

**7.0 Impact Fees.** Because Tooele County is (a) providing water rights, (b) paying all costs of drilling and equipment DP Wells, (c) paying all interconnect costs, (d) supplying surplus water to Grantsville City, and (e) providing emergency pumping capability on DP Well No. 1, Grantsville hereby waives all impact fees for delivery of water to the DP Complex through Grantsville City's system.

**8.0 Water Storage.** Tooele County shall have the right to deliver water from DP Wells to the DP Complex through the South Willow Storage Tank.

**9.0 Surplus Water.** Any water produced by DP Wells in excess of the demand of the DP Complex may be used by Grantsville City at no cost (excepting pumping costs during the Winter Period); provided, however, that the DP Wells be operated in a prudent manner with due regard to hydrologic conditions and protection of the aquifers. Grantsville City may also use any excess capacity in the system, including the use of pipelines installed by Tooele County to provide water to third parties, provided Grantsville City may not commit source capacity in DP Wells to third parties or diminish in any way Tooele County's rights under this agreement without the express written approval of Tooele County.

**10.0 Emergency Supply.** In the event of a Temporary Emergency each party agrees to make water available to the other, provided, however, that such emergency surplus does not unduly affect the supplying party's operations. In exercising its rights under this clause, the affected party will immediately notify the other of the nature and expected duration of the Temporary Emergency and the parties will immediately meet to coordinate their activities to deal with the Temporary Emergency while protecting each party from unreasonable economic impact.

**11.0 Operation and Maintenance.** Grantsville City agrees to own, operate and maintain the DP Wells, equipment and pipelines up to Tooele County's meters at the DP Complex and to incur all of the operation and maintenance expenses associated with the same, except as provided for herein, after their initial construction, installation and acquisition by Tooele County.

**12.0 Metering and Monitoring Equipment.** A flow meter and a telemetric transmitter shall be installed by Tooele County at each of the DP Wells. Tooele County shall install at least one flow meter and a telemetric transmitter on its irrigation system and one or more totalizing meters on its culinary system at the DP Complex. Meter accuracy shall be maintained within one percent of the original certified test results at all reasonable flow rates. Meter accuracy will be verified every five years or more frequently as recommended by the manufacturer. All telemetric monitoring equipment shall be compatible with Grantsville City's systems and shall be installed at Tooele County's expense.

**13.0 Location of Facilities.** Tooele County and Grantsville City agree to cooperate to locate all wells, pipelines, storage tanks and other facilities to minimize project costs and to minimize any inconvenience to Grantsville City's system. Grantsville City shall give final approval in writing of the location of said wells, pipelines, tanks and other facilities.

**14.0 Municipal Building Authority of Tooele County.** Tooele County intends to fund its project costs under this Agreement through bonds issued by the Municipal Building Authority of Tooele County (Authority) which was approved by the Authority in Resolution 2002-03. Grantsville City hereby agrees to the assignment of such rights and obligations of Tooele County to the Authority as Tooele County deems necessary or useful for its financing activities.

**15.0 Miscellaneous.**

15.1 Notices. Any notice or other communication required or desired to be served given or delivered hereunder shall be in writing and shall be deemed to have been duly served, given, or delivered upon personal delivery or upon deposit in the United States Mail,



registered or certified, with proper postage or other charges prepaid or sent by an overnight courier guaranteeing next day delivery and addressed to the party to be notified as follows:

Tooele County  
Tooele County Commission  
47 South Main  
Tooele, Utah 84074

Grantsville City Corporation  
Attn: Mayor  
429 East Main Street  
Grantsville, Utah 84029

15.2 Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and insure to the benefit of the successors and assigns of the respective parties hereto except as otherwise expressly set forth herein.

15.3 Attorney's Fees. If either party to this Agreement brings legal action to construe or enforce any of the terms and conditions of this Agreement, the prevailing party in that action shall be entitled to recover reasonable attorney's fees incurred in enforcing any judgment entered therein or in an appeal therefrom.

15.4 Severability. The provisions of this Agreement are intended to be severable in the event one or more provisions are deemed to be illegal, invalid or unenforceable. If any term or provision of this Agreement is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

15.5 Application of Utah Law; Venue. This Agreement and the application or interpretation thereof shall be governed, construed, and enforced exclusively by its terms and by the law of the State of Utah, and the appropriate courts in the County of Tooele, State of Utah,

shall be the appropriate forum for any litigation arising hereunder.

15.6 Execution in Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same documents. All counterparts shall be construed together and shall constitute the Agreement.

15.7 Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters covered herein and no other agreement, statement or promise made by any party which is not contained herein shall be binding or enforceable. This Agreement may be modified or amended only by written instrument duly executed by the parties hereto.

Executed this 16 day of January, 2003.

TOOELE COUNTY

GRANTSVILLE CITY CORPORATION

By: [Signature]

By: [Signature]

Its: Commission Chair

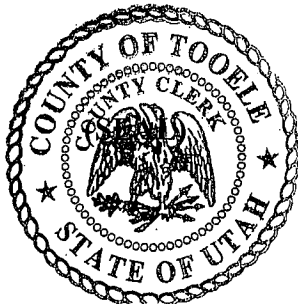
Its: MAYOR

Attest

Attest

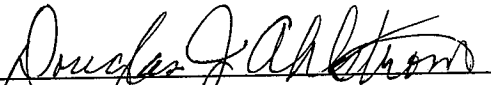
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Tooele County Recorder [Signature]

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Grantsville City Recorder

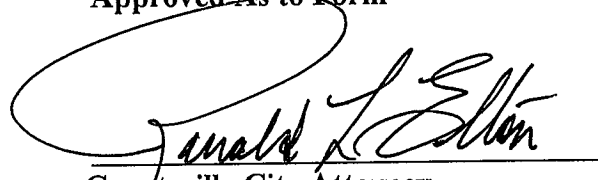


(SEAL)

Approved As to Form

  
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Tooele County Attorney

Approved As to Form

  
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Grantsville City Attorney