



MINUTES BOARD OF TRUSTEES PUBLIC MEETING

Meeting date: July 7, 2025
Time: 6:00 pm
Location: 533 East Water Works Drive, St. George Utah 84770
Participants: Board members Ed Bowler, Rick Rosenberg, Clark Fawcett, Adam Bowler, Kress Staheli attended in person and Michele Randall attended via phone. Victor Iverson was not present. District staff include Zach Renstrom, general manager; Mindy Mees, secretary; Jodi Richins, general counsel; Brie Thompson, Brock Belnap and Corey Cram, associate general managers. Other meeting attendees as noted on the attached sign-in sheet.

Public Hearing to consider a hydrant meter rental fee schedule and rate increase

Accounting Department Manager Kay Barnum explained that the District currently rents hydrant meters to contractors and other customers, typically for use in new construction projects such as residential homebuilding or other development. The existing fee structure for these rentals has been in place for many years and is now under review.

Many of the systems where these hydrant meters are used are smaller and have limited source and storage capacity. Due to this, District staff conducted a comparative analysis of fees charged by other local entities and are proposing an updated fee schedule.

1. **Application Processing Fee**
 - **Current:** No fee
 - **Proposed:** \$25
2. **Security Deposit**
 - **Current:** \$1,000
 - **Proposed:** \$2,000
3. **Daily Rental Fee**
 - **Current:** \$5/day (based on a 5-day week)
 - **Proposed:** \$5/day (based on a 7-day week)
4. **Potable Water and Secondary Water Usage Rates**
 - **Proposed:** Tiered rate structure
5. **Missed Monthly Reporting Fee**
 - **Current:** No fee
 - **Proposed:** \$50
6. **Meter Repossession Fee**
 - **Current:** No fee

- **Proposed:** \$100

Trustee Clark Fawcett expressed appreciation for comparing the District's fees with those of other cities but said just because other cities are higher does not mean we should be jumping to match it. Mr. Fawcett also said he is open to fee increases if there is clear justification, such as covering the actual costs of the equipment. Mr. Fawcett also asked why is each proposed fee necessary, what specific costs are being recovered by each fee and are we proposing the increase based on real needs or just to match other cities?

Ms. Barnum responded that the current hydrant meter fee structure has been in place since 2005. Most hydrant meters are connected to small water systems, many of which have limited capacity. A large draw from these meters can impact the system's ability to serve its existing customers. Hydrant meter users do not pay surcharges that are built into regular customer water rates surcharges that help fund ongoing system maintenance and infrastructure upgrades. Therefore, the fees will generate fair revenue for water used from constrained systems, ensure that temporary users contribute to the system's upkeep, and discourage casual or excessive use. Ms. Barnum emphasized that the goal is not simply to match other cities' fees, but to ensure the District recovers appropriate costs and protects the integrity of its smaller water systems.

Chairman Ed Bowler opened the hearing for public comment.

Mayor Nanette Billings commented that her city does not use tiered rates for hydrant meters and questioned whether it is appropriate in this context. She said that hydrant meters are typically used for necessary purposes such as construction or emergency fire-related needs and not for discretionary use. Because of that, charging more for higher usage may not be effective or fair in regulating demand. Mayor Billings also said that when hydrant meters are installed, users are already aware they are being charged and therefore are typically conservative and purposeful in their use and that tiered pricing may not be necessary, as the usage is usually driven by actual need, not overuse or waste.

Trustee Kress Staheli asked whether the water used through these meters is typically potable or non-potable, noting that the rate structure appears to differ significantly between the two.

Ms. Barnum said that she understands the water used is usually potable. In some cases, such as certain construction projects where non-potable water is sufficient and a secondary source is nearby, non-potable water may be used. However, potable water is typically used.

There was no other public comment, and the public meeting was closed.

Consider resolution authorizing a rate increase for hydrant water usage and meter rental

Trustee Rick Rosenberg made a motion to approve the resolution authorizing the rate increase for hydrant water use and meter rental as presented, the motion was seconded by Adam Bowler, and a roll call vote was taken as follows:

Ed Bowler	Yes
Rick Rosenberg	Yes
Clark Fawcett	No
Michele Randall	Yes
Kress Staheli	No

Consider approval of contract for Toquerville Springs to Virgin Pump Station

District Project Manager George Elliott explained this contract is a continuation of a previously discussed item, which focused on the prefabricated pump station component. The current proposal includes site work and piping, which had been designated for a future contract phase.

Mr. Elliott explained that the project was advertised and received multiple competitive bids. Interstate Rock Products submitted the lowest bid at \$327,900. The engineer's estimate for the project was \$400,000, making the low bid well within budget.

Mr. Elliott also explained that the District has prior positive experience working with Interstate Rock, the contractor is familiar with local site and subsurface conditions, including the rocky terrain, and Interstate Rock expressed confidence in their bid and enthusiasm for the project.

Mr. Elliott recommends the board approve the contract with Interstate Rock in the amount of \$327,900 for the Toquerville Springs to Virgin Pump Station construction.

Trustee Clark Fawcett made a motion to approve the contract with Interstate Rock for \$327,900 for Toquerville Springs to Virgin Pump Station, the motion was seconded by Rick Rosenberg and all voted aye.

Consider approval of modification of contract with RB&G engineering for Chief Toquer Reservoir

Project Manager George Elloit explained that the purpose of the request is to seek Board approval for a contract modification due to updated project needs and unforeseen work. The proposed changes reflect additional scope not accounted for in the original June 2020 contract, including timeline extensions and unanticipated cost factors.

Mr. Elliott said that the scope changes include the addition of a reservoir liner covering approximately 125 acres, which has been discussed in previous meetings. The project also encountered extensive fault zones and added designations, which significantly impacted the scope, schedule, and labor costs.

Mr. Elliott also pointed out that inflation and supply chain challenges over the past four years have further increased construction and consulting costs. As a result, the additional work will require more field oversight and engineering support.

Mr. Elliott highlighted several images to demonstrate the scale and complexity of the trench investigation and dam construction efforts. He showed photos from the dike fault trench investigation. He explained that this work has been ongoing for quite some time and involved extensive trenching to identify potential geologic hazards. The photos showed the depth and scale of the trench, with individuals standing inside for perspective. A particularly noteworthy feature was a darker-colored fault line visible in the trench wall, which was confirmed to be an active fault within the dike foundation. Identifying this fault was a critical part of the investigation, as it directly influenced the design and safety planning for the dam.

Mr. Elliott then showed a before-and-after comparison:

- On the left, the original trench with visible landmarks like a chain-link fence, well house, and billboards.
- On the right, the same perspective showing the nearly completed dike, now awaiting final touches such as the installation of the liner.

Mr. Elliott explained that while the liner has not yet been installed, the preparatory work has been extensive. The subgrade preparation spans approximately 125 acres and will require considerable planning and engineering.

Mr. Elliott also identified designated haul roads, shown as dark lines throughout the reservoir basin. These roads were specifically planned to allow equipment access during construction without damaging the liner once installed. Each segment will need to be individually placed, welded, and inspected. This liner installation will require intensive oversight to ensure long-term durability and effectiveness

Mr. Renstrom noted that the decision to install a liner was not originally part of the District's initial plan but became a regulatory requirement during the state's review process. He explained that the Utah Division of Environmental Quality (DEQ) specifically mandated the inclusion of a liner.

Mr. Elliott elaborated further on the reasons behind the liner requirement, noting that part of the concern stems from the potential for water transport and seepage. He emphasized that the reservoir is located above a pristine aquifer, and with the introduction of the reuse system, the District is now introducing Type 1 reuse water into the basin. While Type 1 reuse water is safe for human contact and certain applications, concerns were raised about total dissolved solids (TDS) and the risk of infiltration into the underlying aquifer.

Trustee Rick Rosenberg raised a question about the potential impacts of the liner on future reservoir uses, particularly recreational activities.

Mr. Elliott responded that the District still fully intends to move forward with planned recreational uses, including fishing habitat development and non-motorized boating. The liner is not expected to interfere with the intended public use and access to the reservoir once completed.

Corey Cram explained that he has spoken with representatives from Fish and Wildlife, and they were very supportive of the District's plans. As part of the reservoir project, the District has coordinated with the Utah Division of Wildlife Resources (DWR) to include enhanced aquatic habitat features, such as rock piles and other structures. Mr. Cram also said that Wildlife Resources was enthusiastic about the proactive planning, stating they were "really excited that we're out ahead of this" and fully on board with the habitat improvements.

Trustee Kress Staheli commented that Corey Cram has done a good job keeping the Board periodically updated on the progress of both the fault investigation and the liner installation and said that he could not recall the specific material the liner is made from and asked for clarification.

Mr. Elliott responded that the project uses two types of liner material depending on location. One type is HDPE (High-Density Polyethylene), and the other is LLDPE (Linear Low-Density Polyethylene). He explained that as the reservoir basin approaches the dike, the liner material transitions, with different properties required based on site conditions and design specifications. The shift in materials is deliberate and tied to performance needs in different parts of the reservoir.

Brandon Horrocks elaborated on the reasoning behind the material selection. LLDPE has greater elasticity than HDPE, making it better suited to span ground movement in the event of a fault rupture, which is why it is installed near the fault zone at the dike. HDPE is used in the broader basin because it offers more friction between the liner and the soil, which improves stability.

Mr. Elliott explained that another challenge encountered during the project was the unexpected requirement for a FEMA floodplain study, which emerged midway through the process. This unexpected requirement led to extensive coordination involving multiple engineering firms, Toquerville City and FEMA. Mr. Elliott described the process as multi-month and highly complex, adding that it also led to the need for additional grading permits.

Mr. Elliott explained the financial overview of the reservoir project, which has been executed in two phases:

- Phase One: Excavation, completed in 2024 at a cost of \$3 million
- Phase Two: Dam construction, currently underway, budgeted at \$42 million

This brings the total project cost to approximately \$45 million.

Mr. Elliott explained that the requested contract modification represents 8% of the total project cost, which is below the originally anticipated 10% contingency threshold. He emphasized that the modification request is within the overall approved project budget and does not exceed any existing financial authorizations.

- Current contract amount: \$2.169 million
- Proposed increase: \$1.642 million
- New total contract amount: \$3.8 million

Mr. Elliott said after internal review, consultation with the engineer, and staff discussion, the District believes the modification is justified and recommends it for consideration and approval by the Board.

Discussion:

Trustee Adam Bowler asked if the significance of the cost increase might have influenced earlier decisions had it been known at the time. Trustee Bowler said that the modification represents a substantial increase and questioned how it might have impacted the overall evaluation or selection of approach if anticipated earlier.

Mr. Elliott responded that, while he was not with the District in June 2020 when those original decisions were made, he knows that the District has had a longstanding relationship with RG&B Engineering. Brandon Horrocks commented that RB&G was selected based on qualification. Mr. Renstrom clarified that Utah State law requires the selection of engineering firms based on qualifications first, not cost. Once the most qualified firm is selected, the cost proposal is then opened and negotiated. This process means the District did not choose the firm based on price upfront, but rather on their demonstrated ability to perform the work.

Mr. Cram added that the District feels confident in both the cost and the performance of the selected engineering firm. He emphasized that dam construction is a highly hands-on form of engineering, requiring continuous on-site involvement, not just design work from an office. Mr. Cram said that RG&B has maintained a strong field presence, including a mobile laboratory on-site, a full-time engineer stationed at the construction site, who is actively involved in field inspections, and multiple technicians who are regularly performing density tests, compaction checks, and soil analysis.

Trustee Clark Fawcett expressed concern over the magnitude of the cost increase, questioning whether it should have been anticipated in the original project estimate stating that the current request nearly doubles the original amount. Mr. Cram responded that current request should not be viewed as a traditional change order for unexpectedly added work, but rather as part of a planned two-phase engineering approach.

Mr. Cram explained that Phase 1 included the initial design and site investigations, including fault trenching and preliminary dam layout. It was always anticipated that there would be a Phase 2, which would involve the final design and engineering required to complete the dam and secure all necessary regulatory approvals. Mr. Cram said that the second phase became more complex than originally anticipated due to the requirement to add a liner, the unexpected FEMA floodplain study, and additional coordination with the Division of Dam Safety and other permitting authorities.

Mr. Horrocks explained that when the original budget and estimates were developed in 2020, the District anticipated an 18-month construction period. However, due to various project developments including the liner requirement, fault mitigation, and floodplain mapping, the construction schedule has shifted significantly. The project is now effectively structured as 6 months for Phase 1 and 24 months for Phase 2. This totals 30 months of construction, which is nearly double the original projection. While the contractor has been working extended days during Phase 2 in an effort to compress that work back into an 18-month timeframe, the scope and complexity of the work still reflect a full 24-month effort. This significant expansion in timeline has naturally increased the level of engineering oversight and support required, further justifying the additional contract scope and cost.

Trustee Rick Rosenberg commented that the initial project budget had already anticipated engineering costs to be around 10% of the total project cost, and that the current request at 8% is actually lower than originally projected.

Trustee Fawcett asked with the increased engineering costs and added project complexities would it translate into significantly higher construction costs? Corey Cram responded that construction costs are already under contract, and the District is not anticipating an increase to those amounts. Mr. Cram said that contracted construction costs

can fact-check whether the engineering costs are reasonable. There are industry rules of thumb for what engineering services should cost as a percentage of total construction, and in this case, the requested 8% engineering cost is well within standard expectations.

Trustee Clark Fawcett acknowledged the explanation of the project being executed in two phases but said there are still elements that appear to go beyond what would normally be expected in a typical dam project. The extended construction timeline, the fault trenching and geotechnical findings, and other unexpected complications that arose during the process. He asked if under such circumstances, would it not be surprising for a contractor to come back and argue that these items were “outside of the original scope” and therefore justify additional costs despite having a signed contract.

Mr. Horrocks commented that they were known to the construction contractor in the design work and that is why its broken down in two phases.

Trustee Adam Bowler asked whether the District anticipated any future engineering cost increases, expressing concern that the Board might be asked to approve another modification down the line and stated, “If we are at 8% now, I do not want to hear in three years we need more.” Trustee Adam Bowler said he is a little uncomfortable with the size of the number, but that he trusts in staff and the process, and said he would support the recommendation. But, Trustee Bowler said he did not want to see another request for additional funds in the future.

Trustee Staheli acknowledged the concerns raised by Trustee Fawcett, noting that as someone relatively new to the board, his reaction was understandable. Mr. Staheli emphasized that for those who had been involved earlier, including the prior composition of the Board, much of this information such as the need for a liner and the presence of the fault had already been well explained.

Trustee Staheli credited Corey Cram for spending extensive time keeping the Board informed on these technical issues in previous meetings. Trustee Staheli said that this request does not come as a surprise, and it reflects the professionalism, expertise, and transparency of the District’s staff and the strong working relationship they have maintained with the Board throughout the process.

Trustee Kress Staheli made a motion to approve the modification of the contract with RB&G Engineering for the Chief Toquer Reservoir with an increase of \$1,642,144, for a new total contract price of \$3,811,862. The motion was seconded by Rick Rosenberg and all vote aye.

Consider approval of the Silver Cliffs/Grapevine Development Agreement

General Manager Zach Renstrom explained that the Silver Cliffs development, also known as Grapevine, is located within the City of Leeds. About 20 years ago, the city created a special service district called Grapevine Local District, granting it broad authority over services such as stormwater and sewer.

Mr. Renstrom explained that the District has been discussing how to address these special service situations and is now proposing a development agreement under which the District would supply and operate the retail water system for the Silver Cliff development. The agreement includes a provision that if the City of Leeds later opts to take over system operations, ownership would transfer to the city. The developer will be required to build the water system to District standards, which are the highest in the area compared to other cities. The development will also comply with the ultra-water efficient standards that was previously adopted by the Board regardless of whether the City of Leeds assumes future control.

Mr. Renstrom also said that the developer has an agreement with the Ash Creek Special Service District for wastewater treatment, allowing treated water to be reused. Due to the unique nature of this arrangement, the District has prepared two agreements: a development agreement with the developer and an interlocal agreement with the Grapevine Local District. Mr. Renstrom said that state law requires city consent before the District can provide retail water services, and a letter of consent has been received from the Mayor of Leeds.

Paul Morris is the developer of Silver Cliffs and Chairman of the board for Grapevine Local District and is here to answer any questions from the board.

Trustee Staheli asked, 'You're talking about 742 residential lots and significantly more commercial lots within a district that is located in a municipal or township boundary. I understand that we are proposing for the district to serve as both the wholesale and retail provider while the infrastructure is being built out. But is that typical? Do we have the manpower to inspect those improvements as they are constructed? And to what standard will they be built?'

Mr. Renstrom responded that Silver Cliffs will be required to build to the District's standards, which are currently the highest in the county, and that the District has an inspector who will be conducting the inspections as work progresses.

Trustee Staheli asked how the agreement would work if Leeds changes its position and decides to join the Regional Water Supply Agreement and incorporate this area. Trustee Staheli asked whether there would any exchange of capital, or would the infrastructure simply be transferred to the city?

Mr. Renstrom responded that essentially the District would transfer it to the city as infrastructure. The developer is responsible for building the entire system, and they are still required to pay the impact fee for the regional portion. So, if the city came in and said they wanted it, the District would likely sign a deed transferring ownership to the city and hand over the billing records as well.

Trustee Staheli asked if it would burden the District's staff to handle the retail billing for the end users. Mr. Renstrom responded that the District sends out bills and collects payments directly from its retail customers. The District's retail rates are actually the highest in the area, so there could be some motivation for customers to eventually go with Leeds City if that ever becomes an option. As more users come online or if the system expands significantly, the District will likely need to consider hiring additional staff in the billing department. The District's system is automated, with automatic meter reads similar to what many cities use, so the billing process itself is not too burdensome. And since the infrastructure is new, the District would not expect much maintenance in the beginning.

Paul Morris commented that he appreciates the opportunity to be here today. The Grapevine Local District is capable of providing both wholesale and retail water services. Grapevine Local District was prepared to serve as the retailer if the District had chosen to be the wholesaler but given the District's proximity to the Homespun development and the importance of respecting Leeds' preferences, Mr. Morris supports the current approach.

Mr. Morris said that he has had many conversations with Leeds and fully respects Leeds' right to determine their own course regarding water and sewer services. That is why the Silver Cliffs development entered into an interlocal agreement with Ash Creek in January and are now doing the same with the Water District. This arrangement makes sense if Grapevine were the retailer and Leeds later decided to join, Grapevine would transfer the system to Leeds. But since the Water District is serving as the retailer, it simplifies the process.

According to Mr. Morris, Grapevine Local District issued bonds last September, so they already have all the funding in place to build the entire system. The agreement requires Grapevine to name the Water District as an insured party for \$2 million, but Grapevine has already provided a certificate of insurance for \$5 million because Grapevine is a member of the Utah Local Governments Trust, which does not issue coverage below that amount. That certificate, naming the Water District as an additional insured, was delivered today.

All infrastructure has already been transferred to the Grapevine Wash Local District. While the developer retains ownership of the individual lots, the roads and utility corridors are now district-owned. Sewer installation is currently underway, with Ash Creek inspectors on-site daily. Grapevine is also paying the District's inspection fees and complying fully with the District's construction standards.

Mr. Morris also said that Silver Cliffs has worked very hard to be good community partners not just with Leeds, but with Southern Utah as a whole. Initially, the project could have included as many as 1,033 lots, but Silver Cliffs negotiated with the Town of Leeds and voluntarily reduced that number by about 20 percent. Preliminary plans

called for 761 lots; but the current figure is listed as 743. Now, Mr. Morris is expecting to end up with around 739, having made the lots slightly larger and more compatible with the surrounding area.

Silver Cliffs also agreed to adopt the District's ultra water conservation standards before they were formally mandated. Mr. Morris said he stood at the microphone and said they would comply even before standards became a requirement. That was part of Silver Cliff's commitment to being responsible and cooperative participants in the region.

Mr. Morris also discussed affordable housing. He said that the legislature gave them the tools, and no government agency required them to act but they took the initiative. Silver Cliffs committed to building 20 units under the Housing Authority Act to serve schoolteachers, firefighters, restaurant managers, and local government employees who make moderate incomes and often struggle to find affordable housing. That original commitment has grown. Silver Cliffs is now developing 36 such units directly affiliated with this project and anticipate building another 100 nearby that would also qualify. The goal is to keep these homes permanently affordable and not to allow them to be bought, flipped, and resold for a \$150,000 profit, which would defeat the purpose.

Mr. Morris said that Silver Cliffs is actively working on a mechanism to preserve long-term affordability and ensure these homes continue to serve the people for whom they are intended. Mr. Morris said that they are proud of what they do. Silver Cliffs was not mandated to provide affordable housing but chose to do it. They have taken the tools the legislature gave them and created what they believe is a new, effective model. Silver Cliffs is deeply committed to supporting essential members of the community and continuing to act as responsible, forward-thinking partners in the region's growth.

Trustee Staheli said he has long been a strong advocate for development occurring within municipal boundaries because cities have a specific and important role to play and he typically is not a supporter of residential subdivisions being built in the unincorporated county or special service districts. However, what Trustee Staheli does appreciate about Mr. Morris's development and the work the Grapevine Local District has done is that they have created a solid checklist for making this kind of arrangement work. Trustee Staheli said that he is hopeful that Grapevine will continue to build out the rest of the infrastructure to meet appropriate standards and be able to provide the full range of services that cities typically offer. Trustee Staheli said that he thinks most people will probably associate the Silver Cliffs development with the Town of Leeds anyway. Trustee Staheli said that he likes that Mr. Morris gave Leeds, in effect, the first right of refusal with the opportunity to annex and provide services, and when they declined, Silver Cliffs moved forward respectfully. Trustee Staheli said he also really appreciate that the development is meeting the ultra-efficient water conservation standards, and that it is on the Ash Creek sewer system, which enables the development to participate in the regional water reuse system.

Trustee Adam Bowler made a motion to approve the Silver Cliffs/Grapevine Development Agreement, the motion was seconded by Clark Fawcett and all voted aye.

Consider approval of the Interlocal agreement with Grapevine Local District

Mr. Renstrom explained that this is the Interlocal Agreement with Grapevine Local District, essentially two districts coming to an agreement. The District is trying to cover all its bases, which is why there is both a Development Agreement with Silver Springs and an Interlocal Government Agreement with Grapevine Local District. The agreements work together under the same conditions to ensure everything is aligned.

Trustee Bowler made a motion to approve the Interlocal Agreement with Grapevine Local District, the motion was seconded by Rick Rosenberg and all voted aye.

Manager's report

General Manager Zach Renstrom said that following discussion at the last board meeting regarding swimming pools, the District's staff is currently conducting a study to gather more detailed information. The goal is to develop a clearer understanding of the overall impact of swimming pools in Washington County on water use and the

economy. Once the data collection and analysis are complete, the findings will be presented to the Board at a future meeting.

Mr. Renstrom explained that the District has recently completed a draft Regional Conservation Plan. Under current Utah law, each city is required to develop and submit its own conservation plan to the state. Traditionally, cities have hired consultants - often at a cost of \$10,000 to \$20,000 - to prepare these plans. However, the District received approval from the state to create a single, regional conservation plan that cities may voluntarily adopt.

Mr. Renstrom also reported that the District submitted its annual consumptive water use report that is required by state law. There was a slight increase in the most recent reporting due to hot and dry weather conditions.

Mr. Renstrom said he has been working with legislature on how to fund the Regional Reuse System. The Utah State Legislature set aside \$195 million in funding for reuse projects in Southern Utah. Although this funding must be repaid, the Board of Water Resources was tasked with determining the loan terms. Initially, discussions with Board's staff suggested that they could offer terms of 1% interest over 30 years. However, Mr. Renstrom worked closely with the Board and successfully secured a loan with terms of 0.5% interest with 40-year repayment period.

Mr. Renstrom shared a positive interaction with the Chair of the Board of Water Resources. The Chairman expressed strong support for the District, stating: "You guys are the only ones doing it right in the state of Utah." The Chair offered to serve as a continued advocate for the District, encouraging future requests for assistance or additional funding.

Regarding the loan from the state, Mayor Nanette Billings asked whether \$195 million is enough to fully cover the cost of the reuse project or will the District still need to fund part of it from their own budget? Mr. Renstrom responded that the District will need additional funds. The District has some savings that it is planning to put toward the project, but it is not going to be enough. The District is exploring other options, including loans from WIFIA (the Water Infrastructure Finance & Innovation Act). The District will also continue to work with the state to pursue more than the \$195 million already discussed.

Request for closed session to discuss purchase and sale of real property

Chair Ed Bowler noted that two-thirds of the District board members are present and stated the purpose of the closed session is to discuss the purchase of real property. Mr. Bowler said that the closed session is held at Washington County Water Conservancy District office building 533 E Waterworks Drive, St. George Utah on July 7, 2025.

(Return to open session) Consider approval of purchase of real property

Trustee Adam Bowler made a motion to approve the purchase of real property in Diamond Valley area as discussed in the closed session, the motion was seconded by Kress Staheli and all voted aye.

Consider approval of June 2, 2025 & June 30, 2025 board meeting minutes

Trustee Kress Staheli made a motion to approve the June 2, 2025 & June 30, 2025 board meeting minutes, the motion was seconded by Clark Fawcett and all voted aye.

The meeting was adjourned upon motion.

Mindy Mees

Secretary



Memo

To Board of Trustees

From Kay Barnum

Date July 2, 2025

SUBJECT Hydrant Water Usage and Meter Rental Fees

Situation

The Washington County Water Conservancy District (district) charges fees to cover its expenses for use of water from retail system hydrants and other locations for construction projects and other uses, and it needs to increase these fees.

Background

The district issues hydrants meters to meter water used for construction and other uses in its retail water systems and other locations. The current fees have been in place for many years. Many district systems have limited source and storage capacity available above what is needed for its connected users. Some systems are also limited based on available water rights. For these reasons, adjustments to current fees are needed to limit excessive demands on these systems.

Assessment

District staff evaluated the time and other costs associated with the hydrant meter issuance and tracking processes and compared its current fees to fees charged by other local entities. Table 1 shows a comparison of other local entities' fees, and an assessment of each fee as it relates to the district's processes is below.

Table 1. Fees charged by local entities.

Entity	Deposit	Rental Fee	Rates	Other Fees
La Verkin	\$850	\$25 per month	Current rate set for gallons of water used	Missed Read \$200
Leeds Domestic Water Association	\$1,750 within service area	\$175 first day, \$30 each additional day	\$7.00 per 1,000 gal	
	\$2,000 outside service area	\$275 first day, \$50 each additional day	\$9.00 per 1,000 gal	
Hurricane	\$1,100	\$5 per day	\$3.00 per 1,000 gal	
Ivins	\$1,500	\$5 per day, \$15 minimum	\$3.50 per 1,000 gal, \$10 minimum	Failure to read - \$100 Reissue fee \$100
St. George	\$2,000	\$97.26 per month	\$2.06 per 1,000 gal	\$35 processing fee Missed inspection fees: 1 st \$50, 2 nd \$200, Subsequent \$1,000 Reissue Fee \$100
Santa Clara	\$1,500 damaged meter penalty	\$5 per day	\$2.50 per 1,000 gal	Missed reading fees \$50 for first \$200 for second \$500 for third
Toquerville	\$2,200	\$5 day \$150 per month	\$6 per 1,000 gal for 0 to 10,000 gal \$8 per 1,000 gal for 10,001 to 15,000 \$10 per 1,000 gal for 15,000 to 20,000 \$12 per 1,000 gal for 20,001 and higher	Municipal construction \$150/month and \$2.50/1,000 gallons
Washington (for 3/4" meter, 2 1/2" meter more)	\$750	\$2.50 per day, \$75 per month	\$4.82 per 1,000 gal	

Application Processing Fee – A processing fee of \$25 is needed to cover the administrative costs of issuing the hydrant meter and billing of its usage. Other local entities charge between \$0 and \$35 for application and processing fees.

Hydrant Meter Security Deposit – A hydrant meter security deposit of \$2,000 is needed to help pay for the replacement of the hydrant meter and revenue lost from not having a final meter read if the meter is lost or damaged. The deposit may also go toward other fees the applicant fails to pay. Other local entities charge between \$750 and \$2,200 for hydrant meter security deposits.

Hydrant Meter Daily Rental Fee – A hydrant meter daily rental fee of \$5 per day, with a \$15 minimum, is needed to pay for repairs and maintenance and eventual replacement of the meter and as well as the tracking of its usage. This fee is also an incentive for applicant to return in a timely manner so the meter can be rented to others. For a month of use, rental fees would be approximately \$150. Other local entities vary on hydrant meter rental fees assessed with some assessing fees daily, some monthly, and some assessing a higher fee for the first day. A rental fee of \$5 per day is the most common fee assessed.

Potable Water Rates – High-tiered potable water usage rates are needed by the district to deter contractors and other users from placing excessive demands on the district's small systems. These rates also do not include the surcharge fee that some of the district's water customers pay. Other local entities charge flat or tiered fees, and the amounts charged are typically reflective of the entity's system size and associated ability to absorb additional water use. These charges range from a flat fee of \$2.06 per 1,000 gallons to tiers beginning at \$6 per 1,000 gallons and ending at \$12 per 1,000 gallons.

Non-potable (Secondary) Water Rates – Tiered non-potable (secondary) water usage rates are also needed by district to compensate for water usage and deter contractors and other users from placing excessive demands on the district's non-potable sources. Secondary water is typically pumped from district surface water sources. Secondary water is not typically available from other local entities.

Missed Reporting Fee – A missed reporting fee of \$50 will help enforce the required monthly usage reporting by the applicant and help cover costs associated with tracking down usage information that is not reported. A missed reporting meter read causes extra administrative time and work for the district. Not all entities have a missed reporting fee, and several have fees that increase upon additional occurrences.

Meter Repossession Fee – A meter repossession fee of \$100 will discourage applicants from failing to return meters and help cover costs associated with locating and returning missed or damaged meters. This fee may also be applied for termination of service due to an outstanding bill unpaid for more than 45 days or other meter repossession.

Recommendation

Approve the resolution adopting the fee schedule below.

Hydrant Meter Rental Fee Schedule		
Fee Component	Current Fee	Proposed Fee
Application Processing Fee	None	\$25
Hydrant Meter Security Deposit	\$1,000	\$2,000

Hydrant Meter Daily Rental	\$5 per day (5 days per week)	\$5 per day (7 days per week, \$15 minimum)
Potable Water Rate (assessed monthly)	\$2.35 per 1,000 gallons	\$6 per 1,000 gallons for 0 to 10,000 gallons \$8 per 1,000 gallons for 10,001 to 15,000 gallons \$10 per 1,000 gallons for 15,001 to 20,000 gallons \$12 per 1,000 gallons for 20,001 and higher* gallons
Non-Potable Water Rate (assessed monthly)	\$1.23 per 1,000 gallons	\$2 per 1,000 gallons for 0 to 20,000 gallons \$4 per 1,000 gallons for 20,001 and higher* gallons
Missed Reporting Fee	None	\$50
Meter Repossession Fee	None	\$100
Service Charges (insufficient funds fees), late fees, interest, legal and collection fees	None	Charged as provided by Utah Law

*Daily or monthly volume limits may be applied on use based on system constraints.

**A RESOLUTION OF THE WASHINGTON COUNTY WATER
CONSERVANCY DISTRICT BOARD OF TRUSTEES AUTHORIZING A
RATE INCREASE FOR HYDRANT WATER USAGE
AND METER RENTAL**

WHEREAS, Washington County Water Conservancy District provides hydrant water usage and meter rentals to customers; and

WHEREAS, a Hydrant Meter Rental Fee Schedule, incorporated herein as Exhibit A, has been proposed for customers to use hydrant water and rental of hydrant meters; and

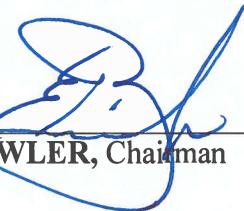
WHEREAS, notice of the proposed fee schedule has been given; and

WHEREAS, interested persons have been given an opportunity to speak for or against the proposed rate increase; and

WHEREAS, the need for the increase of the proposed fee has been demonstrated;

NOW, THEREFORE, the Board of Trustees of the Washington County Water Conservancy District hereby authorizes, to be effective July 7, 2025, for all new applications and October 1, 2025, for all existing applications, increases in the fees in the Hydrant Meter Rental Fee Schedule in Exhibit A.

DATED this 7 day of July, 2025.



ED BOWLER, Chairman

Attest:



MINDY MEES, Secretary

VOTING:

Ed Bowler	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Adam Bowler	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Kress Staheli	Yea <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Victor Iverson	Yea <input type="checkbox"/>	No <input type="checkbox"/>
Michelle Randall	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Rick Rosenberg	Yea <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Clark Fawcett	Yea <input type="checkbox"/>	No <input checked="" type="checkbox"/>

EXHIBIT A:
WASHINGTON COUNTY WATER CONSERVANCY DISTRICT

Hydrant Meter Rental Fee Schedule		
Fee Component	Current Fee	Proposed Fee
Application Processing Fee	None	\$25
Hydrant Meter Security Deposit	\$1,000	\$2,000
Hydrant Meter Daily Rental	\$5 per day (5 days per week)	\$5 per day (7 days per week, \$15 minimum)
Potable Water Rate (assessed monthly)	\$2.35 per 1,000 gallons	\$6 per 1,000 gallons for 0 to 10,000 gallons \$8 per 1,000 gallons for 10,001 to 15,000 gallons \$10 per 1,000 gallons for 15,001 to 20,000 gallons \$12 per 1,000 gallons for 20,001 and higher* gallons
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Missed Reporting Fee	None	\$50
Meter Repossession Fee	None	\$100
Service Charges (insufficient funds fees), late fees, interest, legal and collection fees	None	Charged as provided by Utah Law

*Daily or monthly volume limits may be applied on use based on system constraints.



Memo

To Washington County Water Conservancy District Board of Trustees

From George Elliott, PE

Date July 7, 2025

SUBJECT Project: Toquerville Springs to Virgin Pump Station

Situation

The Toquerville Springs to Virgin Pump Station project has been advertised for bid, and bids have been received and reviewed. Interstate Rock Products is the apparent low bidder for the project.

Background

Interstate Rock Products has a longstanding working relationship with the District. They have completed several successful projects for the District in the past and are known for their reliability and quality of work. The contractor is also familiar with the specific conditions of the job site, which will support effective mobilization and execution.

Assessment

Interstate Rock's bid meets all technical and administrative requirements. Their familiarity with the local terrain, environmental constraints, and District expectations is a strong advantage. The contractor has expressed eagerness to begin work and has the capacity to deliver within the proposed schedule. Based on previous performance and their current proposal, staff has confidence in the contractor's ability to complete the project successfully.

Recommendation

Staff recommends that the Board approve the award of contract for the Toquerville Springs to Virgin Pump Station project to Interstate Rock Products as the lowest responsive and responsible bidder.

DEVELOPMENT AND SERVICE AGREEMENT FOR SILVER CLIFFS PROJECT

THIS DEVELOPMENT AND SERVICE AGREEMENT (“Development Agreement”) is made and entered into as of the 7th day of July, 2025 (“Effective Date”) by and between the Washington County Water Conservancy District, a political subdivision of the State of Utah (“WCWCD”), Grapevine Wash Local District, a political subdivision of the state of Utah (“Grapevine”), and Grapevine Development, LLC, a Utah limited liability company (“Developer”). The WCWCD and Developer may be referred to herein individually as a “Party,” or collectively as the “Parties.”

RECITALS

- A. Developer desires to construct a residential subdivision on approximately 329 acres located in Leeds, Utah (the “Project”) Within the Town of Leeds (“Town”), the Project is located in Grapevine Wash Local District, a political subdivision of the State of Utah (“Grapevine”). Grapevine is in the process of changing its name to “Land Enhancement and Development Special District.” Developer named the Project “Silver Cliffs” (also known as the Grapevine Wash Development). The Project will contain approximately 743 lots (“Residential Lots”) and one commercial property (“Commercial Property”).
- B. To provide culinary water service to the Residential Lots and the Commercial Property, Grapevine is designing and constructing the Water System (defined below) that is being paid for by bonds issued by Grapevine in September 2024.
- C. Developer requested that, after its construction, WCWCD accept dedication of the Water System by Grapevine, own and operate the Water System and provide water for the system.
- D. WCWCD is willing to accept dedication and own and operate the Water System for the purpose of providing water service, subject to the terms and conditions of this Development Agreement and the Interlocal Cooperation Agreement between Grapevine and WCWCD (“Interlocal Agreement”) that will be executed concurrent with this Development Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements contained in this Development Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each Party), it is hereby agreed as follows:

ARTICLE 1 DEFINITIONS

In addition to the definitions found elsewhere in this Development Agreement, the following definitions shall apply, unless the context requires otherwise:

“Applicable Law(s)” mean applicable local, state, and federal laws, regulations, rules and orders of any public authority, as the same may be amended from time to time.

“Environmental Law” means all applicable federal, state and local laws, orders, rules, regulations and requirements of every duly constituted government authority, agency or instrumentality, now existing or hereafter promulgated that relate in each case to the protection of the environment including, without limitation, environmental, health or safety laws, regulations, governmental authorizations, ordinances, rules, and the common law relating to the use, refinement, recycling, handling, treatment, removal, storage, production, manufacture, transportation, disposal, emissions, discharges, releases or threatened releases of Hazardous Substances, or otherwise relating to pollution or protection of human health or the environment or to emissions, discharges, releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes into the environment (including, without limitation, ambient air, soil, surface water, ground water, wetlands, natural resources, land surface or subsurface strata), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, chemicals or industrial, toxic or Hazardous Substances or wastes, as the same may be amended or modified, and as now existing or hereafter adopted.

“Final Plat” means a map of the Project recorded with the Washington County Recorder’s Office and prepared by a licensed professional land surveyor subdividing the Property into lots and dedicating property interests to governmental entities or for public utilities and rights of way.

“Hazardous Substances” means, and will be interpreted broadly to include, any material or substance that is defined, regulated or classified under Environmental Laws, including without limitation, as: (i) a “hazardous substance” pursuant to section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601(14) or section 311 of the Federal Water Pollution Control Act, 33 U.S.C. § 1321, as now or hereafter amended; (ii) a “hazardous waste” pursuant to section 1004 or section 3001 of the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6903, 6921, as now or hereafter amended; (iii) a toxic pollutant under section 307(a)(1) of the Federal Water Pollution Control Act, 33 U.S.C. § 1317(a)(1); (iv) a “hazardous air pollutant” under section 112 of the Clean Air Act, 42 U.S.C. § 7412, as now or hereafter amended; (v) a “hazardous material” under the Hazardous Materials Transportation Uniform Safety Act of 1990, 49 U.S.C. App. § 1802(4), as now or hereafter amended; (vi) an “extremely hazardous waste,” “restricted hazardous waste,” “pollutant,” “contaminant,” “infectious waste,” or “hazardous chemical” under any Environmental Law; (vii) a toxic or hazardous material or substance pursuant to regulations promulgated now or hereafter under the aforementioned laws or any state or local counterpart to any of the aforementioned laws; or (viii) presenting a risk to human health or the environment under other applicable federal, state or local laws, ordinances, or regulations, as now or as may be passed or promulgated in the future. Hazardous Substances shall also mean any substance that after release into the environment and upon exposure, ingestion, inhalation, or assimilation, either directly from the environment or directly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavior abnormalities, cancer, or genetic abnormalities. Hazardous Substances specifically include, but are not limited to, asbestos, mold, mildew, polychlorinated biphenyls (“PCBs”), radioactive materials including naturally occurring radionuclides, petroleum and petroleum-based derivatives, urea formaldehyde, and perfluoroalkyl acids and related synthetic amphiphilic compounds.

“Property” means the land owned by the Developer that is located in Grapevine, as further described in Exhibit A.

“Regional Impact Fee” means the regional culinary water impact fees charged by WCWCD as a condition of development approval pursuant to its most recently adopted regional water impact fee facilities plan & analysis. The regional culinary water impact fees are used to mitigate the impact of new development on public infrastructure necessary for supplying water.

“Representative(s)” means a Board member, director, officer, employee, or authorized agent, contractor or sub-contractor of a Party.

“Standards” means WCWCD’s Design Standards, Construction Specifications, Standard Drawings, Rules and Regulations, and all Applicable Law, as they may be amended from time to time.

“Water System” which may also be referred to as a potable water system, drinking water system, culinary water system, or other similar term, means all pumps and pump stations, water tanks, culinary water transmission and distribution lines, water meters and meter boxes, necessary valves and valve boxes, pressure reducing valves, fire hydrants, culinary water system manholes, wells and any other pipes, fittings, equipment and facilities necessary to enable WCWCD to provide culinary water service within the Project.

The Water System does not include any pipes, valves, fittings, or other related equipment after WCWCD’s retail water meter because this equipment is owned and maintained by the owner of each Residential Lot.

ARTICLE 2 INTERLOCAL AGREEMENT

Concurrent with this Development Agreement, the Interlocal Agreement will be executed. The Developer agrees to comply with the terms of the Interlocal Agreement, which is incorporated herein by reference. If Grapevine fails to fulfill any of its obligations under this Development Agreement or the Interlocal Agreement, the Developer shall assume and fulfill those obligations.

ARTICLE 3 WATER SYSTEM AND ACCESS

3.1 Design and Construction of Water System

Pursuant to the Interlocal Agreement, Grapevine is designing, constructing, and installing the Water System and shall do so in strict conformance with the requirements of this Development Agreement, the Standards, and Applicable Law. The Water System shall be designed, constructed, and installed by Grapevine at its sole cost and expense.

3.2 Final Plan

WCWCD requires Grapevine to prepare and submit a final set of construction drawings, plans, and profiles (“Final Plan”) in conformance with WCWCD’s Standards.

3.3 Project System Extensions

Grapevine will connect to WCWCD's existing pipeline near the Town, but additional connections will be required to the WCWCD regional system. Grapevine will be responsible for the construction of these additional connections, which may include pump stations, pipelines, etc. To maintain contiguity of WCWCD's culinary water infrastructure and to ensure the Project meets requirements of the State of Utah and the Standards, Grapevine may be required to install infrastructure not located within the Project or Property.

3.4 Rights of Way

The Water System shall be installed in public streets, utility easements, or land dedicated to WCWCD by the Grapevine, as further specified in the Standards. If any portion of the Water System is installed on property that is not part of the Project or Property, Grapevine shall acquire and grant easements to the WCWCD for the applicable portions of the Water System. All property interests conveyed to WCWCD must be acceptable in both form and substance to WCWCD, in its sole discretion. In limited circumstances WCWCD may allow a portion of the Water System to be installed in existing easements that have been granted to WCWCD.

3.5 24-Hour Access

Developer and Grapevine acknowledge that WCWCD and its personnel need to be able to access the Water System and Property at any time in order to respond to emergency situations. Developer shall ensure that WCWCD has 24-hour access to the Water System and Property. If any portion of the Water System is located within a locked area not accessible to the general public, like a gated community, the Developer shall provide the WCWCD with keys, access codes, or other means of access so as to ensure that the WCWCD can access the Water System at all times.

3.6 Development Review Fees

Grapevine will pay the Development Review Fees established by WCWCD.

ARTICLE 4 WATER SERVICE

4.1 Water Supply

The Developer acknowledges that WCWCD has a limited water supply available for new development. WCWCD does not guarantee water availability for the completion of the Project. Nothing in this Development Agreement reserves or guarantees water for the Project. Until an individual building permit is granted and the Regional Impact Fee is paid for a lot, water service is not guaranteed. No reliance should be placed on water service availability until all required fees have been paid in full and all required permits have been granted. WCWCD shall not be held liable in the event of water shortages and the Developer assumes the risk of any water shortage.

4.2 Ultra Water Efficiency Standards

The Project is subject to WCWCD's Ultra Water Efficiency Standards. Developer agrees to execute all acts necessary to ensure the enforceability of these standards and provide notice thereof to the purchasers of the lots in the Project including but not limited to including notes on Final Plats, conveying conservation easements to WCWCD for the Property, and enacting provisions in any declarations of covenants, conditions and restrictions relating to the enforcement of these standards.

4.3 Reuse Water

The Project is subject to WCWCD's requirement that wastewater treatment must be provided by Ash Creek Special Service WCWCD, or construct or contract with an entity to provide a wastewater system that treats wastewater to Type 1 effluent as defined in the Utah Administrative Code. This is so that WCWCD water may be reclaimed and used in its reuse system. Developer and Grapevine are aware of this requirement and warranties that all wastewater produced by the Project will comply with this requirement and be returned to the WCWCD.

4.4 Impact Fees

The Developer agrees to pay, or cause the builder who obtains a building permit to pay, the Regional Impact Fee established by WCWCD.

4.5 Rules and Regulations and Terms of Service

As a condition to obtaining water service from WCWCD, the Developer and any subsequent owner of a Residential Lot or Commercial Property, shall comply with WCWCD's Standards and Terms of Service in effect as they are amended from time to time.

ARTICLE 5 CONSTRUCTION OF WATER SYSTEM AND FINAL ACCEPTANCE

5.1 Governmental Agency Permits

Grapevine shall, at its sole cost and expense, secure, or cause to be secured, any and all permits which may be required under Applicable Laws by any governmental agency in connection with construction of the Water System. Grapevine's design and construction of the Water System shall comply with the Standards and Applicable Laws.

5.2 Construction

(a) Materials and Equipment

Grapevine shall furnish all materials and equipment as shall be necessary for the construction and installation of the Water System.

(b) Responsibility for Costs

The Water System shall be constructed and installed by Grapevine, at Grapevine's sole cost and expense, in accordance with the Final Plan and the Standards.

(c) Workmanship

Grapevine shall perform all work in connection with the construction and installation of the Water System in a safe, good and workmanlike manner.

(d) SCADA

Grapevine shall reimburse the WCWCD for all labor and material costs incurred during the installation of Supervisory Control and Data Acquisition (SCADA) equipment installed in conjunction with the Water System.

(e) Tank Improvements

The Developer and Grapevine acknowledge that it will be required to design and construct at least one water tank for the Project. All water tanks must be built to the Standards. At the discretion of WCWCD, the Developer may be permitted temporary use of storage capacity within the Cottam Retail Water System for a limited number of lots and for a limited time.

(f) Other Improvements

The Developer and Grapevine acknowledge that it may be required to design and construct other system improvements, including but not limited to a pump station, if the hydraulic analysis demonstrates that it is necessary for the operation of the Water System.

5.3 Periodic Inspection, Testing and Approvals

WCWCD's staff and consultants shall have the right of access to the Project and any portion thereof during construction and during the Warranty Period (defined below), to inspect, test, and observe the Water System, and any work thereon, and for all other necessary purposes.

5.4 Corrections to Construction

Grapevine, at its sole cost and expense, shall promptly repair and/or replace any work and/or materials that are defective, or which are otherwise not in conformity with the Standards or Final Plan.

5.5 Division of Drinking Water Permits and Approvals

Before WCWCD executes the Final Plat, Developer may be required to obtain an Operating Permit from the Division of Drinking Water for all components of the Water System.

5.6 Final Plat

Once the Water System is either installed and accepted by the WCWCD and the Division of Drinking Water, or the completion of which is bonded for in a form acceptable to the WCWCD,

the Developer shall provide the proposed Final Plat to the WCWCD for review. Once the Developer has addressed WCWCD's comments to the proposed Final Plat, and provided that the Developer and Grapevine have complied with all the terms of this Agreement, the Standards, and Applicable Laws, WCWCD shall execute the Final Plat for the Project.

ARTICLE 6 **FINAL ACCEPTANCE; TITLE TRANSFER; SERVICE**

6.1 Developer's Conveyances

When it conveys each Residential Lot, Developer shall, in the instrument of conveyance, expressly reserve and retain the Water System, including any fixtures associated with the Water System.

6.2 Final Acceptance of the Water System

The WCWCD will issue its notice of final acceptance of the Water System ("of Final Acceptance"), upon satisfaction of all requirements in the Standards and Applicable Laws.

6.3 Transfer of Water System to the WCWCD

When WCWCD delivers the Notice of Final Acceptance, Grapevine shall immediately deliver to WCWCD a bill of sale and deed for the Culinary Water System, in a form approved by WCWCD. When WCWCD has received and accepted the bill of sale and deed, (a) it shall assume the obligation of operation, maintenance, repair, and replacement of the Water System and (b) the Residential Lots and Commercial Property shall be subject to WCWCD's retail water rates as they may be amended from time to time, including standby and connection fees. Title transfer and the resulting obligations of the WCWCD as set forth herein are expressly conditioned on compliance with the terms and conditions of this Development Agreement.

ARTICLE 7 **INSURANCE AND WARRANTY**

7.1 Construction Insurance

During the period beginning with the Effective Date and ending on the date that is the end of the warranty period, Grapevine shall furnish, or cause to be furnished, to WCWCD satisfactory certificates of insurance from reputable insurance companies evidencing death, bodily injury and property damage insurance policies in the amount of Two Million Dollars (\$2,000,000) single limit, naming WCWCD as an additional insured. Certificates of insurance shall be promptly submitted to WCWCD. Grapevine shall require that all contractors performing work in connection with the Water System shall be obligated to maintain adequate worker's compensation insurance and public liability coverage.

7.2 **Warranty Period**

Grapevine shall warrant and guaranty that the Water System shall be free of defects in materials or workmanship for a period of one (1) year, commencing upon the issuance by WCWCD of the Notice of Final Construction Approval (“**Warranty Period**”).

(a) If at any time during the **Warranty Period** any materials or workmanship furnished by the Grapevine shall prove defective or be found in disrepair, Grapevine shall, upon written notice from the WCWCD, promptly repair or replace the defective materials and/or work to the satisfaction of WCWCD.

(b) During the **Warranty Period**, the Developer and Grapevine shall be required to keep all manholes, valve and meter boxes, drains, and similar infrastructure free from all rock, dirt and other debris in order to assure WCWCD has unobstructed access for periodic inspections.

(c) Grapevine’s warranty obligation hereunder shall be secured by the posting of required bonds with WCWCD. Notwithstanding any law or ordinance to the contrary, Developer acknowledges and agrees that the WCWCD is an intended third party beneficiary of all performance, payment, warranty, and other bonds posted with the Town in connection with the Project.

(d) Prior to the end of the **Warranty Period**, WCWCD shall perform a final inspection of the Water System (the “**Final Warranty Inspection**”). Grapevine shall be required to repair or replace any defective materials and/or work then existing and related to the Water System, to the satisfaction of WCWCD. Upon completion of the **Final Warranty Inspection** and final approval by WCWCD, WCWCD shall approve the release of bonds held by the Town.

ARTICLE 8 INDEMNIFICATION

Developer hereby agrees to indemnify, defend, and hold harmless the WCWCD and its Representatives from and against any and all liability, loss, damage, costs, or expenses, including reasonable attorney’s fees and court costs, arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person arising from (a) the construction activities of Developer and its Representatives; (b) any notice or claim by a contractor, subcontractor, or other person for any amounts due and owing by the Developer; (c) breach of any of the representations, warranties, or covenants under the Agreement by Developer; (d) or a negligent or more culpable act or omission of the Developer in the performance of its obligations under this Development Agreement. The Developer shall not be responsible for, and this indemnity shall not apply to, claims that arise as a result of negligent or more culpable acts or omissions of WCWCD, or of its agents, employees or contractors.

ARTICLE 9 **GENERAL TERMS AND CONDITIONS**

9.1 Developer's Representations and Warranties

The Developer represents and warrants that:

- (a) it is the owner of the land that will be the Residential Lots and the Commerical Property and Grapevine is the owner of the land on which the Water System is being constructed and for which services are being requested from WCWCD;
- (b) the individual executing this Development Agreement and related agreements on behalf of Developer has the requisite authority to do so and Developer has agreed to be and is bound by this Development Agreement;
- (c) it has not received from any governmental entity or agency having jurisdiction over or with respect to any of the Project or Water System, or from any other person or entity, any notice alleging or finding that all or any portion of the Project or Water System are in violation of any Applicable Laws;
- (d) There are no agreements presently in force and effect whereby the Developer has granted to any other person or entity the right or option to purchase, lease or otherwise use the Water System, Tank Lot, Exclusive Tank Access Easement, or, or any portions thereof; and
- (e) To its knowledge and unless otherwise disclosed to the WCWCD in writing, the Tank Lot is not and has not been in violation of any Environmental Law and is free from Hazardous Substances.

9.2 Default

In the event Developer fails to perform its obligations hereunder or comply with the terms and provisions hereof, and such failure remains uncured for a period of thirty (30) days (the "Cure Period"), after receiving written notice of default from the WCWCD, the WCWCD may, at its discretion, pursue all rights and remedies which it may have at law and in equity, including but not limited to injunctive relief, specific performance and/or damages, and termination of the Agreement; provided, however, that if a default cannot reasonably be cured within the Cure Period, and the Developer has commenced to cure such default within the Cure Period and thereafter uses reasonable efforts to cure the default, then the Cure Period shall be extended for one hundred twenty (120) days (including the original period of thirty (30) days) so long as the Developer is diligently pursuing cure of the default. If, however, the default remains uncured for a period of one hundred twenty (120) days in the aggregate, then the WCWCD may, at its election, pursue all rights and remedies which it may have at law and in equity, including but not limited to injunctive relief, specific performance and/or damages, and termination of the Development Agreement.

9.3 Entire Agreement

This Development Agreement, together with the documents incorporated by reference and the Exhibits attached hereto, contain the entire agreement by and between the Parties with respect to the subject matter hereof, and supersede any prior promises, representations, warranties, inducements or understanding between the Parties which are not contained herein.

9.4 Non-liability of WCWCD Officials

No Representative of the WCWCD shall be personally liable to the Developer or any successor-in-interest or assignee of the Developer, in the event of any default or breach by the WCWCD, or for any amount which may become due to Developer, or its successors-in-interest or assignees, or for any obligation arising under the terms of this Development Agreement.

9.5 No Third-Party Rights

The obligations of Developer and the WCWCD set forth in this Development Agreement shall not create any rights in or obligations to any other persons or parties except to the extent expressly provided herein.

9.6 Binding Effect; Covenants Run with the Land

This Development Agreement shall be binding upon and inure to the benefit of the Parties hereto and upon their respective Representatives, affiliates, and assigns (where assignment has been permitted), including, without limitation, any separate affiliated entity of Developer which is involved with, assumes or undertakes to fulfill any responsibility or obligation imposed upon Developer pursuant to this Development Agreement. All of the covenants, warranties, representations, and agreements contained in this Development Agreement shall survive recording of the Final Plat and the bill of sale and deed and shall be deemed to run with the Property. All of the terms and conditions of this Development Agreement shall extend to and be binding upon the successors and assigns of the Parties.

9.7 Termination

Both the WCWCD and Developer shall have the right, but not the obligation, at the sole discretion of the applicable Party, to terminate this Agreement, in whole or in part, in the event (i) Grapevine has not obtained Final Plat approval from the Town within one year from the Effective Date, (ii) Grapevine has not started construction of the Water System within two (2) years from the Effective Date, construction of the Water System has stopped for two (2) years or (iii) Developer remains in default under the material provisions of this Development Agreement after expiration of the Cure Period. Any termination of this Development Agreement pursuant hereto may be affected by giving written notice of intent to terminate to the other Party pursuant to the notice provisions set forth in Section 12.15. Unless terminated pursuant to this Section, or by separate agreement signed by the Parties, this Development Agreement shall continue in full force and effect.

9.8 Recordation

Developer understands and agrees that WCWCD may record this Development Agreement, or a summary or notice thereof, in the Washington County Recorder's Office for the purpose of providing notice to all subsequent purchasers or interest holders of properties affected by this Development Agreement.

9.9 No Waiver

Any Party's failure to enforce any of the provisions of this Development Agreement shall not constitute a waiver of the right to enforce such provision. The provisions of this Development Agreement may be waived only in writing by the Party intended to be benefitted by the provision, and a waiver by a Party of a breach hereunder by the other Party shall not be construed as a waiver of any succeeding breach of the same or other provision.

9.10 Severability

If any provision of this Development Agreement is held to be unenforceable, any enforceable portion thereof, and the remaining provisions of this Development Agreement, shall continue in full force and effect.

9.11 Time is of the Essence

Time is expressly made of the essence with respect to the performance of each and every obligation hereunder.

9.12 Cumulative Rights

The warranties, assurances, covenants and remedies provided for in this Development Agreement are not the exclusive rights and remedies of the Parties but will be in addition to any other rights and remedies available under this Development Agreement, under any other instrument, at law, in equity, or otherwise, and such rights and remedies may be exercised singularly or concurrently.

9.13 Governing Law and Venue

The laws of the State of Utah shall govern this Development Agreement and the transactions contemplated by this Development Agreement, without giving effect to the choice of law rules thereof. The Parties agree that any judicial action associated with this Development Agreement shall be taken in the St. George District Court of the Fifth Judicial District of the State of Utah.

9.14 Notices

All notices and other communications required or permitted under this Development Agreement must be in writing and will be deemed delivered (i) when delivered in person to the Party, (ii) when sent by facsimile with delivery confirmed, provided that delivery is confirmed during Party's regular business hours, or if delivered after Party's regular business hours on the

next regular business day, (iii) when receipt is acknowledged, if sent by e-mail, provided that receipt is acknowledged during Party's regular business hours, or if delivered after Party's regular business hours on the next regular business day or (iv) upon delivery confirmation if sent by a recognized commercial express courier. All communications must be sent to the receiving Party at the address set forth below or to such address that the receiving Party may designate pursuant to this Section.

If to the WCWCD:

Washington County Water Conservancy District
Attention: Brie Thompson, Associate General Manager
533 East Waterworks Drive
St. George, Utah 84770
Email: brie@wcwcd.gov

If to Developer:

Grapevine Development, LLC
Attention: Paul Morris
3747 Sagebrush Drive
Santa Clara, UT 84765
Email: paul@landassistut.com

9.15 Assignment and Subcontracting

Subject to the written approval of WCWCD, the Developer may assign its rights and delegate its duties hereunder to a third party purchaser of all or a portion of the Project, subject to the terms and provisions of this Development Agreement. In the event of an assignment, the assignee shall be jointly and severally liable with the Developer for the performance of each and every obligation of the Developer contained in this Development Agreement, unless, prior to the assignment, an agreement satisfactory to WCWCD, delineating and allocating between the Developer and the assignee the various rights and obligations of the Developer hereunder has been approved by WCWCD. Prior to any assignment, the Developer shall obtain and deliver to WCWCD a written statement executed by the assignee, duly acknowledged by a notary public, wherein the assignee acknowledges that it has reviewed and is familiar with the terms and provisions of this Development Agreement, and agrees to be bound hereby.

9.16 No Relationship

Nothing in this Development Agreement creates or is intended to create any partnership, joint venture, or fiduciary relationship between the Parties. Developer shall not be an agent or employee of WCWCD for any purpose and shall not hold itself out as such. WCWCD will not be responsible for or have control or charge over any of the acts or omissions of Developer or its Representatives.

9.17 Amendment

This Development Agreement may only be amended, modified or supplemented by a written agreement signed by WCWCD and Developer.

9.18 Interpretation

(a) The Parties hereto acknowledge and agree that: (i) each Party has had a full and fair opportunity to have counsel review and to negotiate the terms of this Development Agreement; and (ii) the terms and provisions of the Development Agreement shall be construed fairly to all Parties hereto and not in a favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Development Agreement.

(b) The division of this Development Agreement into Articles, Sections and Exhibits and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Development Agreement. The expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions without further specification refer to this Development Agreement and not to any particular Article, Section or other portion of this Development Agreement.

9.19 Counterparts

This Development Agreement may be signed in counterparts, each of which will be deemed an original and all of which taken together will constitute one and the same instrument. The Parties intend that fax or emailed .pdf signatures constitute original signatures and that a faxed or emailed agreement containing the signatures (original, .pdf, or faxed) of all the Parties is binding on the Parties.

IN WITNESS WHEREOF, the Parties have executed this Development Agreement to be effective as of the Effective Date.

[SIGNATURES ON THE FOLLOWING PAGE]

GRAPEVINE DEVELOPMENT, LLC

By: _____
Name: _____
Title: _____

Witness my hand and official seal.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

WASHINGTON COUNTY WATER
CONSERVANCY DISTRICT

By: Zachary Renstrom
Name: Zachary Renstrom
Title: General Manager

STATE OF UTAH)
COUNTY OF Washington) : ss.

On this 8 day of July 2025, personally appeared before me Zachary Renstrom, as General Manager of Washington County Water Conservancy District, whose identity was proved on the basis of satisfactory evidence, and said document was signed by him.

Witness my hand and official seal.



Mindy M
NOTARY PUBLIC
Residing at: 533 E Water works Dr
St. George, UT 84770

My Commission Expires:

July 18, 2027

GRAPEVINE WASH LOCAL DISTRICT

By: _____

Name: Paul Morris

Title: Chair

On this _____ day of _____ 2025, personally appeared before me Paul Morris, as Chair of Grapevine Wash Local District, whose identity was proved on the basis of satisfactory evidence, and said document was signed by him.

Witness my hand and official seal.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

Exhibit A
[Description of Property]

**Interlocal Cooperation Agreement
between
Grapevine Wash Local District
and
Washington County Water Conservancy District**

This Interlocal Cooperation Agreement (“Interlocal Agreement”) is made and entered into as of July 7, 2025 (the “Effective Date”) by and between the Grapevine Wash Local District (it is in the process of being renamed the Land Enhancement and Development Special District), a political subdivision of the State of Utah (“Grapevine”) and Washington County Water Conservancy District, a political subdivision of the State of Utah (“WCWCD”). Individually each may be referred to as “Party” and collectively as “Parties”.

BACKGROUND

- A. Pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the “Utah Code”), political subdivisions are authorized to enter into contracts with one another and any power that may be exercised by the political subdivisions may be exercised and enjoyed jointly pursuant to an agreement duly approved by resolution of the governing body of each of such political subdivisions.
- B. WCWCD is a special district and political subdivision created by Washington County and is governed by Part 10, Chapter 2a, Title 17B Utah Code. Pursuant to the §17B-2a-1004(2)(a) Utah Code, WCWCD “and another political subdivision of the state may contract with each other . . . for: (i) the joint operation or use of works owned by any party to the contract; or (ii) the sale, purchase, lease, exchange, or loan of water, water rights, works, or related services.”
- C. Grapevine was created by the Town of Leeds (“Town”) in 2011 and is a special district and political subdivision governed by Chapter 1, Title 17B Utah Code. As of the Effective Date, the boundaries of Grapevine are within the boundaries of the Town and include the Silver Cliffs subdivision. The Town voted to join the WCWCD but has not completed the process to join. Pursuant to §17B-2a-1004(4)(a) Utah Code, on March 25, 2025 the Town provided written consent for WCWCD to sell water to customers located within the Town through Grapevine.
- D. Pursuant to §17B-1-202 Utah Code, Grapevine may provide services consisting of “the construction and maintenance of a right-of-way, including . . . a water line . . . [and] the operation of a system, or one or more components of a system, for the collection, storage, retention, control, conservation, treatment, supplying, distribution, or reclamation of water, including . . . culinary water, whether the system is operated on a wholesale or retail level or both”. Further, Subsection (2) defines “operation” as “all activities involved in providing the indicated service including . . . acquisition, construction, and maintenance of facilities and equipment reasonably necessary to provide the indicated service.”
- E. In September 2024, Grapevine issued bonds that included funding of the design and construction of both the wholesale and retail components of the water system for the Silver Cliffs subdivision according to WCWCD’s design standards and construction specifications (“Water System”). The developer of the Silver Cliffs subdivision is Grapevine Development,

LLC, the current landowner ("Developer"). The Developer transferred title to the property on which the Water System will be installed by Grapevine, including the public rights-of-way and the water tank location, and Grapevine has the responsibility to build the Water System and dedicate it to WCWCD, as provided herein. Pursuant to §17B-1-103(2)(l), Grapevine may "enter into a contract that the special district board of trustees considers necessary, convenient, or desirable to carry out the district's purposes".

- F. Grapevine will pay the Development Review Fees that WCWCD has established for review and inspection of the system and dedicate to WCWCD the Water System free of any liens or encumbrances. WCWCD will operate the retail portion of the Water System. When the Town and WCWCD mutually agree to the Town joining the WCWCD Regional Water Supply Agreement, WCWCD may at its discretion transfer the retail system to the Town.
- G. WCWCD is willing to accept dedication and own and operate the Water System for the purpose of providing water service to Grapevine, subject to the terms and conditions of this Interlocal Agreement and the Development and Service Agreement between the Developer and the Washington County Water Conservancy District ("Development Agreement") that will be executed concurrent with this Interlocal Agreement.

TERMS AND CONDITIONS

In consideration of the foregoing Background and the following Terms and Conditions, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. DEVELOPMENT AND SERVICE AGREEMENT.

Concurrent with this Interlocal Agreement, the Development Agreement will be executed. Grapevine agrees to comply with the terms of the Development Agreement (incorporated herein by reference) and will ensure the Developer will comply with this Interlocal Agreement. If the Developer(s) fails to fulfill any obligations under the Development Agreement, Grapevine shall assume and fulfill those obligations.

2. WATER SYSTEM.

- a. **WHOLESALE AND RETAIL COMPONENTS.** When construct and accepted, WCWCD shall operate the wholesale and retail components of the Water System. Grapevine may annex other areas of the Town that are not serviced by any other water provider and the obligations of this Interlocal Agreement shall apply to those annexed areas.
- b. **WCWCD'S STANDARDS AND SPECIFICATIONS.** Grapevine shall design and construct the Water System according to WCWCD's wholesale and retail design standards and construction specifications and shall pay WCWCD its Development Review Fees. Grapevine shall obtain all necessary permits and right-of-way easements for construction and installation of the Water System.
- c. **WCWCD'S REVIEW AND INSPECTION.** WCWCD agrees to timely review the design and inspect the construction as it progresses provided that the Developer and Grapevine execute all required actions and submittals in a timely manner.

- d. **WATER SYSTEM DEDICATION AND OPERATION.** Once WCWCD has approved the completed Water System, Grapevine shall dedicate the Water System to WCWCD, free and clear of any liens or encumbrances. WCWCD shall operate and maintain the Water System to the same extent as it operates its existing wholesale system. Both parties acknowledge that the Water System will be constructed in phases, and the requirements of WCWCD must be fulfilled as to each phase is completed before WCWCD will accept the Water System as to each phase.
- e. **RETAIL SYSTEM OPERATION.** WCWCD shall operate and maintain the retail system in the same manner that WCWCD operates its other municipal retail systems . The Project is subject to the District's Ultra Water Efficiency Standards ("UWES"). Grapevine agrees to work closely with WCWCD and the Developer to implement the UWES. Grapevine shall use its powers as a governmental entity to enforce the UWES, which may include the inclusion of notes on final plats, enforcement of conservation easements, and ensuring the enforcement of the Silver Cliff's CC&Rs and HOA requirements. (Grapevine will be the equivalent of the HOA under the Silver Cliff CC&Rs.)

3. **BILLING.** WCWCD will set up the billing. Grapevine agrees to assist WCWCD regarding billing and collections. .

4. **TERM.** Both the District and Grapevine shall have the right, but not the obligation, at the sole discretion of the applicable Party, to terminate this Interlocal Agreement, in whole or in part, in the event (i) Developer has not obtained Final Plat approval from the Town within one year from the Effective Date, (ii) construction of the Water System has not started within two (2) years from the Effective Date, (iii) construction of the Water System has stopped for two (2) years, or (iv) Developer or Grapevine remains in default under the material provisions of this Interlocal Agreement or the Development Agreement after notice is given by WCWCD and Grapevine has had 90 days to cure the default. Any termination of this Interlocal Agreement pursuant hereto may be affected by giving written notice of intent to terminate to the other Party pursuant to the notice provisions set forth herein. Unless terminated pursuant to this Section, or by separate agreement signed by the Parties, this Interlocal Agreement shall continue in full force and effect.

5. **IF TOWN OF LEEDS JOINS WCWCD.** If the Town joins the WCWCD then upon the transition date agreed to by WCWCD and the Town, WCWCD shall dedicate the Retail System to the Town. The Town shall become the retail provider of the Retail System.

6. **MISCELLANEOUS PROVISIONS**

- a. **NO SEPARATE ENTITY CREATED.** No separate legal entity is created by the terms of this Interlocal Agreement.
- b. **NO THIRD-PARTY BENEFICIARIES.** This Interlocal Agreement and the covenants, promises, obligations and responsibilities contained herein are intended solely to establish the obligations and benefits of the Parties. No third-party may enforce the terms of this Agreement or rely on this Interlocal Agreement in any action against either of the Parties.

- c. **PARTIES AS GOVERNMENTAL ENTITIES.** Both Parties are governmental entities subject to the provisions of the Utah Governmental Immunity Act and the substantive and procedural protections thereof. By execution of this Interlocal Agreement, neither Party waives any of the substantive or procedural defenses or protections of the Act, including specifically without reservation the limitations on actions and the limitations on judgments contained therein.
- d. **GOVERNING LAW.** This Interlocal Agreement shall be governed by the laws of the State of Utah and venue will be in the Fifth District Court situated in Washington County, Utah.
- e. **DISPUTES.** Each Party shall work together in good faith to fulfill the intent of this Interlocal Agreement. If any Party believes that the other Party is not complying with its obligations under this Interlocal Agreement, the Party shall provide written notice to the other Party identifying the breach and what needs to be done to bring the other Party into compliance. The other Party shall promptly rectify the breach and if it disagrees, provide a written response to the other Party. If the Parties are still in a disagreement regarding the alleged breach, the Parties shall submit the dispute to nonbinding mediation, the cost of which is equally paid by the Parties, prior to commencing any action in court.
- f. **AMENDMENT.** The terms of this Interlocal Agreement may only be modified or amended by execution by the Parties of a written amendment.
- g. **WHOLE AGREEMENT AND SEVERABILITY.** This Interlocal Agreement, including any documents incorporated herein by reference, contains the entire agreement between the Parties. All promises, representations, understandings, warranties, inducements and agreements with respect to the matters described in this Interlocal Agreement have been expressed herein. In the event that any provision of this Interlocal Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement shall remain in full force and effect.
- h. **ASSIGNMENT.** Neither Party may assign this Interlocal Agreement without the written consent of the other Party.
- i. **COUNTERPARTS.** This Interlocal Agreement may be executed in counterparts by the Parties.

7. **NOTICE.** Whenever a Party is required to give notice under this Interlocal Agreement, it shall be given in writing by depositing it, postage pre-paid, with the U.S. Postal Service addressed to the other Party or emailed with a return acknowledgment from the other Party that the email was received as follows:

- a. **IF TO GRAPEVINE:**

Grapevine Wash Local District
Attention: Paul Morris, Chair
paul@landassistut.com
3747 Sagebrush Dr

Santa Clara, UT 84765

With a copy to:

Snow Jensen & Reece
Attention: Matt Ence, District Counsel
mence@snowjensen.com
912 W 600 S Suite B200
St George, UT 84770

b. IF TO THE WCWCD:

Washington County Water Conservancy District
Attention: Zach Renstrom, General Manager
zach@wcwcd.org
533 E. Waterworks Dr.
St. George, UT 84770

With a copy to:

Jodi Richins
General Counsel
jodi@wcwcd.org
533 E. Waterworks Dr.
St. George, UT 84770

c. NOTICE CHANGE. The Parties may change the person or address where notice is given by providing written notice to the other Party.

IN WITNESS WHEREOF, the Parties have signed this Interlocal Agreement effective as of the Effective Date.

[signature pages follow]

Grapevine Wash Local District

Paul Morris
Chair

ATTEST:

Brecken Anderson
District Clerk

APPROVED AS TO FORM:

Matt Ence
District Counsel

Washington County Water Conservancy District

Zach Renstrom
Zach Renstrom
General Manager

ATTEST:

Mindy Mees
Mindy Mees
Secretary

APPROVED AS TO FORM:

Jodi Richins
Jodi Richins
General Counsel



Board of Trustees Meeting

July 7, 2025

Agenda

Public Hearing to consider a hydrant meter rental fee schedule and rate increase

Consider resolution authorizing a rate increase for hydrant water usage and meter rental

Consider approval of contract for Toquerville Springs to Virgin Pump Station

Consider approval of modification of contract with RB&G engineering for Chief Toquer Reservoir

Consider approval of the Silver Cliffs/Grapevine Development Agreement

Consider approval of the Interlocal agreement with Grapevine Local District

Manager's report

Request for closed session to discuss purchase and sale of real property

(Return to open session) Consider approval of purchase of real property

Consider approval of June 2, 2025 & June 30, 2025, board meeting minutes



1. Public hearing to consider a hydrant meter rental fee and rate increase

- Kay Barnum, WCWCD Accounting Department Manager
- For discussion



Hydrant Meter Rental Fee Schedule

Fee Component	Current Fee	Proposed Fee
Application Processing Fee	None	\$25
Hydrant Meter Security Deposit	\$1,000	\$2,000
Hydrant Meter Daily Rental	\$5 per day (5 days per week)	\$5 per day (7 days per week, \$15 minimum)
Potable Water Rate (assessed monthly)	\$2.35 per 1,000 gallons	\$6 per 1,000 gallons for 0 to 10,000 gallons \$8 per 1,000 gallons for 10,001 to 15,000 gallons \$10 per 1,000 gallons for 15,001 to 20,000 gallons \$12 per 1,000 gallons for 20,001 and higher* gallons
Non-Potable Water Rate (assessed monthly)	\$1.23 per 1,000 gallons	\$2 per 1,000 gallons for 0 to 20,000 gallons \$4 per 1,000 gallons for 20,001 and higher* gallons
Missed Reporting Fee	None	\$50
Meter Repossession Fee	None	\$100
Service Charges (insufficient funds fees), late fees, interest, legal and collection fees	None	Charged as provided by Utah Law

*Daily or monthly volume limits may be applied on use based on system constraints.

Fees Charged by Local Entities

Entity	Deposit	Rental Fee	Rates	Other Fees
Hurricane	\$1100	\$5 per day	\$3.00 per 1000 gal	
Ivins	\$1500	\$5 per day, \$15 minimum	\$3.50 per 1000-gal, \$10 minimum	Failure to read \$100 Reissue Fee \$100
St. George	\$2000	\$97.26 per month	\$2.06 per 1000 gal	\$35 processing fee Missed inspection fee: 1 st \$50, 2 nd \$200 Subsequent \$1,000 Reissue Fee \$100
Santa Clara	\$1500	\$5 per day	\$2.50 per 1000 gal	Missed reading fees: 1 st \$50, 2 nd \$200, 3 rd \$500
Toquerville	\$2200	\$5 per day, \$150 per month	\$6 per 1,000 gal for 0 to 10,000 gal \$8 per 1,000 gal for 10,001 to 15,000 \$10 per 1,000 gal for 15,000 to 20,000 \$12 per 1,000 gal for 20,001 and higher	Municipal construction \$150/month and \$2.50/1,000 gallons

2. Consider resolution authorizing a rate increase for hydrant water usage and meter rental

- Kay Barnum, WCWCD Accounting Department Manager
- For action



Item 2 - Recommendation

Move to approve the resolution authorizing a rate increase for hydrant water usage and meter rental to be effective July 7, 2025, for all new applications and October 1, 2025, for all existing applications



3. Consider approval of contract for Toquerville Springs to Virgin pump station

- George Elliott, WCWCD Project Manager
- For action





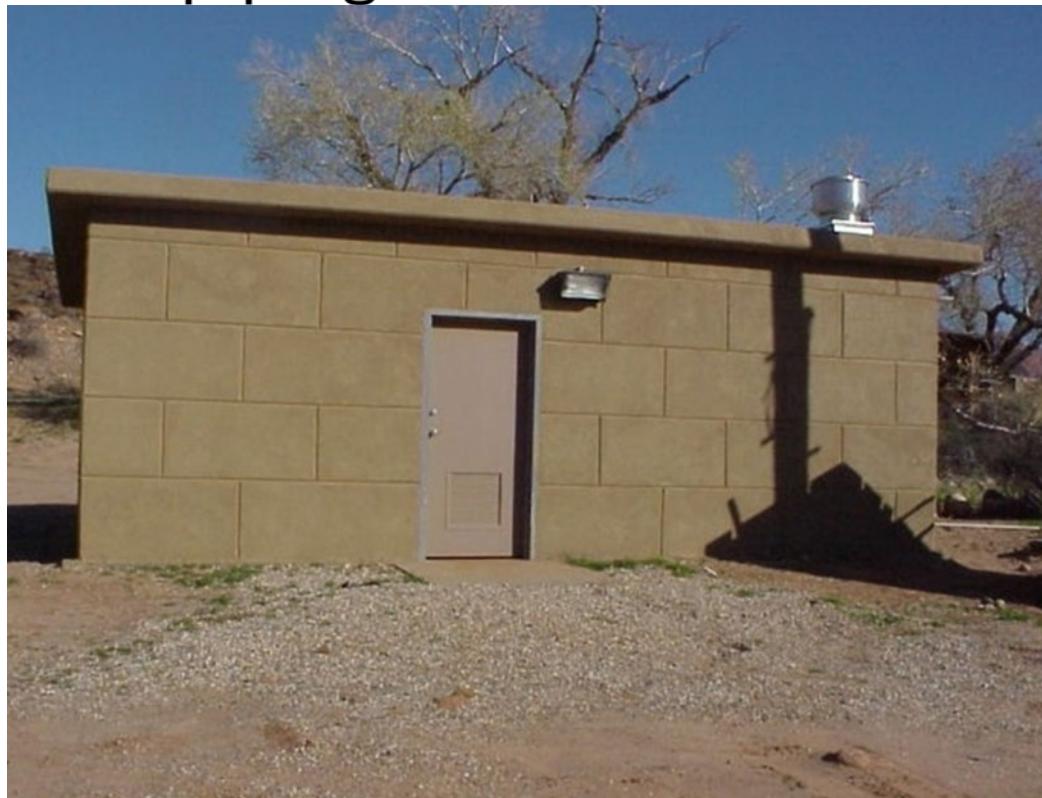
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G002 PROJECT VICINITY MAP
TOQUERVILLE UTAH

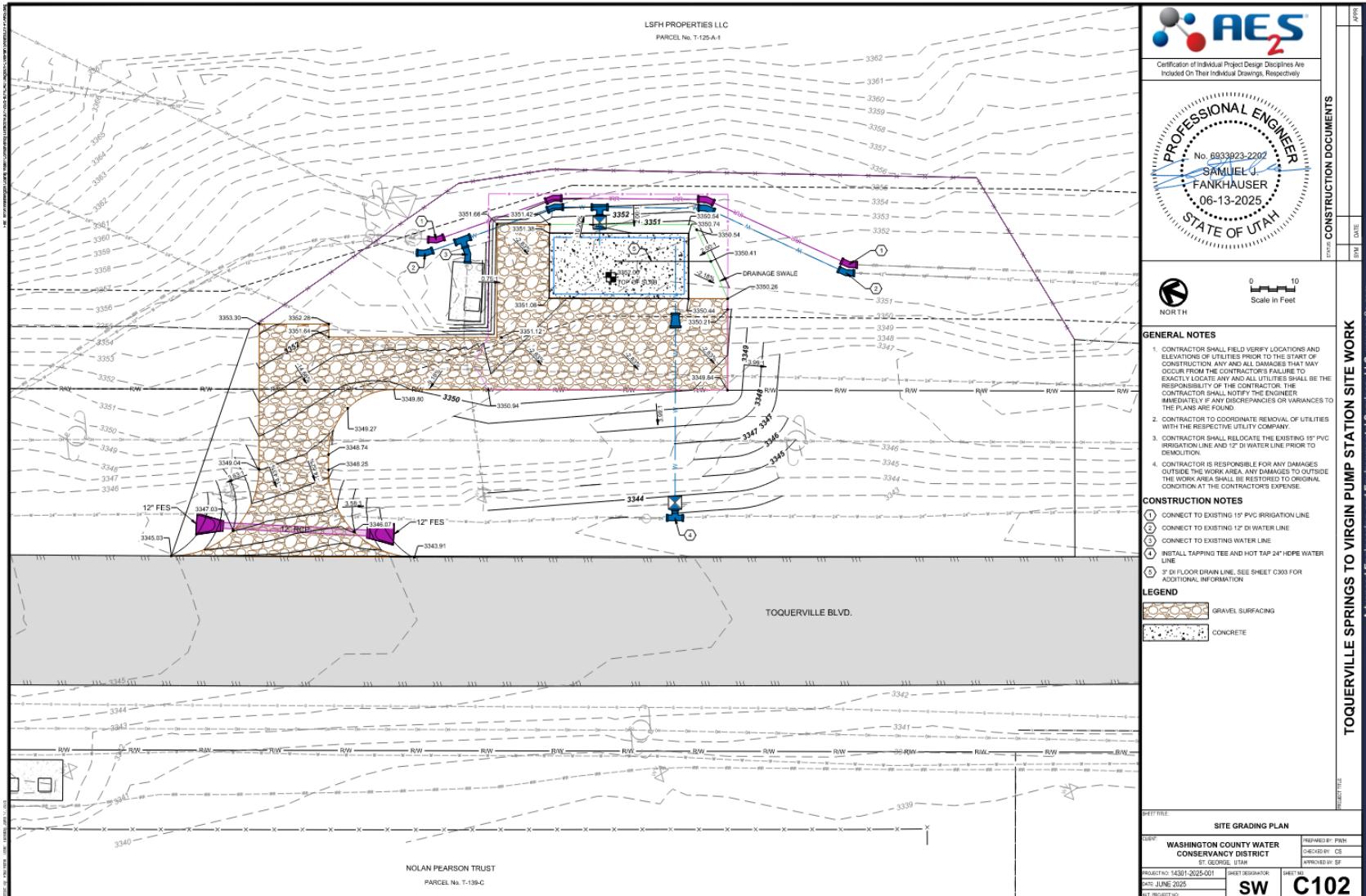


3
G002 PROJECT AERIAL MAP
TOQUERVILLE UTAH



- Pre-Fabricated Pump Station
- Site Work and piping to be included in future contract





CONTRACTOR	BID AMOUNT
GOT DIRT CONSTRUCTION	\$635,745.00
CONDIE CONSTRUCTION	\$454,675.00
JP EXCAVATING	\$411,410.00
ASH EXCAVATING	\$390,223.50
ORIGINAL DIRT COMPANY	\$385,667.96
M&T ENTERPRISES	\$334,855.50
INTERSTATE ROCK PRODUCTS	\$327,900.00

ENGINEER'S ESTIMATE \$400,000



Item 3 - Recommendation

Move to approve the contract with Interstate Rock for the Toquerville Springs to Virgin pump station in the amount of \$327,900



4. Consider approval of modification of contract with RB&G engineering for Chief Toquer Reservoir

- George Elliott, WCWCD Project Manager & Brandon Horrocks, RB&G Engineering
- For action



- **Updated estimates for construction and closeout**
 - Scope Changes
 - Extended Construction Duration
 - Increased Labor and Inspection
 - Wage and Cost Escalation Since 2020



Reason for Request: Dike Fault Trench Investigation



Reason for Request: Dike Fault Trench Investigation



Reason for Request: Dike Fault Trench Investigation



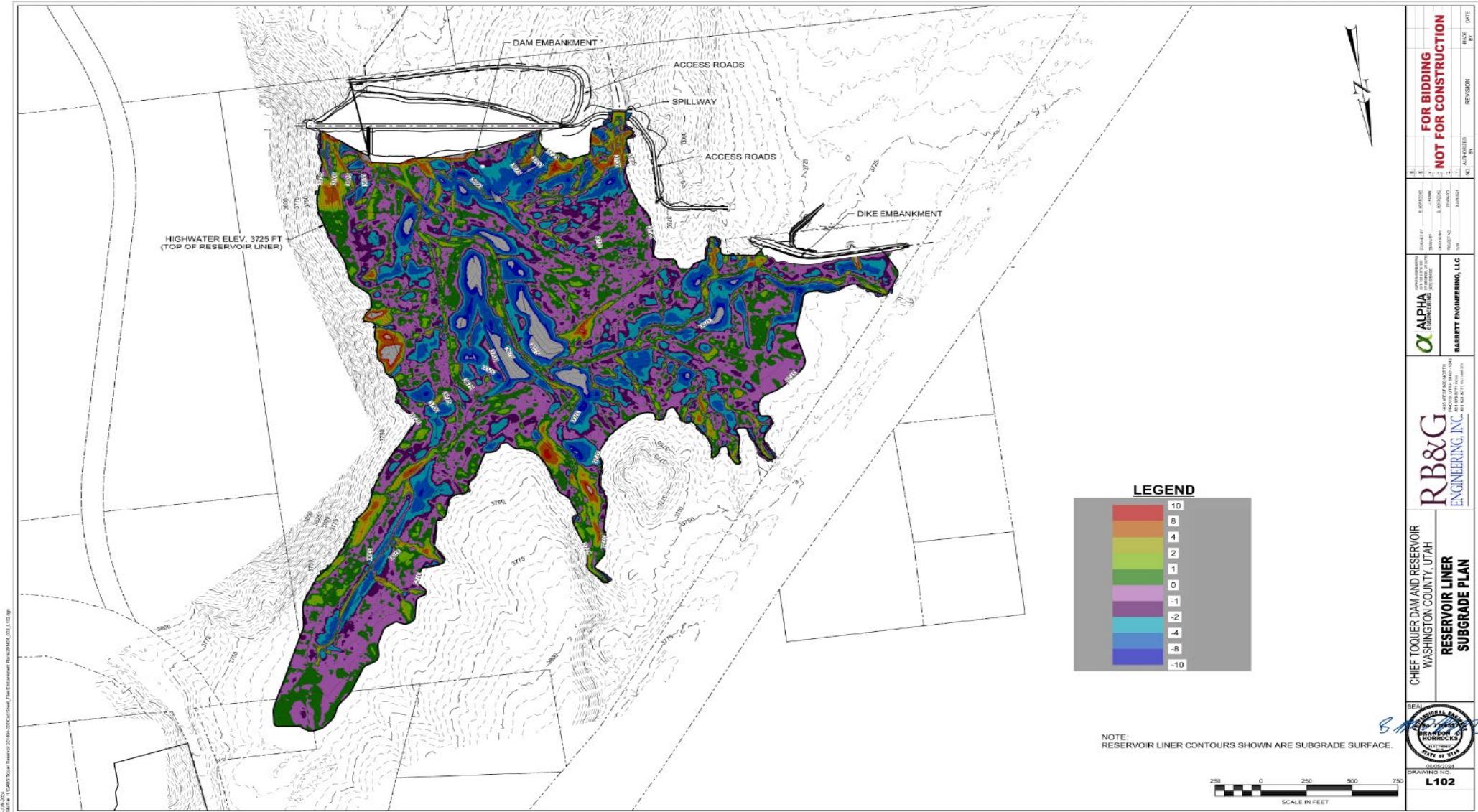
Reason for Request: Dike Fault Trench Investigation



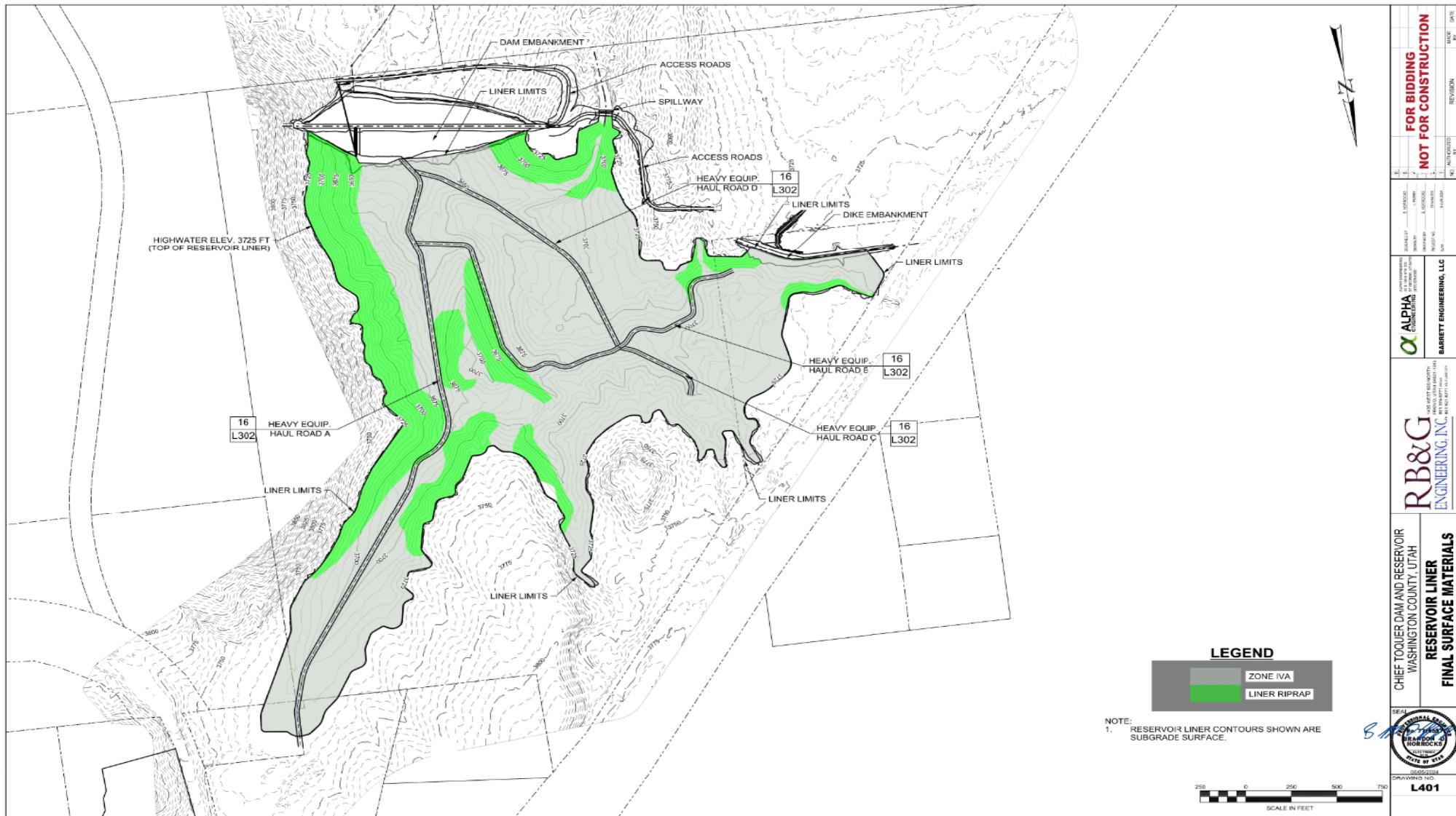
Reason for Request: Dike Fault Trench Investigation



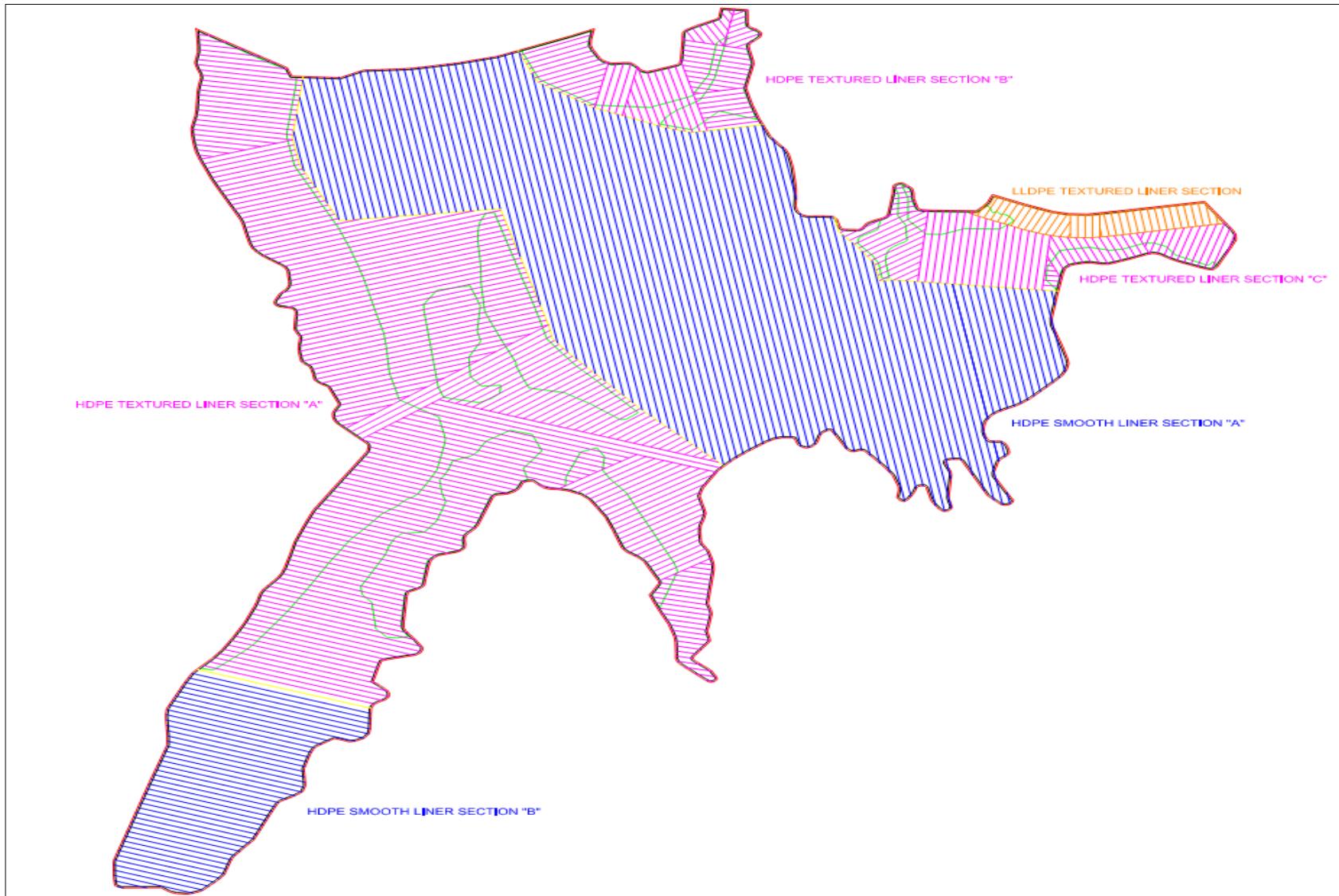
Reason for Request: Reservoir Liner Design



Reason for Request: Reservoir Liner Design



Reason for Request: Reservoir Liner Design



Additional Reasons for Request: Toquerville City Grading Permit FEMA Floodplain Study



Phase 1 Project-Excavation (Completed 2024) \$3,000,000

Phase 2 Project-Embankment (Ongoing) \$42,000,000

Total Project Cost \$45,000,000

New Modification Request is approximately 8% of Total Project Cost. (Typical expectation is 10% of Project Cost)

Requested Modification is still within approved project budget.



Current Contract Amount (2020): \$2,169,718

Requested Contract Increase: \$1,642,144

Total Estimated Engineering & Design Cost: \$3,811,862

Conclusion and Recommendation

We have reviewed the request and feel the modification is justified and adjustment be considered and approved.



Item 4 - Recommendation

Move to approve the modification of contract with RB&G engineering for Chief Toquer Reservoir in the amount of \$1,642,144



5. Consider approval of the Silver Cliffs/Grapevine Development agreement

- Zach Renstrom, WCWCD General Manager
- For action



Item 5 - Recommendation

Move to approve the Silver Cliffs/Grapevine development agreement



6. Consider approval of the Interlocal agreement with Grapevine Local District

- Zach Renstrom, WCWCD General Manager
- For action



Item 6 - Recommendation

Move to approve the Interlocal agreement with Grapevine Local District



7. Manager's report

- Zach Renstrom, WCWCD General Manager
- For information



8. Request for closed session to discuss purchase of real property

- Ed Bowler, WCWCD Board chairman



9. Consider approval of purchase of real property

- Zach Renstrom, WCWCD General Manager
- For action



Item 9 - Recommendation

Move to approve the purchase of real property



10. Consider approval of the June 2, 2025 & June 30, 2025, board meeting minutes

- Zach Renstrom, WCWCD General Manager
- For action



Item 10 - Recommendation

Move to approve the June 2, 2025 & June 30, 2025 board meeting minutes



Thank you for participating in this board meeting



wcwcd.gov



info@wcwcd.gov

