

**UNDERGROUND POWERLINE CONSTRUCTION, TRANSFER AND OPERATION, MAINTENANCE AND REPAIR AGREEMENT**

This Underground Powerline Construction, Transfer and Operation, Maintenance and Repair Agreement (this “Agreement”) is made and entered into this \_\_\_\_ day of January 2025 by and between the State of Utah, Division of Facilities Construction and Management, an agency of the State of Utah (“DFCM”) and Hyrum City, a political subdivision of the State of Utah and municipal corporation (“Hyrum”).

**RECITALS**

- A. Hyrum owns and operates a municipal electric utility as Hyrum City Power & Light (“HCPL”).
- B. HCPL currently supplies power to Hardware Ranch, a ~~Utah State Park~~wildlife management area (“Hardware Ranch”) operated by the Utah Department of Natural Resources – Division of Wildlife Resources (“~~DNR~~DWR”) through an existing overhead power line (the “Overhead Line”).
- C. DFCM and Hyrum wish to replace the Overhead Line with an underground power line (the “Underground Line”).
- D. The route of the Underground Line will be from the HCPL power plant located on State Route 101 (“SR-101”), thence within the Utah Department of Transportation (“UDOT”) Right-of-Way for SR-101 (“UDOT ROW”), crossing at designated points certain real property owned by Hyrum (“Hyrum Property”), and terminating at Hardware Ranch (the “Route”).

**AGREEMENT**

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, DFCM and Hyrum agree as follows:

- 1. INCORPORATION OF RECITALS.** The Recitals of this Agreement are incorporated in this Agreement.
- 2. DEMOLITION OF OVERHEAD LINE.** DFCM will demolish and remove the Overhead Line at DFCM’s expense. Hyrum will cooperate with DFCM to facilitate DFCM’s demolishing and removal of the Overhead Line, as provided in Section 6, and including, but not limited to, granting DFCM access to any property owned or controlled by Hyrum in addition to the Hyrum Property where the Overhead Line is located.
- 3. CONSTRUCTION OF UNDERGROUND LINE.** DFCM will construct the Underground Line along the Route at DFCM’s expense. Hyrum hereby licenses DFCM to enter the Hyrum Property as convenient to construct the Underground Line.

**4. TRANSFER OF UNDERGROUND LINE FROM DFCM TO HYRUM.**

Upon completion of the Underground Line, the Underground Line will become the property of Hyrum. At completion of the Underground Line, DFCM’s rights against the contractor(s) that constructed the Underground Line under contract with DFCM shall be deemed assigned to Hyrum pursuant to Utah Code 78B-4-513(6) and such assignment shall effect a complete release by Hyrum against DFCM, ~~DNR-DWR~~ and the State of Utah for defective design or construction of the Underground Line. Completion of the Underground Line shall be deemed to have occurred when the Underground Line is permanently energized.

**5. OPERATION, MAINTENANCE AND REPAIR OF UNDERGROUND LINE.**

Upon completion of the Underground Line Hyrum shall own, operate, maintain and repair the Underground Line in perpetuity, and neither DFCM, ~~DNR-DWR~~ nor the State of Utah shall have any responsibility for the operation, maintenance and/or repair of the Underground Line, provided, however, that this Section shall not prohibit HCPL from charging for the electricity delivered to the Hardware Ranch through the Underground Line at HCPL’s standard rate for residential customers.

**6. DUTY TO COOPERATE.** The demolishing and removal of the Overhead Line may require the permission of the U.S. Forest Service and other third parties owning property upon which the Overhead Line is located, and, in such event, DFCM and Hyrum shall cooperate to obtain such permission(s). The construction, operation, maintenance and repair of the Underground Line in the UDOT ROW and along the Route as contemplated by this Agreement will require the approval of UDOT and may require the permission of the U.S. Forest Service. DFCM and Hyrum will cooperate in connection with obtaining such UDOT approval and, if necessary, U.S. Forest Service permission.

**DFCM**

STATE OF UTAH DIVISION OF FACILITIES  
CONSTRUCTION AND MANAGEMENT, an  
agency of the State of Utah

Date: January \_\_\_\_, 2025

By: \_\_\_\_\_  
Andy Marr, Interim Director

APPROVED AS TO FORM  
/S/ Mike Kelley  
Assistant Attorney General

**HYRUM**

HYRUM CITY, a Utah municipal  
corporation

Date: January \_\_\_\_, 2025

By: \_\_\_\_\_

Stephanie Miller, Mayor