

**DUCHESNE COUNTY WATER CONSERVANCY DISTRICT
RESOLUTION APPROVING WATER PETITION**

of

JOHNSON WATER DISTRICT

May 12, 2014

WHEREAS, the JOHNSON WATER DISTRICT ("Petitioner") has entered negotiations with the DUCHESNE COUNTY WATER CONSERVANCY DISTRICT ("District") for the District to provide the Petitioner water pursuant to a Water Supply Contract through a water pipeline known as the Victory Pipeline to be extended from Starvation Reservoir to the Lake Boreham area for Phase One and from the Lake Boreham area to the Roosevelt area for Phase Two.

WHEREAS, the Water Supply Contract and a letter of intent between Petitioner and the District set forth the necessary terms for a Water Petition under Title 17B, Chapter 2a, Section 1007 of the Utah Code:

NOW THEREFORE, the governing body of the Duchesne County Water Conservancy District, Utah hereby resolves as follows:

1. The Governing Body of the Petitioner on March 13, 2014, authorized entering into a Water Supply Contract with the District in the amount of 1,000 acre feet of water annually with 700 acre feet for Phase One and an additional 300 acre feet of water for Phase Two of the Victory Pipeline.
2. The water under the described Water Supply Contract will benefit the land within the Petitioner's boundaries and this petition is for properties within those boundaries.
3. The cost of water will be the District's actual cost of treated water (currently estimated at \$190 per acre foot) plus \$0.55 per thousand gallons for the initial 5 years, with the right of the District to adjust the cost of water per thousand gallons every 5 years or when the District incurs additional debt with respect to the Victory Pipeline. Payments will be made in cash equivalents monthly from the Petitioner's water revenues. The full terms are set forth in the Water Supply Contract referenced and can be viewed at the offices of the Petitioner and the District.
4. Within the Water Supply Contract, the parties agree on the turnouts and connections for the initial construction. After initial construction Petitioner will pay the cost of any additional service, turnout, connection, or modification to the system or other charge it requests.
5. In making this petition, Petitioner requests that the contract assessment herein described shall become a lien on the land within the Petitioner's boundaries.

6. Petitioner agrees to be bound by Section 1007 of Title 17B, Chapter 2a of the Utah Code imposing an assessment lien on the lands in its service area and the other rules and regulations of the District.
7. The District held a public hearing regarding this petition and, subject to the comments at the public hearing, grant this petition.
8. The District hereby approves, authorizes and grants the Petitioners petition as set forth herein and finds that it is in the best interest of the District and the Petitioner.
9. The District expresses its intent and authorizes:
 - (a) an allotment of water for the benefit of assessed land; and
 - (b) any necessary construction to provide for the use of water upon the terms and conditions stated in the water contract, meaning the Victory Pipeline; and
 - (c) levying a contract assessment on assessed land within the Petitioner, in the event the Petitioner is delinquent in payments as set forth in the water contract.
10. The District shall cause a certified copy of this resolution levying the assessment to be recorded in the office of the Duchesne County Recorder, along with a description of the boundaries of the Petitioner and thereafter this assessment shall be a perpetual lien on the properties within the boundaries of the Petitioner.
11. In the event the District shall levy an assessment on the properties within the boundaries of the Petitioner, the District shall provide the notices and hold the hearings required by Section 1007.

DATED this 12th of May, 2014

DUCHESNE COUNTY WATER CONSERVANCY
DISTRICT, UTAH

Morgan Henderson

Chair

ATTESTED

Clyde Watson
District Clerk

(SEAL)



4825-1320-2203, v. 1

4825-1320-2203/DU006-002