

REQUEST FOR PROPOSALS (RFP)

FOR COMPREHENSIVE OPERATIONS, MAINTENANCE, CAPITAL FACILITIES, MANAGEMENT, AND ADMINISTRATIVE SERVICES

**ISSUED BY: POWDER MOUNTAIN WATER AND SEWER IMPROVEMENT
DISTRICT**

DATE OF ISSUANCE: April 9, 2026

PROPOSAL DUE DATE: April 30, 2026, 5:00 p.m. MDT

1. INTRODUCTION AND BACKGROUND

Powder Mountain Water and Sewer Improvement District (the “District”) is soliciting competitive sealed proposals from qualified entities (each, an “Offeror”) to provide comprehensive operations, maintenance, capital facilities, management, and administrative services for the District. The District’s goal in pursuing this arrangement is to enhance operational efficiency, reduce operating costs, and strategically position the District for future capital improvements—whether financed by the District or external parties—that can be executed more cost-efficiently and with greater timeliness. Ultimately, the aim is to deliver meaningful savings for all ratepayers while elevating the quality of services and infrastructure.

The District intends to enter into a multi-year contract with a qualified vendor (the “Contractor”) in accordance with the form Service Contract attached here to as Exhibit “A.” The Contractor will perform substantially all day-to-day operations of the District, including:

- operating, building, maintaining, and repairing water/sewer assets (pipes, manholes pumps, meters, valves, connections, lift stations, sewer lagoons/ponds, and other facilities);
- managing wells/sources, lagoons/ponds, manholes, piping, buildings/grounds, easements, and associated properties;
- managing water rights/interests and water contracts and defending against adverse claims;
- performing required inspections, monitoring, and testing;
- maintaining permits/licenses and filing all required reports with local governments, state agencies, and the like;
- performing customer operations and carrying out customer communications, including accepting applications, delivering service, handling routine inquiries, enforcing Board of Trustees rules, and implementing Board of Trustees directives;
- conducting billing & collections;
- maintaining financial books/records, paying obligations, and processing invoices;
- supporting the Board of Trustees through meeting coordination, notices, agendas, and minutes;
- paying all District invoices/bills as approved by the Board of Trustees;

- complying with and paying all bond and bank debt service from collections;
- maintaining the District website;
- managing records & administration in compliance with state law and District policy; and
- administering contracts and overseeing vendors.

The District, through its Board of Trustees (the “Board”) and other independent contractors, will retain all policy-level governance and oversight, including, without limitation:

- setting strategy and long-term system priorities;
- promulgating policies, rules, and procedures;
- approving all will-serve requests and overseeing customer fairness, consistency, and equal treatment;
- appointing the District Clerk and Treasurer;
- setting routine expenditure thresholds;
- controlling bank accounts;
- approving budgets, audits, and extraordinary expenditures;
- setting rates/charges, imposing impact fees and exactions, and levying taxes and assessments;
- approving all annexations;
- approving debt/bonds;
- approving capital facilities and expenditure plans;
- approving non-delegated contracts;
- approving any and all irrigation policies for implementation;
- approving any and all snowmaking plans/usage and policies;
- making all decisions with respect to acquisition or disposition of real property assets, including water rights, fixtures, and other water interests owned, or contemplated to be owned, by the District; and
- exercising oversight through, for example, signing checks, regularly reviewing expenditures, and requiring third-party engineer sign-off for capital work.

The District will retain ownership of all infrastructure, water rights, data, real property, and other assets.

2. BACKGROUND

Powder Mountain Water and Sewer District is a special district in Weber County, Utah, created to provide culinary water and wastewater services to the Powder Mountain area, including the mountain resort and some surrounding residential developments, all as delineated by the current District boundaries set forth on Exhibit “B.” As an independent political subdivision of the State of Utah, the District is governed by a board of trustees and operates under Title 17B of the Utah Code. Its core responsibilities include developing, operating, and maintaining water production,

storage, and distribution infrastructure, as well as collection, treatment, and disposal systems for wastewater, all in a high-elevation, seasonally variable environment.

The District's service area encompasses resort ski lodges and related facilities, lodging, private homes (including condominiums), and other mountain properties, requiring infrastructure designed to handle fluctuating demand driven by tourism and primary and second-home occupancy. In addition to day-to-day operations, the District plans for long-term water and sewer capacity, water rights management, regulatory compliance with state environmental standards, and capital improvements to support continued development in the Powder Mountain area.

The District currently has five employees but is looking to outsource much of its operations. By the end of a transition period (anticipated 90 days), it is intended that the District will have no employees. During the transition period, all District employees will remain employees of the District, and all Contractor employees will remain employees of the Contractor. Contractor personnel performing services will not be District employees and will not be eligible for District-sponsored benefits (including Utah Retirement Systems) by virtue of performing services for the District. The current District employees are anticipated to be available for hire by the Contractor, if both the Contractor and the employee(s) so agree. During the transition period, if mutually agreed by the District and the Contractor, a secondment arrangement could be pursued pursuant to which the District's employees are assigned to work under the Contractor's day-to-day direction, in which case the Contractor will follow District timekeeping, scheduling, and overtime pre-approval requirements for District employees and provide the District with the information the District needs to process payroll and benefit reporting.

3. SCOPE OF SERVICES

The selected Contractor will be expected to provide comprehensive operations, maintenance, capital facilities, management, and administrative services. The Contractor is responsible for providing all labor, equipment, tools, materials (unless expressly stated otherwise), software and systems (including email for the Board and website operations and maintenance), and supplies necessary to perform the Scope of Services. The scope of work will include the following:

3.1 Fiscal Procedures and Services

In conformance with the provisions of Utah Code § 17B-1-601 et seq., Fiscal Procedures for Special Districts, and other applicable laws and regulations:

- (1) Maintain all financial books, records, and accounts pertaining to all District finances and financial obligations.
- (2) Provide regular financial reports (monthly, quarterly, annual).
- (3) Support and provide information to an outside auditor.
- (4) Recommend a District budget to be approved by the Board.

- (5) Manage, account for, and invest all District revenues, including tax revenues, service fees and charges, impact fees, connection fees, and all other District revenues, and manage all expenditures of such revenues on behalf of the District.
- (6) Pay all contract, bond, and other payment obligations due and owing by the District as and when due.
- (7) Receive and process all District invoices.
- (8) Coordinate the review, approval, and coding of all invoices with the Board to ensure timely payment.
- (9) Prepare draft capital facilities and maintenance plans for the Board to consider and, upon approval, timely file with the appropriate agencies.
- (10) Calculate appropriate proposed rates, fees, taxes, and assessments for Board consideration.
- (11) Comply with District financial oversight procedures, including routine expenditure thresholds, check/disbursement approvals, and quarterly (or more often) reviews of delegated expenditures.
- (12) With the approval of the Board, contract for accounting and related services to manage and account for, in whole or in part, as determined by the Board in its sole discretion, the services enumerated in this subsection 3.1 above.

3.2 Water and Sewer System Management, Operations, and Maintenance

In conformance with all rules, regulations, and policies promulgated by the Board, applicable state law, and best practices in the industry:

- (1) Operate, maintain, monitor, and repair any and all pipelines, pump and lift stations, lagoons/ponds, meters, manholes, valves, and all other facilities and equipment which are associated with the sewer and water systems.
- (2) Construct new District assets consistent with the District capital facilities plan and in compliance with Board procurement policies and state procurement laws.
- (3) Develop and maintain a preventive maintenance plan for all District assets.
- (4) Manage all water rights, water interests, and water contracts of the District and maintain the same in good standing, including by tracking deadlines, monitoring compliance, maintaining files, coordinating with legal counsel, and preparing factual support for defense against adverse claims.
- (5) Manage, operate, maintain, and repair all District wells, springs, and other sources of water supply and manage the fulfillment of all related contractual and other obligations of the District.
- (6) Manage, maintain, and repair all District buildings, grounds, and improvements.
- (7) Manage, enforce, and protect all District easements and properties that are associated with the water and sewer systems.

- (8) Perform or cause to be performed all required inspections, monitoring, and testing.
- (9) Manage and maintain all licenses, permits, or consents from all governmental entities or other persons necessary to carry out the business of accomplishing the purposes of the District.
- (10) Ensure compliance with all water and sewer quality, testing, and reporting.
- (11) Ensure compliance with any master plan obligations.
- (12) Comply with any contractual or permit obligations of the District, including exchange applications and reuse agreements.
- (13) Create and maintain an inventory of all District assets with, where applicable, GIS recordation, including, without limitation, all wells, pipes, lift stations, manholes, distribution lines, vehicles, and computers.
- (14) Seek funding from state and federal agencies and other sources on behalf of the District for upgrading in-place infrastructure.
- (15) Develop and implement a preventative maintenance plan and annual O&M plan.

3.3 Water and Sewer Service

In conformance with all rules, regulations, and policies promulgated by the Board, applicable state law, and best practices in the industry:

- (1) Manage, administer, and provide municipal water and sanitary sewer service (collectively, “Water Service”) to all District customers within the service area of the District.
- (2) Receive and queue all new applications for Water Service, review for completeness, manage applicant communication, and make technical recommendations to the Board.
- (3) Manage, calculate, bill, collect, and enforce the payment of all fees and charges for Water Service provided by the District in conformance with all fiscal procedures and requirements of applicable State law and District policies.
- (4) Provide emergency support, including 24/7 on-call response, adequate staffing and equipment for emergency repairs, coordination with emergency management agencies, incident reporting, and after-action documentation.
- (5) Implement and enforce all rules, regulations, policies, and procedures as promulgated by the Board pertaining to District operations.
- (6) Provide adequate office staffing (can be shared).
- (7) Oversee and administer the District’s irrigation policies as in effect from time to time.
- (8) Provide professional, courteous, and responsive customer service to all District customers, including 24-hour emergency response, in accordance with industry best practices and all applicable laws and policies.

3.4 Board Meetings, Notices, Reporting, and Communications

The Contractor shall have the following duties and responsibilities with regard to District Board meetings and related matters in conformance with applicable state law:

- (1) Coordinate all Board meetings.
- (2) Prepare, publish, and post all required notices in conjunction with all Board meetings.
- (3) Prepare and distribute monthly financial reports.
- (4) Prepare and distribute Board agendas and informational materials with respect to each Board meeting.
- (5) Through the Contractor's designated representative, attend all Board meetings and be prepared to report on all Contractor activities pertaining to its duties and responsibilities for the District as requested by the Board.
- (6) Prepare meeting minutes for all meetings of the Board.
- (7) Manage all other details incidental to meeting preparation and follow-up.
- (8) Administer the District's website.
- (9) Respond to routine inquiries, questions, and requests for information regarding the District.
- (10) Provide customer service and respond to customer communications (walk-in, phone, email).
- (11) Give periodic reports to the Board regarding the status of District matters and actions taken or contemplated by the Contractor as requested by the Board.
- (12) Provide liaison and coordination with all local and state governmental agencies on behalf of the District.

3.5 General Administration

- (1) Administer and maintain a repository of all District records, act as custodian of records for purposes of the Government Records Access and Management Act and the Utah Open and Public Meetings Act, and respond to requests for records.
- (2) Administer all District contracts and supervise District vendors.
- (3) Comply with applicable federal/state employment laws, including nondiscrimination/harassment prevention, wages and hours, OSHA/safety obligations, and required trainings.
- (4) Provide coordination and consultation with the Board for its approval of matters regarding revisions to the District's rules, regulations, and policies.
- (5) In conjunction with the District's legal counsel, coordinate all Board appointments in accordance with the applicable State law—all renewal and

Board member appointments to be recommended only by the Board itself and the Weber County Commissioners.

- (6) Support procurement efforts consistent with state procurement law by drafting request documents, staffing procurement efforts, and managing contracts.
- (7) Make recommendations and report to the Board regarding such other services as may be necessary in fulfilling the purposes of the District.

All services shall be provided consistent with the Service Level Requirements attached hereto as Exhibit "C."

All capital projects completed by the Contractor will require signoff from a third-party engineer selected from a Board-approved list of engineers to confirm that all work meets or exceeds specifications.

4. PREFERRED CONTRACTOR QUALIFICATIONS

Offerors must ideally demonstrate:

- minimum 5 years' experience operating similar business operations, including construction management, customer service, and experience with water/wastewater;
- experience with operating in mountaintop/high altitude weather and topography;
- staff with appropriate operator experience and, where needed, certifications;
- financial capacity to support operations;
- familiarity with the Open and Public Meetings Act, the Government Records Access and Management Act, the Impact Fees Act, the Utah Procurement Code, drinking water and wastewater regulations, and other relevant laws; and
- ability to assume operations within 90 days of contract award and have all required licensing in hand.

5. PROPOSAL REQUIREMENTS

Offerors interested in providing these services must submit a proposal that includes the following:

5.1 Cover Letter

- A brief letter, not to exceed one page in length, signed by a duly authorized representative, expressing the Offeror's interest in providing services to the District.
- Identify the primary contact person, including name, title, address, phone number, and email address.

5.2 Company Qualifications

- A brief overview of the Offeror and an explanation of the Offeror's qualifications to complete the scope of services.
- Include relevant past projects or experience.

5.3 Detailed Approach to Scope of Services

- Describe how the Offeror proposes to provide the scope of services in an efficient manner that provides quality and affordable services to the District's customers.

5.4 Staffing Plan & Organizational Chart

- Explain who will provide which functions.
- Include resumes and certifications for key personnel.

5.5 Risk Management

- Identify any foreseeable or potential conflicts of interest, or possible obstacles to independence and objectivity, and the manner in which the Offeror would propose to resolve such conflicts or obstacles.
- Describe any other potential risks, along with the Offeror's plan to manage or mitigate those risks.

5.6 Transition Plan

- Explain how the Offeror will handle the transition from the current staff-led model to ensure that the Offeror is ready to take over operations within 90 days, with licenses, personnel, certifications, software systems, and other necessary operations items in place.

5.7 Fee Proposal

- In a separate document/attachment, describe the Offeror's fee proposal, including how fees will be tracked and billed.
- Explain how the contractual arrangement will reduce District expenditures and save money for customers.

5.8 References

- Provide contact information for at least three prior individuals or entities for whom the Offeror has provided similar services.

5.9 Insurance

- Identify the Offeror's ability to comply with the insurance requirements of the attached contract, including coverages, limits, deductibles, and ability to add named insureds.

5.10 Exceptions

- Detail any requirements of the RFP (e.g., contract terms) that the Offeror proposes to modify. Any terms of this RFP, including the attached contract and Service Level Requirements, that are not called out for modification shall be binding and presumed accepted by the Offeror.

6. CONTRACT TERM

- Initial term: 3 years
- Renewal options: 3 additional 1-year terms
- Either party may terminate for cause with 30 days’ notice
- District may terminate for convenience with 120 days’ notice

7. INSURANCE & INDEMNIFICATION

Contractor must maintain insurance and indemnify the District consistent with the form contract. Evidence of insurance and named insured endorsements will be required at the time of contracting.

8. PAYMENT

Any Contractor fees will be paid only if and to the extent funds are available from the District’s annual receipts after the payment of all other obligations of the District, including the interest and amortization of its bonds or other loans, liens, etc.

9. PROPOSAL EVALUATION

Weighted Criteria

Category	Weight
Qualifications & Experience	25%
Approach	25%
Independence & Objectivity	15%
Cost & Efficiency	35%

10. PROCUREMENT SCHEDULE

Milestone	Date
RFP Issued	April 9, 2026
Pre-Proposal Meeting	April 17, 2026 (upon request)

Milestone	Date
Questions Due	April 20, 2026 at 5:00 PM
Proposals Due	April 30, 2026 at 5:00 PM
Opening of Bids	May 1, 2026
Interviews (if any)	May 11–15, 2026
Notice of Award	May 18–22, 2026
Contract Start	June 1, 2026

11. SUBMISSION INSTRUCTIONS

- Electronic submission through Utah Public Procurement Place
- PDF format
- Must be received by 5:00 p.m. MDT on April 30, 2026
- Late proposals will not be accepted

12. PROPOSALS

Failure to read the Request for Proposal will be at the Offeror's own risk. Corrections and/or modifications received after the closing time will not be accepted.

All costs related to the preparation of the proposals and any related activities are the sole responsibility of the Offeror. The District will not reimburse any costs incurred by Offerors throughout the entire selection process.

Any proposal received will be considered an offer, which may be accepted by the District based upon initial submission without discussion or negotiation. By submitting a proposal, the Offeror agrees that any proposal it submits may be accepted by the District at any time within ninety days from the submission deadline. All cost/pricing info must be submitted as a separate PDF and clearly marked as such.

The Offeror selected to provide the services will be required to enter into a written agreement. Signature on the proposal cover sheet acknowledges that the Offeror is willing to enter into an agreement if awarded the contract. If the Offeror has any exceptions to request to the terms set forth herein, the Offeror shall note those exceptions in the Offeror's proposal.

The District will make every effort to ensure that all Offerors are treated fairly and equally throughout the entire advertisement, review, and selection process. The procedures established herein are designed to give all parties reasonable access to the same basic information.

Bids will be opened at the date and time specified in the RFP Schedule. Because this is an electronic procurement, bids will be opened electronically by the designated procurement officer. Only the names of responding offerors will be made available at the time of opening; pricing and other proposal details will remain confidential until after the evaluation and award process, consistent with the Utah Procurement Code.

13. DISTRICT RIGHTS

The District reserves the right to:

- Issue addenda to this Request for Proposals
- Modify or withdraw this Request for Proposals at any time
- Reject any or all proposals
- Waive technicalities and irregularities in proposals received
- Accept any portion of the offer
- Make multiple awards
- Request additional information
- Negotiate scope and pricing
- Cancel the RFP at any time

14. CONFIDENTIALITY

All proposals, including attachments and supplementary materials, shall become the property of the District and may be considered public information under applicable law. The District is subject to the disclosure requirements of the Government Records Access and Management Act, Utah Code Title 63G, Chapter 2 (“GRAMA”). The District generally considers proposals and all accompanying material to be public and subject to disclosure. Any material considered by the Offeror to be proprietary must be accompanied by a written claim of confidentiality and a concise written statement of reasoning supporting the claim as required by GRAMA § 63G-2-309. In such case, the Offeror shall submit two separate proposals: one redacted version for public release, with all protected business confidential information either blacked-out or removed, clearly marked as “Redacted Version,” and one non-redacted version for evaluation purposes clearly marked as “Protected Business Confidential.”

The District cannot guarantee that any information will be held confidential. The District, upon receipt of a request for disclosure of information that is claimed to be confidential, will determine whether the material should be classified as public or protected and will notify the Offeror of such determination. The Offeror is entitled under GRAMA to appeal an adverse determination.

15. CONTACT INFORMATION

All questions should be directed through the Utah Public Procurement Place website.

16. REPRESENTATION REGARDING ETHICAL STANDARDS

By signing the cover letter of the proposal, the Offeror certifies that it has not (1) provided an illegal gift or payoff to a current or former District officer or employee, or his or her relative or business entity; (2) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee; or (3) knowingly influenced, and will not knowingly influence, any current or former District officer, board member, or employee to breach any ethical standards set forth in the District's policies or in Utah Code Title 67, Chapter 16.

EXHIBIT A

STANDARD CONTRACT

MASTER SERVICES AGREEMENT

FOR COMPREHENSIVE OPERATIONS, MAINTENANCE, CAPITAL FACILITIES, MANAGEMENT, AND ADMINISTRATIVE SERVICES

This Master Services Agreement (this “**Agreement**”) is entered into as of [_____], 2026 (the “**Effective Date**”), by and between Powder Mountain Water and Sewer Improvement District, a Utah special district (the “**District**”), and [Contractor Legal Name], a [state and form of entity] (“**Contractor**”). The District and Contractor are sometimes referred to individually as a Party and collectively as the Parties.

1. Definitions; Agreement Documents; Order of Precedence

1.1. **Definitions.** For purposes of this Agreement, the following capitalized terms shall have the definitions indicated:

- a. “**Agreement**” means this Master Services Agreement.
- b. “**Background IP**” has the meaning given in Section 11.1.
- c. “**Board**” means the District’s Board of Trustees.
- d. “**Confidential Information**” means information that is deemed as confidential under applicable state and federal laws, including personal information. The District reserves the right to identify, during and after this Agreement, additional reasonable types of categories of information that must be kept confidential under federal and state laws.
- e. “**Contractor**” has the meaning given in the introductory paragraph.
- f. “**Custom Deliverables**” means the Work Product (as defined below) that Contractor is required to deliver under this Agreement.
- g. “**District**” means Powder Mountain Water and Sewer Improvement District.
- h. “**Effective Date**” has the meaning given in the introductory paragraph.
- i. “**Fee Schedule**” means the schedule of fees to be paid for the Services derived from the Proposal and attached hereto as Exhibit E.
- j. “**GRAMA**” means Utah’s Government Records Access and Management Act found in Utah Code Chapter 63G-2.
- k. “**Intellectual Property Rights**” has the meaning given in Section 11.1.
- l. “**Proposal**” means Contractor’s response to the Solicitation.
- m. “**Residual IP**” has the meaning given in Section 11.1.
- n. “**Service Level Requirements**” means the requirements included in the Solicitation and attached hereto as Exhibit C.
- o. “**Services**” means the furnishing of labor, time, or effort by Contractor pursuant to this Agreement. Services include, but are not limited to, all of the deliverable(s) (including Custom Deliverables) that result from Contractor performing the Services pursuant to this Agreement.
- p. “**Solicitation**” means the District’s Request for Proposals titled “RFP for Comprehensive Operations, Maintenance, Capital Facilities, Management, and Administrative Services,” including all attachments and addenda.
- q. “**SOW**” means the Statement of Work attached hereto as Exhibit A.
- r. “**Subcontractors**” means subcontractors or subconsultants at any tier that are under the direct or indirect control or responsibility of the Contractor, and includes all independent

contractors, agents, employees, authorized resellers, or anyone else for whom the Contractor may be liable at any tier, including a person or entity that is, or will be, providing or performing an essential aspect of this Agreement, including Contractor's manufacturers, distributors, and suppliers.

s. "Utilities" has the meaning given in Section 11.1.

t. "Work Product" means every invention, modification, discovery, design, development, customization, configuration, improvement, process, software program, work of authorship, documentation, formula, datum, technique, know how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection) that is specifically made, conceived, discovered, or reduced to practice by Contractor or Contractor's Subcontractors (either alone or with others) pursuant to this Agreement. Work Product shall be considered a work made for hire under federal, state, and local laws, and all interest and title shall be transferred to and owned by the District. Notwithstanding anything in the immediately preceding sentence to the contrary, Work Product does not include Background IP, any District intellectual property, or third party intellectual property.

1.2. Agreement Documents. The following documents, including all attachments and exhibits, are incorporated and made part of this Agreement:

- a. This Agreement.
- b. Exhibit A – Statement of Work (derived from the Solicitation Scope of Services).
- c. Exhibit B – Contractor's Proposal dated [date], to the extent not inconsistent with this Agreement or the SOW.
- d. Exhibit C – Service Level Requirements.
- e. Exhibit D – Insurance Certificates and Endorsements.
- f. Exhibit E – Fee Schedule.

1.3 Order of Precedence. In the event of conflict, the order of precedence shall be: (a) this Agreement; (b) the SOW; (c) Service Level Requirements; (d) Contractor's Proposal; and (e) other attachments listed herein.

2. Term; Renewal; Transition

2.1. Initial Term. The initial term of this Agreement is three (3) years from the Effective Date.

2.2. Renewal Options. This Agreement shall automatically renew for up to three (3) additional one-year renewal terms unless either Party provides written notice of intent to terminate no less than sixty (60) days prior to renewal.

2.3. Transition-In. Contractor shall, consistent with the transition plan included with Contractor's Proposal, begin transition immediately upon the Effective Date and fully assume operations within ninety (90) days of the Effective Date. All licenses, personnel, certifications, software systems, and other necessary operations items shall be in place within such 90-day period.

2.4. Transition-Out. Upon expiration or termination of this Agreement, Contractor shall cooperate to ensure orderly transition of Services, data, records, permits, and ongoing work to the District or a successor without service interruption. Contractor will provide up to sixty (60) days of transition support at the then-current rates or as otherwise agreed.

3. Scope of Services

3.1. Overview. Contractor shall furnish all labor, supervision, management, tools, equipment, supplies, systems, and incidentals necessary to provide comprehensive operations, maintenance, capital facilities, management, and administrative services for the District in accordance with the SOW, the Service Level Requirements, applicable law, District permits and contracts, and Board policies.

3.2. Performance Standards. Contractor shall meet or exceed: (a) the standard of care exercised by licensed members of their respective professions having substantial experience providing similar services which similarities include the type, magnitude, and complexity of the Services that are the subject of this Agreement; and (b) the Service Level Requirements. Contractor shall be liable to the District for claims, liabilities, additional burdens, penalties, damages, or third party claims (e.g., another contractor's claim against the District), to the extent caused by wrongful acts, errors, or omissions that do not meet this standard of care.

3.3. Changes in Scope. Any changes in the scope of the Services to be performed under this Agreement shall be in the form of a written amendment to this Agreement, mutually agreed to and signed by both Parties, specifying any such changes, fee adjustments, adjustment in time of performance, or other significant factors arising from the changes in the scope of Services.

3.4. Time is of the Essence. The Services shall be completed by any applicable deadline stated in this Agreement, in any District contract, in any state or federal law or regulation, or in any Board policy or directive. For all Services, time is of the essence. Contractor shall be liable for all reasonable damages to the District and anyone for whom the District may be liable as a result of Contractor's failure to timely perform the Services required under this Agreement.

3.5. Reviews. The District reserves the right to perform plan checks, plan reviews, or other reviews and/or comment upon the Services of Contractor. Such reviews do not waive the requirement of Contractor to meet all of the terms and conditions of this Agreement.

4. Personnel; Subcontracting; Key Staff

4.1. Personnel. Contractor shall provide adequately trained and certified personnel, including Contractors holding all licenses and certifications required by law. Contractor shall provide appropriate and regular staff training regarding the Open and Public Meetings Act, Government Records Access and Management Act, Impact Fees Act, Utah Procurement Code, drinking water/wastewater regulations, safety protocols, and cybersecurity.

4.2. Key Staff. The following are designated Key Personnel. Changes to Key Personnel require the District's prior written consent, not to be unreasonably withheld.

- a. Agreement Manager: _____.
- b. Operations Lead: _____.
- c. Finance and Administration Lead: _____.
- d. Customer Service Lead: _____.

4.3. Subcontractors. Contractor remains responsible for all subcontracted work

5. Deliverables; Acceptance; Remedies

5.1. Deliverables and Reports. Contractor shall timely provide all deliverables and periodic reports specified in the SOW, including monthly operations reports, financial reports, compliance certifications, incident reports, and meeting materials.

5.2. Acceptance and Rejection. The District shall have thirty (30) days after the performance of any Services to perform an inspection of the Services to determine whether the Services conform to the standards specified in the Solicitation and this Agreement prior to acceptance of the Services by the District, which inspection may include sign-off by an independent engineer. If Contractor delivers nonconforming Services, the District may, at its option and at Contractor's expense: (i) return the Services for a full refund; (ii) require Contractor to promptly correct or reperform the nonconforming Services subject to the terms of this Agreement; or (iii) obtain replacement Services from another source, subject to Contractor being responsible for any cover costs. In no event shall the District be responsible for any costs related to correcting or reperforming nonconforming Services.

6. Compensation; Invoicing; Payment

6.1. Fees. Fees shall be as set forth in the Fee Schedule. Contractor shall not add any mark-up to any pass-through costs.

6.2. Payment Limited to District Revenues. Notwithstanding any other provision of this Agreement, the District's obligation to make payments to Contractor under this Agreement shall be limited solely to funds actually received and available from the annual revenues and receipts of the District, including but not limited to user fees, service charges, assessments, and other lawful revenues of the District for the applicable fiscal year, after the payment of all other obligations of the District, including the interest and amortization of its bonds or other loans or liens. THE DISTRICT SHALL HAVE NO OBLIGATION TO MAKE PAYMENTS TO CONTRACTOR FROM ANY SOURCE OTHER THAN FUNDS THEN AVAILABLE FROM THE DISTRICT'S ANNUAL REVENUES AND RECEIPTS, AND CONTRACTOR ACKNOWLEDGES AND AGREES THAT THE DISTRICT SHALL NOT BE REQUIRED TO LEVY ADDITIONAL TAXES, IMPOSE ADDITIONAL ASSESSMENTS, INCUR INDEBTEDNESS, OR OTHERWISE SECURE ADDITIONAL FUNDS IN ORDER TO MAKE PAYMENTS UNDER THIS AGREEMENT.

6.3. Conditional Payment Obligation. Payment of any compensation due to Contractor under this Agreement is expressly conditioned upon the availability of sufficient District funds in the fiscal year in which such payment becomes due. If sufficient funds are not available to make a payment when due, the District's obligation to make such payment shall be deferred until such time as sufficient funds become available, without penalty, interest, or default. CONTRACTOR ACKNOWLEDGES THAT DISTRICT REVENUES MAY FLUCTUATE FROM YEAR TO YEAR AND AGREES THAT IT ASSUMES THE RISK THAT DISTRICT REVENUES MAY BE INSUFFICIENT IN ANY GIVEN FISCAL YEAR TO PAY ALL AMOUNTS OTHERWISE PAYABLE UNDER THIS AGREEMENT. CONTRACTOR FURTHER ACKNOWLEDGES THAT THIS PROVISION IS INTENDED TO ENCOURAGE THE EFFICIENT AND COST-EFFECTIVE OPERATION OF THE DISTRICT'S UTILITY SYSTEMS.

6.4. No Debt or Pledge of Taxing Authority. Nothing in this Agreement shall be construed to create a debt of the District within the meaning of any constitutional, statutory, or other limitation on indebtedness. The District's obligations under this Agreement shall not constitute a pledge of the District's taxing authority or any general obligation of the District.

6.5. Invoicing. Contractor will submit invoices within thirty (30) days of Contractor's performance of the Services to the District. The District has the right to adjust or return any invoice reflecting incorrect pricing.

6.6. Payment. The District will pay correct invoices within thirty (30) days of receipt. If payment has not been made after sixty (60) days from the date a correct invoice is received by the District, then interest may be added by Contractor as prescribed in the Utah Prompt Payment Act. The acceptance by Contractor of final payment, without a written protest filed with the District within ten (10) business days of receipt of final payment, shall release the District from all claims and all liability to the Contractor. The District's payment for the Services shall not be deemed an acceptance of the Services and is without prejudice to any and all claims that the District may have against Contractor.

7. Termination; Suspension

7.1. Early Termination for Cause. Either Party may terminate due to default upon written notice, allowing thirty (30) days to cure before termination and subject to remedies. The District may terminate for convenience upon 120 days' written notice.

7.2. Effect of Termination. On termination of this Agreement, all accounts and payments will be processed according to the financial arrangements set forth herein for approved Services prior to the date of termination and reasonable wind-down costs. Contractor agrees that in the event of such termination for cause or without cause, Contractor's sole remedy and monetary recovery from the District is limited to full payment for all Services properly performed as authorized under this Agreement up to the date of termination as well as any reasonable monies owed as a result of Contractor having to terminate other

contracts necessarily and appropriately entered into by Contractor pursuant to this Agreement, provided that Contractor shall take all commercially reasonable steps to minimize such costs upon notice of termination. In no event shall the District be liable to the Contractor for compensation for any services neither requested by the District nor satisfactorily performed by the Contractor. In no event shall the District's exercise of its right to terminate this Agreement for convenience relieve the Contractor of any liability to the District for any damages or claims arising under this Agreement.

7.3. Suspension. The District may suspend Contractor's responsibilities by written notice. Contractor's responsibilities may be reinstated upon advance formal written notice from the District.

8. Insurance; Indemnification

8.1. Insurance. Contractor shall procure and maintain, at its own expense, insurance coverage meeting the requirements set forth below for the duration of the contract and any renewal periods. Insurance shall be placed with insurers licensed to do business in the State of Utah and having an A.M. Best rating of A- or better unless otherwise approved by the District. All insurance policies required herein shall be maintained without interruption from the Effective Date through completion of services.

a. Commercial General Liability (CGL): Coverage shall be written on an occurrence form and include, at minimum, premises and operations, products and completed operations, personal and advertising injury, contractual liability, and independent contractors. Minimum limits are \$1,000,000 per occurrence, \$2,000,000 general aggregate, and \$2,000,000 products/completed operations aggregate.

b. Umbrella or Excess Liability: Contractor shall maintain umbrella or excess liability coverage providing additional limits above the Commercial General Liability, Auto Liability, and Pollution Liability policies, with minimum limits of \$20,000,000 per occurrence and aggregate combined umbrella/excess coverage. Umbrella or excess coverage shall be at least as broad as the underlying policies.

c. Property Insurance: Contractor shall maintain property insurance covering all District-owned facilities, equipment, and infrastructure under the Contractor's care, custody, or control. Coverage shall be written on a replacement cost basis and shall insure property up to the full replacement value listed in the District's schedule of values or such other value as provided by the District. Coverage shall include buildings and structures, water and wastewater facilities, pumps, treatment equipment, control equipment and machinery, materials, and supplies.

d. Cyber Liability Insurance: Contractor shall maintain cyber liability or network security and privacy liability insurance covering risks associated with electronic systems and data. Coverage shall include protection against network security failures, cyber intrusion or ransomware, data breaches involving customer or operational information, and loss of operational control systems (including SCADA or similar systems), with a minimum limit of \$10,000,000 per claim and aggregate.

e. Professional Liability / Errors and Omissions (E&O): Contractor shall maintain professional liability insurance covering negligence, errors, or omissions arising from professional services related to operation and management of water and wastewater systems, with a minimum limit of \$1,000,000 per claim and aggregate. If coverage is written on a claims-made basis, Contractor shall maintain coverage for at least three (3) years after completion of services or provide equivalent extended reporting coverage.

f. Directors and Officers Liability (D&O): Contractor shall maintain Directors and Officers liability insurance covering claims arising from managerial decisions, governance activities, and administrative services performed under the contract, with a minimum limit of \$2,000,000 per claim and aggregate.

g. Pollution Liability / Environmental Impairment Liability: Contractor shall maintain Pollution Liability or Environmental Impairment Liability insurance covering claims

arising from pollution conditions, environmental damage, or contamination related to the operation and maintenance of the District's water and wastewater systems. Coverage shall include, at minimum, sudden and gradual pollution events, sewage releases or sewer overflows, discharge of untreated or partially treated wastewater, contamination of groundwater or surface water, third-party bodily injury and property damage arising from pollution conditions, environmental cleanup costs and remediation expenses, transportation and disposal of waste materials, regulatory defense, and civil fines where insurable by law. The minimum limit shall be \$10,000,000 per claim and aggregate. Coverage may be written on a claims-made basis provided the Contractor maintains coverage for at least three (3) years following completion or termination of the contract, or obtains extended reporting coverage acceptable to the District.

h. **Sewer Backup and Overflow Liability Coverage:** Contractor's insurance program shall include coverage specifically addressing liabilities arising from sewer backups, sanitary sewer overflows, and wastewater system failures. Such coverage shall include property damage caused by sewer backup, bodily injury arising from sewage releases, environmental damage resulting from system failures, third-party claims resulting from overflow events, and defense costs associated with such claims. Coverage may be provided through the Pollution Liability policy, Commercial General Liability policy, or other appropriate policy, provided the coverage does not contain exclusions that would materially limit coverage for sewer backups or overflow events arising from operation of the District's wastewater system.

i. **Workers' Compensation and Employer's Liability:** Contractor shall maintain workers' compensation insurance as required by Utah law.

j. **Automobile Liability:** Coverage shall apply to all owned, hired, and non-owned vehicles used in connection with the services, with a minimum limit of \$2,000,000 combined single limit per accident for bodily injury and property damage.

8.2. **Additional Insured Requirements.** The following parties shall be named as Additional Insureds: Powder Mountain Water & Sewer Improvement District, the District's Board of Trustees, and the District's officers, employees, agents, and representatives. Coverage shall apply on a primary and non-contributory basis with respect to any insurance maintained by the District. Contractor shall ensure that all policies required herein include a waiver of subrogation in favor of the Powder Mountain Water & Sewer Improvement District and its board members, officers, employees, and agents.

8.3. **Evidence of Insurance.** Prior to commencement of services, Contractor shall provide the District with certificates of insurance evidencing all required coverages, endorsements confirming additional insured status, and documentation confirming waiver of subrogation and primary/non-contributory coverage.

8.4. **Notice of Cancellation or Material Change.** Contractor shall provide the District with not less than thirty (30) days' written notice of cancellation, non-renewal, or material modification of any required insurance policy.

8.5. **Failure to Maintain Coverage.** Failure to maintain the insurance required by this section shall constitute a material breach of this Agreement and may result in suspension of services, termination of the agreement, or other remedies available to the District.

8.6. **No Limitation of Liability.** The insurance requirements contained in this section shall not be construed to limit the liability of the Contractor under this Agreement.

8.7. **Indemnification.** Contractor shall indemnify, defend, and hold harmless the District from all claims, losses, suits, actions, damages, and costs of any kind or nature (including reasonable attorneys' fees) arising from Contractor's performance except to the extent arising from the District's gross negligence or willful misconduct. This Section 8.7 shall survive the termination of this Agreement.

9. Records; Audits; Public Information; Confidentiality

9.1. **Records and Audit.** Contractor shall maintain records necessary to account for performance

and payments for at least six (6) years after final payment (or later if audits are pending) and will provide access to the District, state, and federal auditors at no cost.

9.2. Public Information. This Agreement, related documents and communication, pricing, and invoices may be public records under GRAMA. Contractor gives the District express permission to make copies of this Agreement, related pricing documents, and invoices in accordance with GRAMA. Except for sections identified in writing by Contractor and expressly approved by the District, Contractor also agrees that the Contractor's Proposal to the Solicitation will be a public document, and copies may be given to the public as permitted under GRAMA. The District is not obligated to inform Contractor of any GRAMA requests for disclosure of this Agreement, related pricing documents, or invoices.

9.3. Confidential Information. If Confidential Information is disclosed to Contractor, Contractor shall: (i) advise its agents, officers, employees, partners, and Subcontractors of the obligations set forth in this Agreement; (ii) keep all Confidential Information strictly confidential; and (iii) not disclose any Confidential Information received by it to any third parties. Contractor will promptly notify the District of any potential or actual misuse or misappropriation of Confidential Information. Contractor shall be responsible for any breach of this duty of confidentiality, including any required remedies and/or notifications under applicable law. Contractor shall indemnify, hold harmless, and defend the District, including anyone for whom the District is liable, from claims related to a breach of this duty of confidentiality, including any notification requirements, by Contractor or anyone for whom the Contractor is liable. Upon termination or expiration of this Agreement, Contractor will return all copies of Confidential Information to the District or certify, in writing, that the Confidential Information has been destroyed. This duty of confidentiality shall be ongoing and survive the termination or expiration of this Agreement.

10. Compliance; Ethics; Employment; E-Verify

10.1. Laws and Regulations. Contractor shall comply with all applicable federal and state constitutions, laws, rules, codes, orders, and regulations, including licensure and certification requirements, GRAMA, the Open and Public Meetings Act, the Impact Fees Act, Title 17B of the Utah Code, and the Procurement Code.

10.2. Employment Practices. Contractor shall comply with federal and state employment and anti-discrimination laws, including all civil rights, non-discrimination, anti-harassment, safety, wage/hour/overtime, employee benefits, and anti-retaliation laws.

10.3. Status Verification (E-Verify). Contractor certifies it participates in the Status Verification System for new Utah employees and shall require similar certification from Subcontractors.

10.4. Conflict of Interest. Contractor represents none of its officers/employees are District officers/employees unless disclosed.

10.5. Debarment. Contractor certifies that it is not presently nor has ever been debarred, suspended, or proposed for debarment by any governmental department or agency, whether international, national, state, or local. Contractor must notify the District within thirty (30) days if debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in any contract by any governmental entity during the term of this Agreement.

10.6. Procurement Ethics. Contractor understands that a person who is interested in any way in the sale of any supplies, services, construction, or insurance to the District is violating the law if the person gives or offers to give any compensation, gratuity, contribution, loan, reward, or any promise thereof to any person acting as a procurement officer on behalf of the District, or to any person who in any official capacity participates in the procurement of such supplies, services, construction, or insurance, whether it is given for their own use or for the use or benefit of any other person or organization.

11. Intellectual Property; Ownership; Licenses

11.1. Ownership of Custom Deliverables. In the event that Contractor provides Custom Deliverables to the District, pursuant to this Agreement, Contractor grants the ownership in Custom Deliverables, which have been developed and delivered by Contractor exclusively for the District and are

specifically within the framework of fulfilling Contractor's contractual obligations under this contract. Custom Deliverables shall be deemed work made for hire, such that all intellectual property rights, title and interest in the Custom Deliverables shall pass to the District. To the extent that the Custom Deliverables are not recognized as work made for hire, Contractor hereby assigns to the District any and all copyrights in and to the Custom Deliverables for which Contractor has received payment, subject to the following:

a. Each Party will retain all rights to patents, utility models, mask works, copyrights, trademarks, trade secrets, and any other form of protection afforded by law to inventions, models, designs, technical information, and applications ("**Intellectual Property Rights**") that it owned or controlled prior to the effective date of this contract or that it develops or acquires from activities independent of the services performed under this contract ("**Background IP**"), and

b. Contractor will retain all right, title, and interest in and to all Intellectual Property Rights in or related to all know-how, intellectual property, methodologies, processes, technologies, algorithms, software, or development tools used in performing the Services (collectively, the "**Utilities**"), and (b) such ideas, concepts, know-how, processes and reusable reports, designs, charts, plans, specifications, documentation, forms, templates, or output which are supplied or otherwise used by or on behalf of Contractor in the course of performing the Services or creating the Custom Deliverables, other than portions that specifically incorporate proprietary or Confidential Information or Custom Deliverables of the District (collectively, the "**Residual IP**"), even if embedded in the Custom Deliverables.

c. Custom Deliverables, not including Contractor's Intellectual Property Rights, Background IP, and Residual IP, may not be marketed or distributed without written approval by the District.

Contractor agrees to grant to the District a perpetual, irrevocable, royalty-free license to use Contractor's Background IP, Utilities, and Residual IP, as defined above, solely for the District to use the Custom Deliverables. The District reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use, for the District's internal purposes, such Custom Deliverables.

11.2. Ownership in Intellectual Property. The District and Contractor agree that each has no right, title, interest, proprietary or otherwise in the intellectual property owned or licensed by the other, unless otherwise agreed upon by the Parties in writing. All deliverables, documents, records, programs, data, articles, memoranda, and other materials not developed or licensed by Contractor prior to the execution of this Agreement, but specifically created or manufactured under this Agreement, shall be considered work made for hire, and Contractor shall transfer any ownership claim to the District.

11.3. District Assets. All assets of the District, including without limitation infrastructure, physical facilities, real property, water rights, data, and cash, whether existing or owned prior to or subsequent to the Effective Date, shall be and remain assets of the District.

12. Records; Safety

12.1. Records Custodianship. Contractor shall administer and maintain a repository of District records, act as custodian for GRAMA and Open and Public Meetings Act purposes as directed, and respond to records requests in coordination with District counsel. Contractor shall comply fully with all applicable laws and regulations in fulfilling such duties, including all deadlines imposed thereunder.

12.2. Safety Programs. Contractor shall maintain safety programs and training necessary to protect employees, the public, and property, and to comply with OSHA and Utah safety regulations applicable to the Services.

12.3. Emergency Response. Contractor shall provide 24/7 on-call emergency support, staffing, and equipment for emergency repairs; coordinate with emergency management agencies; and provide incident reporting and after-action documentation, all consistent with the Service Level Requirements.

13. Remedies; Dispute Resolution

13.1. Default. Any failure to perform any obligation hereunder shall be considered a default. Without limiting the foregoing, any of the following shall be a material breach by Contractor:

- a. Any act, omission, or failure by Contractor that results in:
 - i. violation of federal, state, or local environmental, water quality, wastewater, or public health regulations;
 - ii. violation of permits issued by the Utah Division of Drinking Water, Division of Water Quality, or other regulatory agencies;
 - iii. issuance of notices of violation, administrative orders, consent decrees, or enforcement actions; or
 - iv. the imposition of regulatory fines, penalties, or corrective action requirements.
- b. Any negligent, reckless, or improper operation, maintenance, repair, or construction activity by Contractor or its Subcontractors that causes damage to the District's infrastructure, including but not limited to, water or wastewater treatment facilities, pipelines, pumps, tanks, valves, control systems, SCADA systems, District-owned vehicles, tools, or other physical assets or operational equipment.
- c. Any act or omission by Contractor that results in:
 - i. prolonged service outages,
 - ii. contamination events,
 - iii. loss of operational control,
 - iv. sewer backups or sanitary sewer overflows,
 - v. water main failures caused by negligent maintenance or operation, or
 - vi. failure to maintain required operational staffing or certifications.
- d. Any act or omission by Contractor that causes bodily injury, property damage, environmental damage, or economic losses to District customers, ratepayers, homeowners, businesses, or other third parties.

13.2. Notice of Default. If Contractor defaults on its obligations under this Agreement, the District may, at its discretion, issue a written notice of default providing a ten (10) day period in which Contractor will have an opportunity to cure. Time allowed for cure will not diminish or eliminate Contractor's liability for damages.

13.3. Remedies. In the event of a Contractor default that remains after a cure period, if any, the District may do one or more of the following: (i) exercise any remedy provided by law or equity; (ii) terminate this Agreement; (iii) debar/suspend Contractor from receiving future contracts from the District; or (v) demand a full refund of any payment that the District has made to Contractor under this Agreement for Services that do not conform to this Agreement. If the District determines that Contractor's acts or omissions have caused or may cause a regulatory violation, public health risk, damage to property, environmental harm, or significant operational failure, the District may immediately take or direct corrective action without prior notice to Contractor. Contractor shall reimburse the District for all reasonable costs incurred by the District in taking such corrective actions, including emergency repairs, contractor services, engineering services, or regulatory compliance actions.

13.4. Mediation. Prior to either Party filing a judicial proceeding, the Parties agree to participate in the mediation of any dispute. The District, after consultation with the Contractor, may appoint an expert or panel of experts to assist in the resolution of a dispute. If the District appoints such an expert or panel, District and Contractor agree to cooperate in good faith in providing information and documents to the expert or panel in an effort to resolve the dispute.

13.5. Damages. Contractor shall be fully responsible for all damages, losses, penalties, costs, and

liabilities arising from its acts, errors, omissions, negligence, or willful misconduct in the performance of the Services. Such responsibility shall include, without limitation, regulatory penalties or fines imposed by any governmental authority; costs of corrective actions or remediation, including emergency response, environmental cleanup, and regulatory compliance measures; costs to repair or replace damaged District infrastructure or facilities; third-party claims, including property damage, bodily injury, nuisance, or loss of service claims asserted by customers or other affected persons; claims arising from sewer backups, sewage overflows, water contamination, or system failures; costs incurred by the District to restore operations, including emergency contractors, engineers, environmental consultants, or replacement operators; and legal defense costs, including attorneys' fees and litigation expenses incurred by the District. These obligations apply regardless whether such damages are covered by or exceed the limits of insurance required under this Agreement. Without limiting the foregoing:

a. Contractor shall reimburse the District for all regulatory penalties, fines, enforcement costs, or settlement payments imposed on the District arising from Contractor's acts, errors, omissions, or failure to comply with applicable laws, permits, or operational requirements.

b. Contractor shall be responsible for and shall indemnify the District against all claims by customers, ratepayers, homeowners, businesses, or other third parties arising out of Contractor's performance or failure to perform the Services. Such claims may include, but are not limited to, sewer backups or sewage discharges, flooding caused by system failures, contamination of drinking water, damage to private property, interruption of water or wastewater services, and environmental contamination or nuisance conditions. Contractor shall cooperate fully with the District in responding to and resolving such claims.

13.6. Governing Law; Venue. This Agreement shall be governed by the laws, rules, and regulations of the State of Utah. Any action or proceeding arising from this Agreement shall be brought in a court of competent jurisdiction in the State of Utah.

13.7. Attorneys' Fees. In the event of any judicial action to enforce rights under this Agreement, the prevailing Party shall be entitled its costs and expenses, including reasonable attorneys' fees incurred in connection with such action.

13.8. Survival. The obligations set forth in this Article 13, including those related to claims arising from acts or omissions occurring during the term of the Agreement, shall survive expiration or termination of this Agreement.

14. Miscellaneous

14.1. Independent Contractor. Contractor acts in an independent capacity and not as an officer or employee of the District. The District does not direct the hiring, firing, compensation, promotions, discipline, performance management, scheduling, supervision, or benefits of any employees of Contractor, none of whom are employees of the District. The District, in its discretion, may offer employment to employees of the District through voluntary offers and acceptance, with clear written disclosure that District-sponsored benefits generally will not continue once the employee is no longer a District employee.

14.2. Assignment. Contractor may not assign, sell, transfer, subcontract, or sublet rights, or delegate any right or obligation under this Agreement, in whole or in part, without the prior written approval of the District, and any purported assignment without such written permission shall be void ab initio.

14.3. Force Majeure. Neither Party to this Agreement will be held responsible for delay or default caused by fire, riot, act of God, and/or war which is beyond that Party's reasonable control. The District may terminate this Agreement after determining such delay will prevent successful performance of this Agreement.

14.4. Amendments. This Agreement may be amended only by mutual written agreement.

14.5. Waiver. A waiver of any right, power, or privilege shall not be construed as a waiver of any subsequent right, power, or privilege.

14.6. Severability. The invalidity or unenforceability of any provision, term, or condition of this Agreement shall not affect the validity or enforceability of any other provision, term, or condition of this Agreement, which shall remain in full force and effect.

14.7. Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes any and all other prior and contemporaneous agreements and understandings between the Parties, whether oral or written.

14.8. Survival. Obligations that by their nature should survive termination or expiration, including confidentiality, IP, records retention, and indemnities, shall survive. Termination or expiration of this Agreement shall not extinguish or prejudice the District's right to enforce this Agreement with respect to any default or defect in the Services that has not been cured.

14.9. Notices. Notices shall be in writing and delivered by hand, overnight courier, or email with confirmation, to the following, effective upon receipt:

District:

Powder Mountain Water and Sewer Improvement District

Attn: [Name/Title]

[Address]

[Email]

Contractor:

[Name/Title]

[Address]

[Email]

14.10. Counterparts; Electronic Signatures. This Agreement may be executed in counterparts and by electronic signature (including electronically transmitted signatures in PDF format or via electronic signature platforms), each of which will be deemed an original, and all of which together shall constitute one and the same instrument. Electronic signatures shall have the same legal effect as original signatures.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

[signatures on next page]

Powder Mountain Water and Sewer Improvement District

By: _____

Name: _____

Title: _____

Date: _____

[Contractor Legal Name]

By: _____

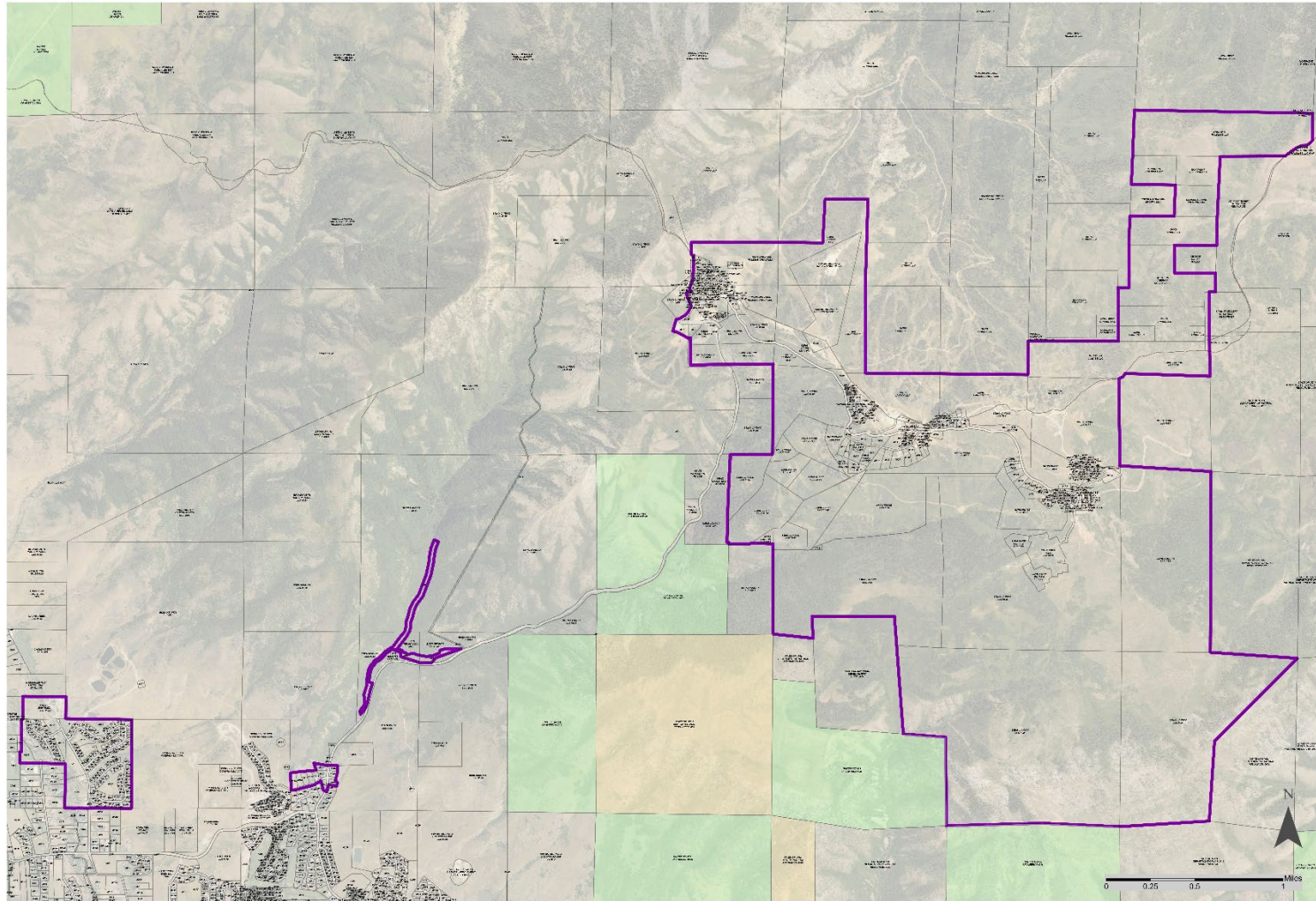
Name: _____

Title: _____

Date: _____

EXHIBIT B

CURRENT DISTRICT BOUNDARIES



Legend
Parcel Owner
State of Utah
USA
Other
PWMSID Boundary 2025

POWDER MOUNTAIN WATER & SEWER IMPROVEMENT DISTRICT



EXHIBIT C

Service Level Requirements

1) Staffing

The Contractor is to provide adequate staffing, supervision, systems, and training to perform the contracted services in compliance with applicable law and Board policies. Without limiting the foregoing, the Contractor shall provide staff training regarding the Open and Public Meetings Act, the Government Records Access and Management Act, the Impact Fees Act, the Utah Procurement Code, drinking water and wastewater regulations, and other relevant laws. Those who are responsible for operating water and wastewater systems must hold the appropriate certifications issued by the Utah Division of Drinking Water and/or Division of Water Quality.

2) Customer Contact and Accessibility

The Contractor shall provide professional, courteous, and responsive customer service to all District customers. Customer interactions shall reflect industry best practices for municipal water and wastewater providers and shall comply with applicable federal, state, and local laws, including Utah Code Title 17B, public health regulations, and applicable DEQ drinking water and wastewater requirements. The Contractor shall treat all customers fairly and without discrimination and shall apply District rules, rates, and policies uniformly.

The Contractor shall maintain accessible and reliable customer communication channels including:

1. Business Hours Service
 - Telephone, walk-in, and email support available during normal business hours (minimum 8:00 a.m.–5:00 p.m., Monday–Friday, excluding holidays).
2. Emergency Contact
 - 24-hour emergency telephone service for water outages, sewer backups, leaks, or system failures.
 - Emergency calls must receive a live response or call-back within 30 minutes.
3. Response to Inquiries
 - Routine customer inquiries responded to within two (2) business days.

The Contractor shall provide regular customer service performance reports to the District including number of customer service calls received, service requests and response times, complaints and resolutions, billing disputes, service interruptions, and customer satisfaction indicators.

3) Service Requests, Emergencies, and Field Response

The Contractor shall maintain procedures for tracking and resolving service requests and incidents. The Contractor shall maintain a written incident classification matrix with at least four severity levels and apply it to every emergency event, and shall acknowledge, dispatch, arrive on-site, and stabilize emergency incidents within the following response windows:

- Severity 1: acknowledge 15 minutes, dispatch 30 minutes, on-site 2 hours, temporary stabilization 4 hours
- Severity 2: acknowledge 30 minutes, dispatch 1 hour, on-site 4 hours, temporary stabilization 8 hours

The Contractor shall maintain a service ticket system documenting each request, incident, and resolution and shall notify the Board within a reasonable time period of emergency incidents.

4) Monitoring

The Contractor shall

- Regularly inspect, test, and calibrate facilities.
- Implement water-loss review programs.
- Record all maintenance work in a computerized maintenance management system or equivalent work-order system.
- Maintain critical spare parts.
- Assign condition and risk rankings to major assets and present deferred maintenance visibility to the Board.
- Prevent, contain, report, and remediate sewer overflows, bypasses, spills, and unauthorized discharges.
- Respond to leaks, breaks, source interruptions, pressure loss, and service interruptions within defined periods according to the incident classification matrix.
- Manage odors, sound, and nuisances.

5) Compliance

The Contractor shall:

- Maintain a permit conditions matrix and identify, track, and escalate all compliance risks before a violation occurs.
- Maintain a monitoring and reporting calendar covering all permit samples, laboratory coordination, field logs, and submittals.
- Submit all required monitoring reports and certifications by the applicable permit or legal deadline.
- Prepare a written corrective action plan for any missed sample, exceedance, late report, permit deviation, unauthorized bypass, or enforcement inquiry and document closure verification.
- Maintain compliance for source-protection plans and related source-management obligations.

6) Water Rights

The Contractor shall

- Maintain an annual calendar of all water rights, contracts, reporting, and renewal obligations.
- Track and process exchange applications, reuse agreements, and other contractual water obligations (but not approve changes reserved to the Board).

7) Billing and Customer Account Management

The Contractor shall:

- Maintain accurate customer account records.
- Issue billing statements at the frequency established by the District.
- Provide clear itemization of charges, including rates, fees, and adjustments.
- Maintain procedures for dispute resolution and billing corrections.
- Process payments, issue receipts, and update account records within one (1) business day.
- Handle delinquencies, shutoff notices, and payment plans consistent with District policy.

The Contractor shall provide customers with at least two payment methods, which may include online payment, mail, or in-person payment where applicable. The Contractor shall not charge any end-user electronic payment fees.

8) Service Interruptions and Notifications

The Contractor shall provide advance notice of planned service interruptions whenever reasonably possible. Notification procedures shall include:

- Minimum 24-hour advance notice for planned outages.
- Notification via one or more of the following:
 - door notices

- email or text alerts
- website or community notification systems

Emergency interruptions shall be communicated to affected customers as soon as practicable.

9) Complaint Handling

The Contractor shall establish and maintain a formal complaint process. Minimum standards include:

- Acknowledgement of complaints within one (1) business day.
- Investigation of complaints within three (3) business days.
- Written response or resolution within ten (10) business days, unless additional investigation is required.

The Contractor shall maintain a complaint log available for District review.

10) Financials

The Contractor shall:

- Maintain all District books, records, and accounts in accordance with GAAP, Utah uniform accounting requirements, Board policy, and the State Auditor's applicable manuals and forms.
- Close monthly books and financial statements within fifteen (15) days of month end.
- Upload financial reports within thirty (30) days of quarter end and within one hundred eighty (180) days of year end, or earlier if so required by the State Auditor.
- Deliver a monthly Board financial package that includes budget-to-actual cash position, reserve reporting, debt-service calendar controls, accounts payable, accounts receivable, invoice aging report, delinquency summary, capital spending status, debt service status, reserve status, and material variances.
- Cooperate with the annual outside audit and provide regular reports to the Board on audit preparation and progress.
- Comply with Board approval controls.

11) Board Support

The Contractor shall:

- Prepare and maintain an annual Board meeting calendar.
- Prepare all meeting notices, agendas, agenda packets, recordings, minutes, and Board trainings consistent with Board direction and legal and policy requirements, including notice deadlines.
- Attend all Board meetings through designated representatives, present requested reports, and maintain a post-meeting action log.
- Maintain the District website and communications infrastructure, including providing current contact information, meeting notices, approved minutes, and required public documents.

12) Recordkeeping and Data Management

The Contractor shall:

- Maintain a GRAMA intake log and prepare draft responses for Board or counsel review sufficiently in advance of statutory timelines to allow compliance.
- Maintain a searchable records repository for contracts, permits, minutes, agendas, financials, customer records, asset records, and correspondence.
- Identify protected, controlled, private, and privileged records for Board or counsel review and avoid unauthorized disclosure.
- Implement records retention and filing obligations.

13) Customer Communication and Transparency

The Contractor shall provide District communications with customers regarding:

- rate changes
- water quality notices
- service interruptions
- regulatory notices
- conservation programs

All public communications regarding District operations must be coordinated with or approved by the District unless required for emergency response.

14) Capital and Engineering

The Contractor shall:

- Maintain project controls for active capital projects including schedule, budget, scope, risk, permit status, and decision log.
- Coordinate third-party engineer review and signoff for capital work.
- Deliver and maintain documentation of as-builts and closeout packages.

15) Safety

The Contractor shall:

- Maintain and implement a written safety program including hazard communication, job briefings, lockout-tagout, electrical safety, chemical handling, personal protective equipment, traffic control, vehicle safety, and emergency procedures.
- Report incidents, injuries, vehicle accidents, property damage, and near misses as well as corrective actions.
- Conduct periodic field safety audits and an annual safety performance review with recommendations for Board awareness.

16) Systems

The Contractor shall:

- Maintain a complete inventory of District-controlled hardware, software, SCADA assets, cloud services, domains, phone systems, user accounts, privileged accounts, and integrations with an access control matrix and multifactor authentication where systems support it.
- Maintain backups, restoration testing, change management, and privileged account logging for operational and administrative systems.
- Maintain a cyber-incident escalation and continuity of operations protocol.
- Ensure District ownership of all data, configurations, credential, documentation, and system baselines.

17) Performance Standards

Failure to meet the service standards outlined in this section will constitute non-performance under the master services agreement and may result in corrective action, contract remedies, or termination as provided in the agreement.