

**GRAND WATER & SEWER SERVICE AGENCY  
IRRIGATION WATER APPLICATION AND AGREEMENT**

THIS AGREEMENT is made this 12<sup>th</sup> day of June, in the year 2006 at Moab, Utah between the GRAND COUNTY WATER & SEWER SERVICE AGENCY, referred to below as "the Agency", and Whitehorse HOA, referred to below as the "Water User". The Agency is a Utah water conservancy district formed under the provisions of Paragraph 79-9-1, Utah Code Annotated (1953) for purposes of developing and improving the water resources of the State of Utah. In furtherance of these goals and purposes, the Agency hereby agrees to sell water on a year-to-year basis to Water User on the following terms and conditions:

1. **QUANTITY.** The maximum quantity of water to be sold under this Agreement shall be 5 acre feet of water per year. The quantity delivered each year may differ and will depend upon the amount available and the subsequent proration per user class. The maximum quantity of water allowable under this contact will be determined pursuant to a schedule based upon consumptive uses by crop irrigated and established by the Board of Trustees of the Agency.

2. **USE.** The use to be made of this water by Water User shall be limited to the sprinkle or drip irrigation of acres and watering of livestock located on the following described premises: \_\_\_\_\_. Present use is approximately \_\_\_\_\_ acres in alfalfa, \_\_\_\_\_ acres grass or pasture \_\_\_\_\_ acres in lawn and garden, \_\_\_\_\_ acres sprinkled fruit orchards, \_\_\_\_\_ acres drip fruit orchards, \_\_\_\_\_ drip grave vineyards and \_\_\_\_\_ acres to be developed for the following agricultural purposes: \_\_\_\_\_. The water to be purchased by user under this agreement is for the irrigation of agricultural crops and livestock watering and is not of culinary quality. The district assumes no liability if the user allows said water to be used for culinary purposes.

3. **PAYMENTS.** Water User agrees to pay \$245.40 for the agreed quantity of water in advance. Payment shall be due on or before January 1 of the year in which the water will be used. It is understood and agreed that water rates may vary from year-to-year to allow for payment of the Agency's obligations to the State of Utah and to provide the necessary revenue for the proper operation and maintenance of the system. On or before each November 15th, the Operating Board of the Agency will set the water rates for the coming irrigation season and complete mailing of all bills to Users. Water user agrees to pay for the water contracted for, whether or not the water is actually taken and used. This contract is in effect on a year-to-year basis, and will terminate without further notice if payment is not received by January 31st of the year in question. Upon termination of this contract, it is hereby mutually agreed that the water will be considered available for sale to other users; no rights to water have been contractually created.

4. **CONNECTION FEE.** Water User agrees to pay a connection fee to cover the costs of connecting Water User's irrigation system to the Agency's pipeline. This connection fee covers the cost of excavation, plumbing, gate valve, backfilling and administrative expenses relative to Water User's connection. All plumbing work to the User's side of the valve shall be done by the Agency or its contractors and shall become the property of the Agency. The connection fee is calculated on the cost of running the service line from the Agency main to the delivery point, and shall be according to the schedule documented in the Rules and Regulations as adopted by the Board of Directors of the Agency. (See "CONNECTION AGREEMENT")

5. **MAINTENANCE.** The district agrees to maintain its water collection and distribution system to the Agency's side of the Water User's valve or point of connection. Water User shall be responsible for all maintenance and repairs on the outflow side of valve or the point of connection. The Agency shall maintain the valve.

6. **PRESSURE.** The Agency's system is designed to deliver pressure at this Water User's connection at an estimated average normal pressure of \_\_\_\_\_ psi. Water User shall install a sprinkling system which is comparative with these operating pressures, or, at his or her cost, install equipment to increase or decrease pressure to meet the particular needs of his or her system. Damages to the Water User's system resulting from pressure fluctuations will not be the responsibility of the Agency.

7. **INTERRUPTION IN SERVICE.** The Agency and its directors, employees, or agents, shall have no liability to Water User for damage or crop loss due to interruptions in service due to emergency shut-down, malfunction, or damage to the Agency's pipeline, reservoir or diversion systems, or other events beyond the reasonable control of the Agency. The Agency agrees to make repairs to their system as quickly as reasonably possible, and further agrees to keep the overall system in a good state of repair at all times.

8. **ALLOCATION OF SHORTAGES.** In the event that water is in short supply, and the Agency is unable to supply all of the water the Agency has contracted for and such shortfall has occurred as a result of drought, pipeline or dam failure or other circumstances beyond the control of the Agency, the Agency's Board of Directors shall have the right to allocate available water among the Water Users. The Agency will give preference in allocation to domestic and municipal supply needs through exchange agreements.

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9. **BENEFICIAL USE.** The doctrine of beneficial use shall be applied to water sales from the Agency to Water User. Under this doctrine, no Water User shall be allowed to contract for more water than is determined by the Agency that he or she may be able to beneficially use at the time the water is contracted for. If, in the Agency's opinion, any water user has contracted for excess water beyond what can be beneficially used by that Water User, and there exists a significant demand for additional water from other water users or would-be water users, the Agency may reduce the quantity of water contracted for under this Agreement provided that the annual payments shall also be reduced proportionately. Any such action must be in writing from the Agency to the Water User.

10. **ASSIGNMENT.** Water User may assign with the approval of the Agency all or part of the land and proportionate water under this contract to any other person or entity for irrigation use and livestock watering; approval will not be unreasonably withheld provided that all payments and assessments due under this contract are current at the time of the assignment, and further provided that the assignee agrees to assume the Water User's assigned obligations under this contract and that all or that part of the land and water described in the assignment will continue to be used for agricultural uses. The Water User shall file a copy of the assignment and assumption agreement with the Agency's office. Changes of use proposed by an assignee of all or part of the interests herein may not be made under this contract or assignment thereof.

11. **METERING.** If the Agency determines that it is necessary to meter Water User's connection in order to ensure proper payment of water used or for other purposes, the Agency may install and maintain meters at its own expense. Water User agrees that after meters are set, payment may continue on the basis of acreage irrigated, by reference to the meter reading, or some combination of the two, as determined by the Board of Directors. If for any reason the Water User requests a water meter be installed, the Agency may install said meter at Water User's expense.

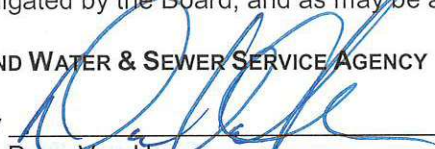
12. **CONVERSION OF USE.** The water sold under this Agreement is for irrigation and stock watering purposes only. Conversions to other uses, such as municipal or industrial uses are not permitted under this contract. Proposed conversions of usage may be made only through the completion of a contract between the Agency and Water User in the form established by the Agency for such uses and agreement to pay the applicable water rates set by the Board.

13. **PRIOR AGREEMENTS.** This agreement made and signed on this date, voids any and all prior agreements made between the Agency and Water User specific to amount and cost of acre feet purchased.

14. **RULES AND REGULATIONS.** This Agreement made subject to the Rules and Regulations of the Agency as promulgated by the Board, and as may be amended from time-to-time.

GRAND WATER & SEWER SERVICE AGENCY

By

  
Dana Van Horn  
Manager Operator  
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WATER USER

  
Whitehorse HOA  
Whitehorse HOA  
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2845 S. East Bench RD #3  
Moab, UT 84532  
Mailing Address


Telephone: 435-259-3193

State of UT

Country of Grand

On this 30<sup>th</sup> day of Nov, in the year 2017 personally appeared Tom Reese, whose identity is personally known to me (or proved on the basis of satisfactory evidence) and who by me duly sworn (or affirm), did say he (he/she) is the Director (title or office) of Whitehorse HOA and said document was signed by him (him/her) in behalf of said Corporation by Authority of its Bylaws or (Resolution of its Board of Directors), and said Whitehorse HOA acknowledged to me said Corporations executed the same.

Witness my hand and official seal

  
Notary Public

