## City of La Verkin

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## La Verkin City Council Work Meeting Minutes Wednesday, November 5, 2025, 5:00 pm. 111 S. Main, La Verkin, Utah

**Present:** Mayor Kelly Wilson; Council Members: Patricia Wise, Blair Gubler, and Darren Prince; Staff: Kyle Gubler, Derek Imlay, Fay Reber, and Nancy Cline. Public; Jeff Gittens, Morgan, and Blaine Worrell.

Called to Order – Mayor Wilson called the work meeting to order at 5:00 pm.

1. Discussion regarding Surplus water agreement.

Councilwoman Wise commented on the surplus water agreement under page 2 of 10, item number 3, Roman numeral 3, perpetual use. It says the district shall have the first right to use the surplus water realized from the water savings of the secondary water system improvement project and from future changes in water use in perpetuity. She felt that it makes sense that they would have the first right to the surplus water. That sounds very reasonable. She was surprised because she was in on several conversations with Jeff, and the word in perpetuity was discarded. She wanted an explanation why it was brought back.

Jeff Gittens responded that he didn't bring it back. That he thought they should have a timeline on it. It was the district's view that they needed it to be on a perpetual basis to make it work on their end.

Councilwoman wise asked if he wasn't in favor of that.

Jeff responded that it's not his job to make policy decisions. He said if this was his work alone, he would have a term on it however, there are more people involved.

Councilwoman Wise continued to say that the perpetuity is brought up in the delivery of surplus secondary water rights to the district under city obligations, and then it is brought up one other time. That was her biggest concern about the entire agreement. She didn't think that the city council had the right to tie the city to something forever. She suggested they needed a good way to word it that's favorable to both the city and the water district.

Morgan commented that the districts perspective two things that the city's getting out of the district using your secondary water rights, your surplus secondary water rights. And so first is the monetary payment for the La Verkin Secondary System Improvement Project. When we're talking about surplus water, we're talking about secondary water rights that the city's not using, and then the water that is generated from that efficiency project. We're giving monetary value to the city to pay for that project. And then second, of the surplus water that's made available, we're giving water connections. And so that would mean for the city, if we were in drought the city would have reserved water connections where other municipal partners wouldn't. From the district's perspective because we're giving that monetary value and then also giving you an associated amount of connections, that indeed you would still pay the impact fee they're not free connections, but they're reserved connections that this agreement needs to be in perpetuity because if it's not we would give the monetary value and then it could be we pay you and then the city wants to terminate. The payments for the surplus water in perpetuity and we can't give connections based off water that wouldn't be in perpetuity because we wouldn't have that water to give the connections.

Mayor Wilson explained that the surplus water that we have if we don't use it for culinary use, which we will do through this agreement, go to the district to the reservoirs they'll treat it and, in a sense, you're saving it for us to be able to use for connections. If we don't do that the water goes down the stream to the next priority use customer on the river, and we don't get any benefit from it. He could see why they say in perpetuity that you want to be able to use that water so that we'll have it for the rest of the time that it will be available for us.

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Councilman Prince commented that is what they were nervous about. That they would need that water in later years and it would be lost to the city.

Mayor Wilson explained it is not lost to the city. It is saved for the city. They still own the rights to the water. If we don't do that, then we're not going to have any use to that water. We'll have the right to it. We won't be able to use it for culinary use because we don't have the ability to store it, to treat it, and to be able to drink it. Using the district's facilities, they can do that for us. They're guaranteeing us that we're going to have that water available to grow. Where other communities may not have that water if we get in a drought situation in 20 years, they are out of water.

Morgan agreed with him and said they have a 20-year plan.

Kyle agreed and added it will be a guarantee for the city.

Morgan replied yes. The perpetual nature of the agreement is also a benefit to the city because it reserves those connections for you. We have to have a secure water supply to legally provide a connection. If this agreement wasn't perpetual, how can the district provide a connection based off you not using these secondary water rights if at any time the city can come in and say, never mind, we're going to use these water rights? Well, there's already a connection associated with that water.

Councilman Price explained his main concern was these are La Verkin's water rights, but we can't exercise them because they're in perpetuity, but you explained that.

Mayor Wilson added that can't see any other good use for it, because as time goes on, we're going to develop the lower bench, and we're going to develop up on top of the hill, and we're going to need water for those developments. Sure, we can rely on the water district to give us that water, but if the water district runs out, we don't get the water.

Jeff explained that there are some termination provisions here. You know, the parties can terminate if they both want to. There is termination if somebody breaches and things like that. So, there is some termination, but again, generally speaking, it's perpetual again, because the point being made, which is the district's providing perpetual connections, so they need and want perpetual water.

Mayor Wilson continued to say that that's what we're doing as a community, is we're guarding those rights so that we can use them for future generations here in La Verkin. And being guaranteed that we're going to get them.

Councilman Prince explained he and Blaire were concerned that they kept the water rights.

Mayor Wilson explained that they don't give up any rights. That's, according to the Constitution as a city, we can't give up our water rights.

Jeff explained that a city can't deed away or convey away its water rights, but it can do surplus agreements and exchange agreements.

Morgan added that the water rights will remain in the city's name.

Councilwoman Wise explained she still disagree to a certain point. So for \$13 million in 2025 money. We are giving up our rights forever. We will be relying on the Water Conservancy District forever for \$13 million. That seems like a lot of money in 2025. She thought it's not that much money down the road. When we first started talking about that, it's going to take the city 30 years or 35 years to pay all this back, this agreement back. She was more than willing to sign on for 30 to 35 years with the terms that you've all stated. Going beyond that she felt they were doing future generations of La Verkin wrong. There's a review every year in April to sit down collectively and agree that this is looking good. We need to provide the most detailed conditions for future councils to make sound decisions as we move forward. We don't know what water's going to be like in 20 years. If we continue with droughts the way that most experts say, water is just going to get more expensive. And we've sold out for \$13 million. Why isn't 30 years the term of the contract? Why isn't that good enough for the Water Conservancy District with language in here that's thoroughly reviewed, renegotiated by both

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parties in 10 years or 15 years or 20 years? It stays constant for the 30-year original contract, but prior to that time getting there, it's renegotiated, relooked at. It may be perfect, but she couldn't see how we can say it in perpetuity. It doesn't feel good. It's a good agreement; she likes most of it. If this was 30 years or whatever the term of the contract, it would be very reasonable.

Morgan explained the district's view was if it were a term, like 30 years, that would essentially be the district leasing the surplus water from La Verkin, and we can't give a connection based on a lease of water. We need surety that we have that water in perpetuity, because that connection, that water connection, it's going to use the water not for 30 years, it uses it in perpetuity.

Councilman Blaire Gubler added that in these contracts, we pay an impact fee and everything else for every connection we receive. So, if you're paying an impact for every connection you receive, and everything that everybody else does, why don't we just remain like everybody else and keep our water.

Councilman Prince explained he counted up the number of lots entitled in the east side of the county, between Toquerville, Hurricane, and Apple Valley. There are over 30,000 lots are entitled right now. He liked the idea that we're keeping ours and they are guaranteed, because he didn't know if all those lots are going to have water.

Mayor Wilson explained if we don't do this then we still would have the water, but how are you going to drink it.

Councilman Blaire Gubler replied that Springdale just put in a treatment plant, and they run it to a treatment plant. Four years ago, they turned it into drinking water. They lose part of it in exchange for irrigation for drinking water, but they still own their water. They haven't given away their rights but we're saying we can't use them. They're guaranteed that we'll have the water, but by the time they fill all of those building lots in southern Utah, how is there going to be any water left for us to use?

Mayor Wilson explained that they can't use these water rights for any other community in southern Utah.

Councilman Blaire Gubler argued that the contract states they can transfer the water to other cities. What are they going to tell the 30,000 people they counted the lots for.

Councilman Prince explained that the cities are intitled to those connections, but the water district has not committed the water to those 30,000 lots.

Councilwoman Wise added that Leeds is being considered to be brought in on it. They don't have any of their own water, or very little.

Morgan explained that these are these are separate connections, and that gets to the ledger that are reserved for them. And so it's ensuring that your secondary water rights, whatever that surplus is, and that's why we have the yearly meeting, gets back to the city via drinking water through connections. A perpetual connection.

Mayor Wilson added that we would be guaranteed up to that amount of water that we would have, the surplus water that we have, which is our water right, we could use that in connection with our community. say the water district runs out of water the rest of the cities won't continue to build, but we will.

Councilman Prince asked Jeff is that is the way he understood the agreement.

Jeff commented that they are setting aside connections through that ledger to provide to the city part of the consideration that they're paying for this water is that they're set aside those connections so that you get the benefit of this water not somebody else.

Councilman Blaire Gubler commented that right now we have free water rights a 1900, and the other two are 1890. This year because of the low water supplies above 1900. We were not cut off. But Toquerville gets cut off every single year

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because they turned their water rights over to the Conservancy District. They no longer own those, and the water right means nothing.

Mayor Wilson commented it was the irrigation company not Toquerville that's totally different.

Councilman Blaire Gubler continued to say it's different but now they don't have the water. If we turn ours over it says in here that we cannot take it. They dictate what we can take and how we can take it.

Mayor Wilson asked why he says they are turning it over.

Councilman Blaire Gubler explained because they are letting them take those in exchange for connections.

Councilman Prince added that Toquerville, they said, okay, you can only water on Tuesday and Saturday because of the drought from 5 to noon. And that was fine during the drought, but then after the drought, it was still Tuesday, Thursday, 5 to noon. And so, if you didn't have big enough water lines, you lost all your grass

Morgan explained the difference between the Toquerville Secondary Water System, it's in our local agreement. It's governed by a board. What we're talking about in this agreement with the connections is under the pre-existing regional water supply agreement that the city's already partied to and is already getting drinking water through that agreement. So, it's going to function the same way as all these other houses we see out here that are getting drinking water.

Mayor Wilson added we get drinking water. Treated water, stored water, and run through the district's pipelines to us.

Councilwoman Wise had another concern about the surplus, and under page 2 of 10, and then under B, Delivery of New Connections, there's item number, Roman numeral 2, Secondary Irrigation Area. It says that the city shall not expand the geographical boundaries of secondary irrigation areas identified in Exhibit C, and so Derek printed out a map. We wanted to add some secondary water lines that we are not aware of right now that we need or want to. She understand where it wouldn't be part of the 13-million-dollar contract but is this paragraph saying we can't add any period or we can't add any that are part of the 13-million-dollar contract.

Mayor Wilson explained that it's part of the geographic area and the lower bench right, but we can add to that but not on the upper bench.

Councilwoman Wise clarified that this is saying that Derek has identified the existing lines that need to be replaced but if there are other additional lines as long as they're in the map that we will at some point all agree to, those can be added in at any time.

Morgan explained that they would limit this exhibit so long as we're working with it, to just the map that showed the geography and had the red line around it, and we don't need to get into existing versus new pipelines. She thought it would be more aggressive of the district to care about pipelines. We care about geographic location, and it kind of is analogous to the perpetuity aspect of the agreement of these, the surplus water, we need to make sure it remains surplus, and so if La Verkin were to expand its geographic boundaries and start sending more secondary water of your rights elsewhere, but that's reserved for a connection, we're in trouble again.

Mayor Wilson explained if we decided let's put secondary water up on the hills where people can water their grass and stuff like that. He believed it's their intention that the development up there would be the ultraconservative development, so they would use less water than what we're using now, which is a 0.59. Ultraconservative is .39. That's why there's different numbers of connections, because if you use the ultraconservative, then you can expand that secondary water more for development, say, up on the hill, and if we go to ultraconservative on the rest of the connection on the bench, we can do that too.

Morgan added that the upper benches would be all drinking water, whether it's indoors or outdoors.

Mayor Wilson explained that on the lower bench now, we have the ability to expand the secondary system to the houses that are built on the lower bench, so they can use secondary water outside and culinary water inside. Even with that, he thought we'll use less water because as those fields grow houses, there's going to be a lot less water used for outside.

Councilman Prince asked if we get higher density projects that will probably come in the next 50 years. Do the limited connections as you get infill, are you able to use water more efficiently to create that growth? Where does the city water limit on, how does that work on the connections.

Mayor Wilson explained they get more connections because you can take that acre foot of water and get three connections with it as opposed to maybe one and a partial.

Councilman Prince asked about the number of connections would be changed.

Mayor Wilson explained that is why they look at the connections every year.

Councilwoman Wise explained that basically what it is a safeguard to make sure that don't run out of waters at 0.59 and the state of Utah is letting us go to a safeguard of 0.39 so basically, it's not like there's more water. We will be getting down to the empty sink, but it wouldn't make any difference to the user, it's just that there's less of a safety net. Less water in the reservoir if everything's operating at that level.

Mayor Wilson explained one other good thing about this is because our priority rights are better on the river than most of the cities in the county, by doing this we're making sure that those water rights are being used for culinary use. We're not going to send them down the river to the next priority person and we're basically making it where we're going to use all of our water on the secondary water rights that we have.

Councilman Prince explained that was one of his concerns was taking the surplus water to another city.

Mayor Wilson commented we don't want to send it down the river we want to keep it here. By putting it in the reservoir, we're not sending any water down the river. Or we're not sending it down to the next canal company to use it for them.

Councilwoman Wise asked about the surplus water rights and the level of service for each new connection at the time of impact fee payment. Are we trying to plan out water rights for a new development or water usage for a new development. We might not have the impact fees already in place. So, the question was, when do we collect impact fees from the developers? Is it early on, or is it when they're ready to start?

Mayor Wilson replied that when the permits are issued the impact fees are collected.

Councilwoman Wise was still concerned about the perpetuity of the agreement. That agreement now will harm the city in the future. That 200 years later the district will have more money than the city to go to court or terminate the agreement.

Mayor Wilson replied that this agreement is for secondary water and it is made into culinary water. We have those rights in perpetuity, until we use all our water rights.

Kyle added that after the water rights are all used, they will have to buy water from the water district.

Mayor Wilson added that the city will have that in perpetuity. We'll have the use to this water until we've used all our water right up. And at that point, we're going to be relying on the water district regardless, after we've used up all our water rights. And even at that, even though we're doing this now, we still have some water rights left in the springs that we're not using. And there's a time when those water rights in those springs, we'll want to use them too. But if we're going to be able to use these rights in perpetuity that means we'll have the right to them, and they'll be there for us 200 years from now if we haven't used them all up.

Councilman Blair Gubler didn't agree that that was what this agreement states. On page 310, number 4, the city shall not reserve the new connections for future use. We talk about using them for future use, but this agreement's got a lot of

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places, the perpetuity, the future use. It bothered him when he sees all of those negatives and there's not a lot of positives. There are some positives.

Morgan agrees this is a good question and they can work to finesse this language. The section, ledger of new connections, the city shall not reserve the new connections for future use. Once this agreements in place and we determine at this point in time through our yearly meeting how much surplus water and therefore how many connections, La Verkin City, the developers from La Verkin City are coming into the district and paying the impact fee, we're starting that ledger and we're ticking them off immediately. This is non-surplus water that we determined this year is available with La Verkin City. This is the impact fee. We will determine whether it was the normal level of service or the ultra-water efficient level of service, and we'll immediately start docking and doing that ledger. Instead of La Verkin being able to say no, this connection is just under the normal structure of the RWSA. We're not making a new connection under this agreement. And then you hold on to this for 100 years, and 100 years later, you're like, we're ready to cash in on all these connections

Mayor Wilson agrees that made sense. We'll start using this water when it starts. And when that's all used up, then we'll go to our spring water that we still have rights in. And then when that's all used up, we're done. Unless the water district has to come up with extra water. That's what their purpose is, is to provide water for future connections.

Morgan agreed this is written in the negative. We could maybe modify this to say the ledger of new connections shall begin upon execution of the agreement. Maybe make that clear. The term future use, she agreed, is confusing, and not the right term to use. She asked Jeff if he had any feedback on how to write the last sentence.

Jeff responded to something along the lines of, upon execution of this agreement, the city will begin using all new development within the city will utilize water.

Councilwoman Wise asked if Jeff had any ideas how to re-write the paragraphs with the perpetuity that would be suitable for the Water Conservancy District and La Verkin.

Jeff replied he wasn't sure that they can do it in a way that's not perpetual. Again, the district is giving perpetual connections. It makes sense why they want perpetual water. He thought if we didn't make it perpetual, they would have to go back to the drawing board, and the agreement would look a lot different. It probably would not include connections.

Mayor Wilson asked Jeff if the amount of water that we're giving to them back through connections, is that correct.

Jeff replied that yes, that they're guaranteeing that connections at this level will be used for new connections in the city.

Mayor Wilson added that's the most efficient use of the secondary water that he could think of. Otherwise, we're not getting anything out of it if we don't use it.

Councilman Blair Gubler asked if they would see the Exhibits of the maps before they approve anything.

Fay commented that no one likes that language ever in agreement but given the nature of the agreement and what the fact that we're getting water on perpetuity. He agreed with how the deal structure.

Morgan added they have exhibit A and B in there. For exhibit D we can go either way. What we've done with other municipal partners is this is actually exhibit that would be input at a later date. Once we know the delivery points. La Verkin is unique that they agree the pond will be the delivery point. La verkins pond is in design and hasn't been constructed yet. However, they could add that to exhibit D now or we can do it once it's constructed and we know for sure this is the location of the pond.

Mayor Wilson commented that right now the delivery point is out of the pipeline.

Morgan responded that once we know how the systems fully operates, we can come in and do Exhibit D, or if we have thoughts now, we can put it into here together. She realized they were speaking about the wrong agreement. The delivery point was at Cottom Well.

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Blaine agreed it is Cottom Well.

Mayor Wilson explained that the only thing we get from the water district right now, and the only thing we will get, will be through the Cottom Well.

Councilwoman Wise asked about Exhibit A, you have this little graph, but it doesn't say where it came from. She went over this with Derek, and he said that it comes from the Sunrise Secondary Water Study that they've already done, or is it in process.

Blaine replied that it does come from sunrise engineering. They will present the study to the city council.

Councilwoman Wise would like it notated where this table comes from, what document the table comes from. She didn't want there to be just vague information. She thought of councils 10 years from now who are trying to sort all this out and wondering if they got a good deal. Let's make it as detailed as possible.

Morgan agrees to drop a footnote at the bottom of the source.

B. Adjourn:

The meeting adjourned at 5:55 p.m.

Date Approved

Nancy Clin

City Recorder

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