

VIRGIN TOWN
RESOLUTION R2024-J

(Signing on to 2019 Regional Water Supply Agreement)

**A RESOLUTION OF THE TOWN COUNCIL OF VIRGIN TOWN
JOINING THE WASHINGTON COUNTY WATER CONSERVANCY
DISTRICT 2019 REVISED REGIONAL WATER SUPPLY AGREEMENT**

RECITALS

WHEREAS, pursuant to Utah Code Ann. §10-1-201 Virgin Town (the “Town”) is a Utah municipal corporation and political subdivision of the State of Utah.

WHEREAS, pursuant to Utah Code Ann. §10-3b-401 the Virgin Town Council (“Town Council”) is the legislative and governing body of the Town.

WHEREAS, presently the Town owns its own culinary water system comprised of a water storage tank, a series of water distribution lines and various valves, meters, and pumps (“Virgin Culinary Water System”).

WHEREAS, the Town provides retail culinary water services to residences and businesses within the Town via the Virgin Culinary Water System.

WHEREAS, presently the Town purchases the culinary water which it sells from the Washington County Water Conservancy District (“WCWCD” or “District”) pursuant to an agreement entitled “Water Supply Agreement” that was entered into between the Town and the District on June 24, 1997 (“1997 Water Supply Agreement”).

WHEREAS, pursuant to the 1997 Water Supply Agreement, WCWCD is required to supply the Town with culinary water on a wholesale basis sufficient to serve up to 1000 residential connections or equivalent resident connections (“ERC”) but not to exceed an annual delivery of more than 1,000 acre feet.

WHEREAS, at the time the 1997 Water Supply Agreement was entered into, there were 137 residential or equivalent residential connections within the Town.

WHEREAS, presently approximately 627 residential, equivalent residential, or standby connections within the Town have been utilized, however, several new residential and commercial projects have been approved or are in the process of being approved and constructed which will quickly consume a substantial amount of the remaining unused water connections available to the Town under the 1997 Water Supply Agreement.

WHEREAS, the WCWCD and other municipalities within Washington County entered into a pooling agreement effective April 23, 2006 known as the Washington County Water Conservancy District Regional Water Supply Agreement (“Pooling Agreement”) whereby the District agreed to continue to acquire water sources and develop a regional water delivery system from which each member of the Pooling Agreement could purchase water from on a wholesale basis in exchange for each member municipality agreeing to collect and remit certain impact fees and surcharges to the District.

WHEREAS, effective January 1, 2019 the WCWCD and its member municipalities in the Pooling Agreement entered into a Revised Regional Water Supply Agreement which modified and updated the original Pooling Agreement in certain regards (Revised Pooling Agreement”).

WHEREAS, because of various reasons, including limited historical growth, the perceived lack of need, the limited supply and every increasing price of water rights available for sale with the Virgin River draining and the cost of constructing facilities to divert or remove water and transmit into the Town’s Culinary Water System, the Town did not join the Pooling Agreement and has not aggressively attempted to acquire extra water sources for additional capacity to provide culinary water service to its residents and businesses once the 1000 connection caps of the 1997 Water Supply Agreement has been exceeded.

WHEREAS, regardless of whether the Town implements more conservative growth and development policies and ordinances, the present Town Council believe strongly that it must take the necessary step to acquire additional water sources so that the health, safety, and general welfare of the Town, and its residents/businesses continue to be served.

WHEREAS, after careful consideration and analysis, and after taking public input and feedback from the public, the Town Council has determined that rather than go into substantial debt to acquire new water rights and augment the Virgin Culinary Water System with new diversion, removal, treatment, and transmission facilities to get said water into the City’s water storage tank, that joining and becoming a participating municipality in the Revised Water Pooling Agreement (and thus purchasing culinary water from the District on an unrestricted basis under a new format) is the preferable option.

WHEREAS, on January 17, 2023 the Town Council, acting pursuant to Article 6 of the Revised Pooling Agreement notified the District and other participating municipalities via Virgin Town Resolution R2023-C that Virgin Town desired to become a “Municipal Customer” under said Agreement and made application to the WCWCD Board of Trustees (“District Board”) for their approval.

WHEREAS, the Mayor and the Town Attorney appeared before the District Board, as well as the WCWCD Advisory Council, as part of the application process and obtained approval for the Town’s joinder from both WCWCD governing bodies.

WHEREAS, following the approval from both WCWCD governing bodies the District has prepared and submitted for the Town’s approval an “Amendment to Revised Regional Water Supply Agreement Adding Virgin as a Municipal Customer” which allows Virgin to become a participating municipality.

RESOLUTION

NOW THEREFORE BE IT RESOLVED by the Virgin Town Council as follows:

1. Approval of the Agreement. The Town accepts and agrees to the terms of the “Amendment to Revised Regional Water Supply Agreement Adding Virgin as a Municipal Customer” and authorizes the Mayor to sign the Agreement on behalf of the Town.
2. Conflicts/Repealer. This Resolution supersedes the provision of any prior Town resolution in conflict herewith.

3. Effective Date. This Resolution shall become effective immediately upon adoption by the Town Council and execution by the Mayor.

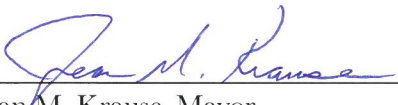
ADOPTED AND APPROVED BY THE VIRGIN TOWN COUNCIL, this 16th day of April, 2024 based upon the following vote:

<u>Town Council Member</u>	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mistie Baird	X			
Marci Holm				X
Paul Luwe	X			
April McKeon	X			
Jean Krause, Mayor	X			

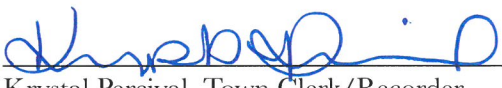
VIRGIN TOWN

A Utah municipal corporation

Attest:



Jean M. Krause, Mayor



Krystal Percival, Town Clerk/Recorder