

Contract # 230582
SRF # 3F1831
Amount: \$21,700.00
Recipient: Skyline Mountain SSD
Tax ID # 87-0668748

PLANNING PRINCIPAL FORGIVENESS AGREEMENT

DRINKING WATER STATE REVOLVING FUND

STATE OF UTAH

Department of Environmental Quality
Drinking Water Board

This principal forgiveness agreement is entered into by and between the State of Utah, Department of Environmental Quality, Drinking Water Board (hereinafter the "BOARD") and

Skyline Mountain Special Service District

an applicant for principal forgiveness under the Drinking Water Board provisions contained in R309-705 of the Utah Administrative Code as authorized by Utah Code Title 73, Chapter 10c (hereinafter the "RECIPIENT"). Pursuant to the provisions of the Statute, and the powers and functions of the Drinking Water Board, the BOARD hereby finds and determines, based upon the formal application of the RECIPIENT, the evidence provided by the RECIPIENT to the BOARD and its staff, and information developed by the BOARD in its own investigations and at the hearings on the application of the RECIPIENT, the following, that:

1. The RECIPIENT is eligible for financial assistance pursuant to the Safe Drinking Water Act Section 1452 42 USCA 300j et seq.
2. The BOARD has determined that principal forgiveness is necessary to determine the economical feasibility of the proposed Project as described hereafter as Exhibit-1.
3. The RECIPIENT has been authorized by the BOARD pursuant to Section R309-705 of the Utah Administrative Code and as authorized by Utah Code Title 73-10c-4 to receive principal forgiveness.

Based upon these findings, the BOARD is authorized and empowered to, and does hereby, enter into the following agreement with the RECIPIENT.

GENERAL PROVISIONS

1. The BOARD shall provide the RECIPIENT the amount of \$21,700.00 (PRINCIPAL FORGIVENESS AMOUNT) for the completion of the Project as described in Exhibit-1, Work Description and Cost Breakdown.
2. The RECIPIENT shall complete the Project described in Exhibit-1, Work Description and Cost Breakdown. If work on the Project is not completed by August 31, 2023, this principal forgiveness may be canceled by written notice from the BOARD to the RECIPIENT. No work completed after receipt of the notice shall be reimbursable.
3. The RECIPIENT shall notify the BOARD in writing of any proposed modifications to the Project which alters Exhibit-1, Work Description and Cost Breakdown. If such notification is not received, the cost of the proposed modification will be disallowed.
4. The PRINCIPAL FORGIVENESS AMOUNT shall be deposited with other funds necessary to complete the Project into a supervised escrow account at the time this principal forgiveness agreement is executed. All disbursements from the escrow account must be reviewed and approved in advance by the RECIPIENT and the BOARD. Upon completion of the Project unused principal forgiveness funds which remain in the escrow account must be returned to the BOARD. Funds returned as surplus to the BOARD shall be applied as a reduction of the PRINCIPAL FORGIVENESS AMOUNT.
5. The RECIPIENT shall comply with all laws which normally govern its affairs in regard to contracts, fiscal procedures and procurement procedures.
6. The RECIPIENT shall indemnify and hold harmless the State of Utah, the Department of Environmental Quality, the Division of Drinking Water, the BOARD and their officers, agents and employees from and against any and all loss, damage, injury, liability, and claims, including claims for personal injury or death, damages to personal property and liens of workmen and materialmen, howsoever caused, resulting directly or indirectly from the performance of this principal forgiveness agreement by the RECIPIENT, or the operations of the Project and the culinary water system for which this Project is a part including attorneys fees and costs in the investigation or defense of any claim, whether or not the claim has merit.
7. The RECIPIENT shall be an independent contractor, and, as such, shall have no authorization, express or implied, to bind the State of Utah, the Department of Environmental Quality, the Division of Drinking Water, or the Drinking Water Board to any agreement, settlement, liability, or understanding whatsoever, nor to perform any acts as agent for the State of Utah, except as herein expressly set forth.

8. RECIPIENT expenditures under this principal forgiveness agreement determined by audit to be ineligible for reimbursement because they were not authorized by the terms and conditions of the agreement, or that are inadequately documented, and for which payment has been made to the RECIPIENT will be immediately refunded to the BOARD by the RECIPIENT upon written demand of the BOARD. The RECIPIENT further agrees that the BOARD shall have the right to withhold any or all subsequent payments under this or other contracts to RECIPIENT until recoupment of overpayment is made.
9. This principal forgiveness agreement may be altered, modified, or supplemented only by written amendment, executed by the parties hereto, and attached to the original signed copy of this agreement. No claim for services furnished by the RECIPIENT, not specifically authorized by this agreement will be allowed by the BOARD.
10. If it is determined that in any manner the principal forgiveness agreement was improperly made or entered into, or if the monies are or were used improperly or contrary to the terms of this agreement, the RECIPIENT shall pay to the BOARD the amount of all monies and benefits received by the RECIPIENT from the BOARD.
11. The RECIPIENT agrees, in accepting the proceeds, to comply with all applicable state and federal regulations related to the Utah State Revolving Fund administered by the Drinking Water Board. These requirements include, but are not limited to, Title XIV of the Safe Drinking Water Act of 1996, OMB Circular A-133, the Utah Federal State Revolving Fund Program (R309-705 of the Utah Administrative Code), the Utah Money Management Act, the Utah Procurement Code and the State of Utah Legal Compliance Audit Guide.

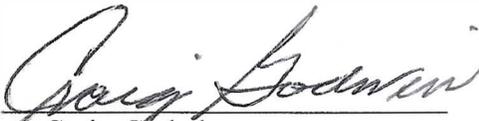
EXECUTION

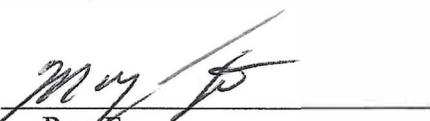
NOW, THEREFORE, by virtue of the authority contained in Utah Code Title 73, Chapter 10c, as amended, the parties hereto mutually agree to perform this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this 30 day of August, 20 22. This contract will take effect upon approval as evidenced by the appropriate signatures.

RECIPIENT

Skyline Mountain Special Service District
22130 North 11750 East
Fairview, Utah 84629

By: 
Craig Godwin
Board Chair

By: 
Roy Fox
Treasurer

STATE

APPROVED - DRINKING WATER BOARD

By: 
Michael J. Grange, P.E.
Assistant Executive Secretary

APPROVED - DIVISION OF FINANCE

RECEIVED AND PROCESSED
By: **BY DIVISION OF FINANCE**

Sheri Witucki

Exhibit No. 1

WORK DESCRIPTION & COST BREAKDOWN

Skyline Mountain Special Service District

PRINCIPAL FORGIVENESS

PROJECT DESCRIPTION

Skyline Mountain Special Service District has requested and been approved for principal forgiveness from the Drinking Water Board. This principal forgiveness is for the cost of completing an impact fee study. To partially fund this work, the Board authorized a planning loan with 100% principal forgiveness of \$21,700.00 to Skyline Mountain SSD.

SCOPE OF WORK

(Please attach a copy of the scope of work)



SALT LAKE AREA OFFICE
859 W. South Jordan Parkway, Ste. 200
SOUTH JORDAN, UTAH 84095
PHONE: (801) 566-5599
FAX: (801) 566-5581
www.hansenallenluce.com

Mr. Roy Fox
Skyline Mountain Special Service District
2201 SMR
Fairview, UT 84629

April 29, 2021

Subject: Proposal for the 2021 Water System Master Plan

Dear Roy:

Hansen, Allen & Luce (HAL) appreciates the opportunity to provide this proposal for a water system master plan for the Skyline Mountain Special Service District (District). The purpose of the plan is to help the District identify improvements that would be needed to provide a year-round water system in the upper portion of the District's service area. This area includes Areas 2 and 3 of the Skyline Mountain Resort (SMR). The master plan will identify water rights, water sources, storage facilities, and distribution pipelines that will be needed to provide a reliable and fully-functioning system. It will also include preliminary plans for a maintenance/office building for the district. The master plan will also include capital facilities plan that will give a proposed schedule and annual expenditures needed to support a logical sequence of construction. We will also perform an impact fee facility plan and impact fee analysis which will identify allowable impact fees that can be assessed.

Our recommended scope of work for the water system master plan is as follows:

SCOPE OF WORK

TASK 100 Data Collection, Project Start-up and Data Assessment

Objective: Project start-up, data collection, data review and assessment. Develop water demand and production estimates.

Activities:

1. Project management, communication and coordination.
2. Conduct a virtual start-up meeting with District personnel. This meeting will include a review of study objectives and schedules. This will also include a workshop with District personnel to discuss water system design criteria and standards.

3. Review the existing water model, previous reports, related literature and available data.
4. Prepare a technical memorandum describing the results.

Output:

- Technical memorandum

TASK 200 Water System Model Update

Objective: The existing water system model will be updated based on input received during workshops with District personnel and other available data. While a significant amount of work has been done updating the model over the past few years, additional work is necessary in order to reflect the District's current thinking regarding the water system. HAL will coordinate with the Sanpete County Fire Marshall to evaluate whether there is a need to provide fire protection. This will influence storage tank and pipe sizes.

Activities:

1. Coordinate with the Sanpete County Fire Marshall to determine the need for providing fire protection to the system.
2. Prepare EPANET model based on the District's existing system model.
3. Prepare the water demand distribution for the existing water system based on the recorded lots in SMR Areas 2 and 3 and the Utah Division of Drinking Water's design requirements.
4. Perform modeling and identify pipe sizes in the distribution system based on flow and pressure.

Output:

- Future conditions hydraulic model

TASK 300 Maintenance/Office Building Planning

Objective: Develop a concept and preliminary plan for a District Maintenance/Office Building

Activities:

1. Prepare a preliminary site plan for the building including building square footage requirements and type of construction.

2. Develop a preliminary cost estimate for the building.

Output:

- Preliminary site plan
- Preliminary cost estimate

TASK 400 Prepare Capital Facilities Plan, Impact Fee Facility Plan, Impact Fee Analysis and Master Plan Report

Objective: Prepare a capital facility plan, impact fee facility plan, and impact fee analysis for buildout conditions of SMR Areas 2 and 3. Prepare draft and final reports. Present these to District personnel and District Board.

Activities:

1. Prepare a Capital Facility Plan including an estimated schedule for facility construction, including cost estimates.
2. Prepare an Impact Fee Facility Plan. Because the system will be all new construction, this plan will be similar to the Capital Facility Plan
3. Prepare an Impact Fee Analysis with recommendations for Impact Fees.
4. Prepare a draft report which describes methodology, results, findings, recommendations and selected alternatives. Provide a copy to the District.
5. Conduct a meeting with District personnel to review the draft plan and receive comments.
6. Present the water system master plan at a District Board meeting.
7. Prepare the final water master plan report. Prepare prints. Provide to the District.

Output:

- Capital Facilities Plan
- Draft and Final Reports

SCHEDULE

It is anticipated that this work can be completed within 6 months of receiving a notice to proceed.

Mr. Roy Fox
April 29, 2021
Page 4 of 4

ENGINEERING FEE

HAL's estimated fee to prepare the master plan is **\$21,700**. Charges to the project will be based on actual expenses in accordance with HAL's Fee Schedule, a copy of which is attached. If less effort is required by HAL to accomplish the tasks than is anticipated, the District will only be invoiced for the actual effort required. A spreadsheet outlining estimated personnel costs by task and subtask is attached.

ASSUMPTIONS

1. Up to 5 hard copies and 1 PDF will be provided for the draft and final copies of the report. Other documents will be provided as PDF.

Please contact us if you have any questions about our proposal.

Sincerely,

HANSEN, ALLEN & LUCE, INC.

A handwritten signature in black ink that reads "Richard M. Noble". The signature is written in a cursive style and is positioned above a horizontal line.

Richard M. Noble, P.E.
Managing Principal