

WASTEWATER TREATMENT SERVICE AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, 2025 by and between the CITY OF HYRUM, hereinafter "HYRUM", and the CITY OF MILLVILLE, hereinafter "MILLVILLE":

WITNESSETH:

WHEREAS, MILLVILLE presently has no sewage treatment system; and

WHEREAS, HYRUM has a sewage treatment facility, capable of handling and treating the sewage of MILLVILLE; and

WHEREAS, the Cities have previously entered into an INTERMUNICIPAL WASTEWATER TREATMENT PLANT OPERATING AGREEMENT on July 9, 2020; and

WHEREAS, the Cities have determined the need for an alternate agreement and voids the prior agreement of July 9, 2020 through the adoption of this agreement; and

NOW THEREFORE, in consideration of the mutual covenants and undertakings hereinafter stated to which each party hereby binds and commits itself, it is agreed as follows:

1. Transportation to HYRUM Trunk Line. MILLVILLE will provide the sewage collections system within its corporate limits at its sole cost and expense, and a trunk line extending from the collection system to a manhole located at 4600 South 1200 West in the Unincorporated Cache County just outside HYRUM city limits, where a connection will be made to the HYRUM sewer collection system. This point shall be referred to hereinafter as the "Main Collection Point."
2. Meter. At or above the Main Collection Point, a flow-measuring device shall be installed by HYRUM to the specifications acceptable to the HYRUM Water Reclamation Manager to measure the volume of waste discharged through the MILLVILLE trunk line into the HYRUM trunk line. The measuring device shall be installed, owned, and maintained by HYRUM. MILLVILLE shall have the right, in coordination with HYRUM, to review the meter readings and to inspect the measuring device at any time.
3. Ownership/Maintenance. It is agreed that all lines on or above the MILLVILLE side of the Main Collection Point shall be owned and maintained by MILLVILLE. All lines (gravity and pressure), on or below the HYRUM side of said Main Collection Point shall be owned and maintained by HYRUM. HYRUM and MILLVILLE agree to comply with all reasonable rules, regulations, and instructions related to the operation and maintenance of their respective collection systems. MILLVILLE grants HYRUM permission and the permanent right to install, operate, and maintain the measuring device identified in Paragraph 2 in a manhole on the MILLVILLE trunk line above the Point of Connection.

4. MILLVILLE hereby grants to HYRUM, enforcement authority to act as agent and representative of MILLVILLE, to enforce pre-treatment requirements in conjunction with the operation of the MILLVILLE sewer collection system. This authority shall include but is not limited to the authority to impose fines, penalties, and other enforcement actions necessary to ensure the integrity and safe operation of the sewage treatment and collection system with respect to pre-treatment requirements. The enforcement authority granted to HYRUM by MILLVILLE does not relieve MILLVILLE of its concurrent obligations pursuant to this agreement along with any other federal, state, and other local laws and regulations.
5. Acceptance of Permits and Sewage Waste. HYRUM agrees to accept sewage waste from MILLVILLE, provided that the waste complies with all applicable federal, state, and HYRUM laws and regulations, including pre-treatment requirements and Local Limits Standards. MILLVILLE agrees to adopt HYRUM sewage collection and treatment ordinances and regulations and to update said ordinances and regulations in a timely manner when revisions are provided by HYRUM. MILLVILLE also agrees to the establishment of user charges associated with the treatment of industrial and/or commercial wastes, and that permits for the same to be administered and approved by HYRUM. MILLVILLE hereby agrees to provide all necessary data to enable HYRUM to administer said permits. As a condition of connecting to the domestic sewer system, MILLVILLE will require industrial and commercial users to allow random, unannounced on-site inspections of pre-treatment facilities by inspectors or enforcement authorities as may be designated by HYRUM. MILLVILLE also grants to HYRUM authority to perform unannounced on-site, random inspections for pre-treatment purposes, as necessary, and to charge the sewage client for the same, and to allow HYRUM to charge pre-treatment clients with the costs of administering the program, at the same rate charged to HYRUM clients. MILLVILLE agrees to inform HYRUM, in a timely manner, of any potential new industries, businesses, and any other commercial entities that could discharge materials that are subject to pre-treatment standards. MILLVILLE will also require these businesses to obtain pretreatment permits from HYRUM before it issues building permits or business licenses. Issuance of these permits and licenses in MILLVILLE is contingent upon HYRUM's approval or denial of the pretreatment permit application within 30 days of receiving a complete application. In the event HYRUM fails to respond to a complete application within 30 days, MILLVILLE may issue building permits and business license, however, this does not relieve said entity of adhering to pretreatment regulations or other permit requirements.
 - a. HYRUM and MILLVILLE hereto agree to make reasonable efforts to monitor the wastewater originating within its collection system so as to prevent the introduction of wastewater which adversely affects the operation of the Facilities and to prevent the discharge of springs, flood waters and other non-sewage waters in its collection system.
 - b. Any discharge which exceeds facility design levels or contains abnormally high concentrations of pollutants as defined in HYRUM ordinances or regulations, shall require pretreatment to bring said discharges into compliance.

6. Payments. MILLVILLE agrees to pay HYRUM, and HYRUM agrees to accept from MILLVILLE the following compensation for treating and disposing of sewage waste:

- a. A monthly fee of \$35.45, or as may be established per Paragraph 7, for each 10,000 gallons of wastewater as measured at the meter near the Main Collection Point.
- b. An impact fee of \$1,992 per ERU, or as may be established per Paragraph 7, for each new residential, commercial or industrial connection that will contribute wastewater to the MILLVILLE collection system and HYRUM treatment facility. MILLVILLE will collect and pay the impact fee to HYRUM monthly.
- c. A connection buy in fee of \$1,992 multiplied by (enter of ERUs here) which is the number of existing MILLVILLE sewer ERUs at the time this agreement is signed, for a connection buy-in amount of (enter total amount here). If this amount is not paid in full within five years of signing this agreement, MILLVILLE will be assessed a 3% per year interest charge on any remaining principal. In no case shall payment in full exceed ten years.
 - i. A minimum monthly ~~connection buy-in~~ payment of \$18,000 will be invoiced by HYRUM and paid by MILLVILLE until such time that the connection buy in fee in Paragraph c. is paid in full. This monthly minimum includes fees specified in Paragraphs a and c.
- d. HYRUM and MILLVILLE will not charge a use or service fee to use each other's sewage collection/trunk lines. If a service line must be replaced due to a capacity upgrade, each City will be responsible for paying its proportional share based on its respective flow. This does not prevent a City from requiring buy-in for the use of collection or trunk lines from new development.

Invoices shall be due and payable within 30 days of receipt. Should MILLVILLE fail to remit payment within ten (10) days after the due date, the unpaid balance shall bear interest at a rate of one percent (1.0%) per month, until paid in full. Delinquent payments shall be applied first to interest and then to principal.

7. Rate and Fee Adjustments. It is agreed that monthly fees for wastewater flow rate and impact fees charged to MILLVILLE will be adjusted from time to time after a rate study or impact fee study has been completed. MILLVILLE will be informed on the schedule and methodology for the fee and rate studies that are conducted. HYRUM shall not charge MILLVILLE a fee that is less than the four-year running average of total treatment plant actual expenses divided by the annual total treatment volume. Correspondingly, the maximum fee charged to MILLVILLE shall not exceed 110% of the above noted running average. Major plant expansion costs where debt services are incurred shall be removed from the annual expenses and included as annual debt services for consideration of the monthly fee. Following an inclusive cost of treatment rate study,

the MILLVILLE monthly fee may be adjusted outside the above noted parameters to the same percentage that the HYRUM wastewater treatment rates are adjusted.

8. Regulated Users. MILLVILLE agrees that all regulated users within MILLVILLE boundaries will be required to obtain a pretreatment permit from HYRUM to enable HYRUM to monitor wastewater quality, in accordance with federal, state, MILLVILLE, and HYRUM regulations. Any charges for testing, sampling, or other charges specific to a regulated user, made pursuant to the HYRUM pretreatment rate, including surcharge fees and fines, will be billed and collected directly by HYRUM. MILLVILLE shall be notified of any formal enforcement action taken by HYRUM against businesses located in MILLVILLE.
9. Severability of Agreement. Savings Clause. If any provision of this Agreement is found to be in violation of law or unenforceable, then, notwithstanding any other provision of this Agreement, the remaining provisions of the Agreement shall remain effective and be interpreted consistent with the remaining provisions to give effect to the mutual intent of the parties to the maximum extent allowed by law.
10. Uniform User Rules. MILLVILLE and HYRUM agree that uniform rules and regulations will be established by HYRUM to regulate, including but not limited to, the discharge of harmful substances into the sewage system in excess of minimum standards prescribed; the use of food waste disposal units for domestic and commercial food wastes entering the sanitary system; and the provision of adequate inspection of building, sewer and street construction to prevent such items from entering the sewer system. Enforcement of these provisions will be the responsibility of the entity owning the collection system.
11. Effective Period. This Agreement shall remain in effect for a period of twenty (20) years from the date of execution hereof with automatic ten (10) year renewals unless terminated by either party giving the other party ten (10) years written notice. In the event of a major change to the projected growth rate and subsequent sewage flows, federal or state regulations, or capital improvement needs, HYRUM and MILLVILLE mutually agree to renegotiate the terms of this agreement.
12. Adoption and Compliance with Rules and Ordinances. So long as such rules or ordinances are in compliance with federal, state, and HYRUM regulations governing the treatment of sewage, MILLVILLE agrees to adopt HYRUM's rules and ordinances as they presently exist and as they may be amended or added upon, governing the discharge of water or materials of any kind into MILLVILLE's collection system and to be responsible for the "administration and enforcement of said rules or ordinances. If, after reasonable notice, MILLVILLE fails to take appropriate enforcement action against violators within their jurisdiction for violations of said rules or ordinances, HYRUM may take any action it deems appropriate, including not accepting waste at the Main Connection Point and/or terminating this agreement.
13. Damages and Expenses. All costs, damages, and expenses (including but not limited to attorney's fees and the reasonable value of equipment and employee time) incurred by a

non-breaching party because of a default or a breach by a defaulting party of this agreement shall be borne and paid by the defaulting party.

14. System Responsibility. Each party shall be responsible for their own collection system and trunk lines, and each agrees to indemnify and hold the others harmless for loss, damage, or claims of any kind arising from its own acts or neglect relating to the installation or use of these collection systems and trunk lines.
15. Authorization. The undersigned representative of each City confirms his or her authority to execute this agreement and represents that his or her governing body has authorized this agreement by resolution.

CITY OF HYRUM

ATTEST:

Stephanie Miller, Mayor

Stephanie Frick, City Recorder

DATED this ____ day of _____, 2025

CITY OF MILLVILLE

ATTEST:

David Hair, Mayor

Corey Twedt, City Recorder