



**MINUTES  
BOARD OF TRUSTEES PUBLIC MEETING**

Meeting date: January 5, 2026  
Time: 6:00 pm  
Location: 533 East Water Works Drive, St. George Utah 84770  
Participants: Board members Ed Bowler, Rick Rosenberg, Victor Iverson, Clark Fawcett, and Kress Staheli. Adam Bowler and Michele Randall were not present. District staff included Zach Renstrom, general manager; Mindy Mees, secretary; Brock Belnap and Corey Cram, associate general managers. Other meeting attendees as noted on the attached sign-in sheet.

**Public Hearing to receive input from the public with respect to (i) the issuance of the Series 2026 Bonds and (ii) any potential economic impact that the project to be financed with the proceeds of the Series 2026 Bonds may have on the private sector**

Jonathan Ward with Zions Public Finance explained stated that, by statute, the District is required to hold a public hearing to allow members of the public to voice comments or concerns regarding the project, including how it may compete with the private sector, as outlined in state law.

Mr. Ward explained that the second reason the public hearing is required is due to the requirements of the funding partner. The purchaser of the bonds is the Utah State Board of Water Resources, which requires the District to hold a public hearing to allow the public to comment on the proposed funding mechanism and any potential impact to user rates, should there be one.

Mr. Ward noted that once the public hearing is opened, both the statutory and the funding partner's requirements will be satisfied.

Mr. Ward said that the Board of Water Resources has offered to purchase \$195 million in bonds from the District, to be repaid over a 40-year term at an interest rate of 0.5 percent, which is an extremely favorable financing opportunity.

Chairman Ed Bowler thanked Mr. Ward and opened the hearing for public comment. There were no public comments, and the public hearing was closed.

**Open and Public Meeting Act Training**

Mindy Mees explained that the Board of Trustees should receive annual training on the requirements of Utah's Open and Public Meeting Act. They viewed a training video about the act prepared by the Utah State Auditor's office.

**Consider resolution approving and acknowledging the Ash Creek Dam project with grant funds**

General Manager Zach Renstrom explained that the District pursued and obtained grant funding for the Ash Creek Dam Project. He stated that Ash Creek Dam is located at the top of Black Ridge and has been in place for many

years. The purpose of the grant funding is to evaluate the dam, including conducting safety assessments and modeling to ensure the dam remains effective and structurally sound.

Mr. Renstrom stated that Ash Creek Dam is classified as a high-hazard dam. He noted that the State Dam Safety Office assisted in securing the funding because they recognize that this is a dam that requires further evaluation and review. The State awarded grant funds for this effort. In order to accept and utilize these funds, action by the Board is required.

***Trustee Victor Iverson made a motion to approve the resolution acknowledging the Ash Creek Dam project with grant funds. The motion was seconded by Clark Fawcett. A roll call vote was taken as follows:***

<b><i>Ed Bowler</i></b>	<b><i>Yes</i></b>
<b><i>Rick Rosenberg</i></b>	<b><i>Yes</i></b>
<b><i>Victor Iverson</i></b>	<b><i>Yes</i></b>
<b><i>Kress Staheli</i></b>	<b><i>Yes</i></b>
<b><i>Clark Fawcett</i></b>	<b><i>Yes</i></b>

**Consider approval of agreement with RB&G Engineering for the Ash Creek Dam project**

Project Manager George Elliott explained that the District is requesting approval to proceed with an agreement with RB&G Engineering for work on the Ash Creek Dam project as a non-standard procurement. The request is based on RB&G Engineering’s extensive history with the District, their specialized experience with the Ash Creek Dam project, and their long-standing involvement with District dam infrastructure.

Mr. Elliott provided a brief overview of the site, noting that Ash Creek Dam is located west of I-15 at the crest of Black Ridge heading north. He described the reservoir basin as often dry and explained that the freeway itself forms part of the embankment. The dam has been identified as a high-hazard dam.

Mr. Elliott stated that FEMA grant funding in the amount of \$817,220 will be used to evaluate the site and complete preliminary design engineering for potential remediation measures necessary to bring the facility into compliance with current dam safety standards.

Mr. Elliott said that District staff recommend RB&G Engineering because the firm performs the majority of the District’s dam-related work and has been involved with the Ash Creek Dam since the 1980s. Their work has included reviews, studies, technical investigations, and cost estimates, continuing through the present as the project remains under consideration.

Mr. Elliott stated that for non-standard procurement, RB&G Engineering has extensive expertise specific to this dam site, deep institutional knowledge of existing conditions, and is uniquely qualified to perform the required work. He noted that District staff and management have discussed the recommendation internally and believes this selection is in the best interest of the District and the overall safety of the project.

***Trustee Rick Rosenberg made a motion to approve the agreement with RB&G Engineering for the Ash Creek Dam project as presented, the motion was seconded by Kress Staheli and all voted aye.***

**Consider approval of Water Exchange Agreement with La Verkin City**

Reuse Program Manager Morgan Drake addressed the Board and noted that she would be presenting the next three items, all of which relate to agreements with La Verkin City. Before discussing the specific agreements, she provided background on the District’s reuse program to give context.

Ms. Drake explained that it has been approximately one year since reuse agreements were first presented to the Board and that multiple agreements are required to establish and operate the reuse program. For clarity, she grouped the agreements into three categories.

First, Ms. Drake described reuse authorization contracts (RACs), which are required under the Reuse Water Act. For municipal partners, these agreements apply to entities that generate or will generate reuse water based on their underlying water rights. She stated that these agreements have been drafted and that the District is continuing coordination with the City of St. George and will also work with the City of Hurricane this year. She further explained that RACs also apply to treatment partners that treat and produce reuse water and deliver it to the District for distribution throughout the service area. She stated that the Ash Creek agreement has already been approved and that coordination with St. George on treatment-related agreements is ongoing.

Second, Ms. Drake described reuse exchange agreements, which she identified as a primary driver of reuse water supply in the District's 20-year plan, particularly looking toward 2030. These agreements are largely with irrigation and canal companies and involve a one-for-one exchange in which the District delivers reuse or District water supplies in exchange for existing water sources currently used for irrigation, which the District will then use for drinking water. She explained that this is referred to as non-potable reuse and is a key component of the long-term water supply strategy. Two agreements in this category are before the Board, including the La Verkin City exchange agreement. She noted that these agreements have been drafted and that coordination with irrigation and canal companies is in a preliminary stage, with the goal of bringing additional agreements to the Board this year.

Third, Ms. Drake explained the memorandum of understanding (MOUs), which governs collaboration with municipal and program partners on specific projects. These agreements typically address reimbursement, operations, and overall project coordination. She stated that two MOUs have already been approved, one additional MOU (the La Verkin City Secondary System Improvement Project) is before the Board on this agenda, and others are under discussion or development. She noted that this number of agreements in this category is expected to grow as new projects are identified.

Ms. Drake expressed appreciation to the City of La Verkin for its partnership, noting that extensive coordination and numerous meetings have taken place to develop the agreements. She specifically thanked Mayor Wilson, who was present, for the City's time and collaboration.

Ms. Drake then presented the La Verkin Water Exchange Agreement.

Ms. Drake explained that this agreement is similar to standard exchange agreements with canal and irrigation companies. Under the agreement, the District will deliver District water supplies to the City of La Verkin. This delivery is anticipated to occur primarily through the Confluence Park Water Reclamation Facility to La Verkin pond and pipeline project, which is currently in design. The water supplied may include reuse water and, ultimately, water from the Chief Toquer Reservoir system, including Ash Creek and TSWS supplies.

Ms. Drake explained with the exchange, the District will receive an equal amount of La Verkin's secondary water rights and said that La Verkin's demand exceeds the amount of water that Confluence Park can produce at initial capacity, so the City will continue using a portion of its secondary water rights for irrigation. The parties will coordinate annually to reconcile any imbalances and plan anticipated supply and demand for the upcoming year.

Ms. Drake emphasized that this exchange provides a significant benefit to the District's potable water supply, as La Verkin's secondary water flows into the Quail Creek pipeline and directly into the District's reservoir system. She also stated that the parties are actively coordinating on a draft change application to be submitted to the State Engineer, which would allow the District to use the secondary water rights within its service area for drinking water purposes. Title and ownership of the secondary water rights will remain with the City of La Verkin.

Ms. Drake noted that the agreement is structured as a perpetual agreement. She explained that this is necessary because the drinking water generated through the exchange will support the issuance of new water connections by the District, which requires long-term certainty that the exchange will continue.

***Trustee Victor Iverson made a motion to approve the water exchange agreement with La Verkin, the motion was seconded by Trustee Clark Fawcett and all voted aye.***

**Consider approval of Surplus Water Agreement with La Verkin City**

Ms. Drake explained that the Surplus Water Agreement is more specific to La Verkin than the previous, more general water exchange agreement.

Ms. Drake stated that the agreement applies specifically to the La Verkin Secondary System Improvement Project, which is included in the District's Impact Fee Facilities Plan and master planning documents. Under the Surplus Water Agreement, the District will provide funding in the amount of slightly over \$13.5 million to the City of La Verkin to complete improvements to its secondary irrigation system.

Ms. Drake explained that the project will identify leak areas within La Verkin's secondary system and include upgrades intended to reduce water loss. In return for the District's investment, the District will receive surplus water generated as a result of the project.

Ms. Drake explained that "surplus water" includes several components: water savings achieved through the secondary system improvements, additional water made available as agricultural uses transition to municipal and industrial uses as the city grows, and water savings resulting from ongoing conservation measures. She noted that the surplus water consists of La Verkin's secondary water rights, which will continue to flow through the Quail Creek pipeline and be used by the District for potable water supply.

Ms. Drake further explained that, in return, the District will make available to La Verkin an equivalent number of new water connections generated by the surplus water. While impact fees will continue to be paid as usual for these new connections, the connections will be reserved exclusively for La Verkin. A tracking ledger will be maintained, and as new connections are requested within the city, they will be deducted from the reserved balance accordingly. She emphasized the importance of coordination between the District and the City to ensure that surplus water remains consistently available. Once both parties determine that surplus water is available, the City may not later reallocate that water elsewhere. To ensure stability, the agreement prohibits expansion of the City's geographic service area. An exhibit to the agreement includes a projected buildout schedule for the anticipated surplus water; while the City is not strictly bound to that schedule, it is required that sufficient surplus water be available at the time any new connection is issued.

Ms. Drake said that the District and the City will meet annually, similar to the process used for water exchange agreements, to review the ledger, reconcile connections, and confirm continued compliance with the agreement.

***Trustee Victor Iverson made a motion to approve the surplus water agreement with La Verkin, the motion was seconded by Trustee Clark Fawcett and all voted aye.***

**Consider approval of Memorandum of Understanding for La Verkin Secondary Water System Improvement Project**

Ms. Drake explained that the third component is a memorandum of understanding for the Secondary System Improvement Project. The memorandum of understanding is primarily administrative in nature and focused on defining how the District and the City will collaborate on the project and handle payment responsibilities.

Ms. Drake explained that the City will procure and manage the project and will hold the contracts with the vendors responsible for implementing the Secondary System Improvement Project. The agreement includes a requirement that vendors utilize the District's project delivery system, Kahua, to submit invoices. The agreement also establishes review timelines for both the City and the District to review and approve invoices. The District will be responsible for paying approved invoices up to a maximum amount of slightly over \$13.5 million, with any costs exceeding that amount to be paid by the City.

***Trustee Victor Iverson made a motion to approve the MOU for the La Verkin Secondary Water System Improvement Project, the motion was seconded by Trustee Rick Rosenberg and all voted aye.***

**Consider approval to provide matching funds to cities that elect to continue transparent water billing messaging programs in 2026**

Water Conservation Manager Doug Bennett explained that transparent water billing refers to the use of modern communication methods to share water use information with customers. These methods include text messages, emails, automated phone calls, and, when necessary, traditional mail such as postcards or letters.

Mr. Bennett stated that the District is nearing the conclusion of a three-year, \$1.3 million grant awarded by the State of Utah, which has funded approximately 85 percent of the cost of operating these communication programs across the jurisdictions served by the District. The grant is set to expire in August 2026. He noted that some municipal partners operate on different budget cycles and are currently developing their budgets, requiring them to determine whether they wish to continue the service at their own expense and whether District support may be available.

Mr. Bennett explained several primary uses of the messaging system. One key application is leak notification. When AMI smart water meters identify leaks on customer properties, cities may have hundreds or even thousands of affected accounts. Historically, staff would manually call customers with the largest leaks, often without reaching all affected users. The messaging system now allows staff to quickly notify all affected customers simultaneously via email, text, or phone, with the ability to exclude accounts if communication has already occurred.

Mr. Bennett noted that many jurisdictions also use the system for “abstain for rain” messaging, reminding customers to turn off irrigation systems during rain events. He emphasized that these messages could save tens of millions of gallons of water during a single storm and that the system typically reaches 80 to 90 percent of customers with only a few minutes of staff time.

Mr. Bennett noted that additional uses include notifications for service interruptions, such as water main closures affecting specific neighborhoods. Instead of relying on door hangers or in-person notifications, the system allows customers to be informed of outage times and directed to online resources for updates. The system could also be used for water quality notifications, such as boil water advisories, and roadway or utility work.

Mr. Bennett described the system as highly versatile, noting that staff can select specific geographic areas using a map-based interface and send targeted messages to affected customers.

Mr. Bennett reviewed the cost of continuing the service. Larger water providers incur higher costs due to increased complexity and data volume, with St. George costing approximately \$65,000 per year. Smaller systems still face a minimum annual cost of approximately \$20,000 to provide the service. He noted that Virgin is not currently using the system and therefore was not included in the presented cost list.

Mr. Bennett explained that the District’s proposed funding would come from a \$200,000 cost-sharing line item previously approved in the District’s 2026 budget. The current request would cover the period from August through December.

Mr. Bennett stated that if the Board determines there is ongoing value in supporting the program, staff will propose including it as a specific line item in the 2027 budget, eliminating the need for annual Board action.

Mr. Bennett recommended that the Board approve motion to provide a 50 percent cost share for any municipality that chooses to continue subscribing to the messaging tool service. He also requested that the same opportunity be made available to the Town of Virgin, which joined the District after the grant began and is not currently participating in the program.

***Trustee Rick Rosenberg made a motion to authorize staff to provide a 50% cost share to any partner municipality that continues to subscribe to the messaging tool system as presented, the motion was second by Trustee Clark Fawcett and all voted aye.***

#### **Consider approval of a P-Card for Lindsey Hall**

Mr. Renstrom said that the district’s new employees, Lindsey Hall, will need a purchasing card (P-Card). The district’s policy requires board approval for the issuance of p-cards for employees.

Mr. Renstrom recommended that the board approve P-Card for Lindsey Hall.

***Trustee Clark Fawcett made a motion to approve the P-Card for Lindsey Hall; the motion was seconded by Trustee Kress Staheli and all voted aye.***

**Consider amending the 2026 meeting schedule**

Board Secretary Mindy Mees explained that this item relates back to the previous month's Board meeting. Ms. Mees explained that the December 2026 meeting had originally been scheduled for December 7, the first Monday of December. However, it was later determined that this date would conflict with several of the cities' schedules. As a result, the District needs to amend the meeting date to Tuesday, December 1.

***Trustee Rick Rosenberg made a motion to approve the amended 2026 meeting schedule, changing December 7th meeting to Tuesday December 1<sup>st</sup>, the motion was seconded by Trustee Victor Iverson and all voted aye.***

**Manager's report**

Mr. Renstrom said that, following recent rainfall, lake levels are performing relatively well. Quail Creek Reservoir and Sand Hollow Reservoir are at approximately 75 percent capacity, which is favorable for this time of year. Gunlock Reservoir has experienced a significant increase, rising approximately eighteen feet and reaching nearly 90 percent capacity. As a result, Gunlock Reservoir may spill this year. However, Mr. Renstrom also expressed concern about the lack of snowpack in the mountains, emphasizing the importance of capturing as much runoff as possible in the reservoirs and noting that colder temperatures are needed for snow accumulation. He added that similar conditions are being observed in Enterprise.

Mr. Renstrom also reported that that after approximately ten years, the District is now the official owner of the entire Warner Valley area. He acknowledged and commended Morgan Drake for her extensive work on the project. He explained that the process, originally anticipated by the Bureau of Land Management to take two years, ultimately required an additional eight years due to complex title issues, including historical oil claims. He also recognized Chair Bowler for his assistance with those challenges and noted that the District has received a clean patent. Mr. Renstrom stated that the next step will involve required archaeological remediation and site investigations, which will be scheduled shortly.

Mr. Renstrom also reported that there will be a public scoping meeting for the Central Reuse Project Environmental Assessment on January 6, 2026, at the county fairgrounds at Legacy Park. Mr. Renstrom explained that the reuse projects have been divided into multiple phases, noting that the portion serving Toquerville and La Verkin has already completed the public process. The upcoming meeting will focus on the remaining portion of the system, primarily addressing pipeline infrastructure in the Hurricane, Washington, and St. George areas.

**Request for a closed session to discuss:**

- a. purchase of real property & water rights**
- b. litigation**

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 purchase of real property, water rights, and litigation. Mr. Bowler said that the closed session is being held at Washington County Water Conservancy District office building 533 E Waterworks Drive, St. George Utah on January 5, 2026.

***Trustee Kress Staheli made a motion to go into a closed session, the motion was seconded by Trustee Clark Fawcett, a roll call vote was taken as follows:***

<b><i>Ed Bowler</i></b>	<b><i>Yes</i></b>
<b><i>Rick Rosenberg</i></b>	<b><i>Yes</i></b>

<i>Victor Iverson</i>	<i>Yes</i>
<i>Kress Staheli</i>	<i>Yes</i>
<i>Clark Fawcett</i>	<i>Yes</i>

*(Return to open session) Consider approval of the purchase of real property & water rights*

*Consider approval of December 1, 2025 board meeting minutes*

*Trustee Victor Iverson made a motion to approve December 1, 2025 board meeting minutes, the motion was seconded by Trustee Rick Rosenberg and all voted aye.*

The meeting was adjourned upon motion.

*Mindy Mees*  
\_\_\_\_\_  
Secretary

**WASHINGTON COUNTY WATER CONSERVANCY DISTRICT  
BOARD OF TRUSTEES  
A RESOLUTION AUTHORIZING GRANT FUNDING FOR THE ASH CREEK DAM  
PROJECT**

WHEREAS, a primary purpose and goal of the Washington County Water Conservancy District is to efficiently manage and conserve the use of available water resources of the county;

WHEREAS, the District is planning and managing the increase of the structure integrity to address safety concerns by increasing material on the upstream side of the dam;

WHEREAS, Federal Emergency Management Agency (FEMA) funding is available through the Utah Division of Water Resources.

WHEREAS, the District has submitted an application to FEMA for funding for the Ash Creek Dam project and has been approved for funding through the Division of Water Resources.

WHEREAS, Utah Division of Water Resources will be administering the FEMA grant.

NOW THEREFORE, be it resolved that the Board of Trustees of the Washington County Water Conservancy District hereby:

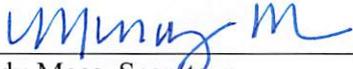
- A. The General Manager is authorized to enter into an agreement with the Division of Water Resources;
- B. The District will commit to the financial and legal obligations associated with receipt of a financial assistance award;
- C. The District will work with Division of Water Resources to meet established deadlines for entering into a grant or cooperative agreement.

DATED this 5th day of January, 2026.

WASHINGTON COUNTY  
WATER CONSERVANCY DISTRICT:

  
\_\_\_\_\_  
Ed Bowler, Chairman of the Board

ATTEST:

  
\_\_\_\_\_  
Mindy Mees, Secretary

VOTING:

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



## NON-STANDARD PROCUREMENT STATEMENT

The Washington County Water Conservancy District (district) has determined that a contract for Engineering Evaluation and Services will be awarded to RB&G Engineering Inc. [as a non-standard procurement agreement because pursuant to rules adopted by the district under Utah Code Section 63G-6a-802, making the award through a standard procurement process would be impractical and not in the best interest of the district due to the following circumstance(s):

- RB&G Engineering Inc has performed similar work with Dams in the District, and they have done prior projects at Ash Creek Dam. RB&G Engineering has proven expertise and knowledge of the Ash Creek Dam. Doing a procurement process and selecting a different engineering firm will cost the District extra time. The District is required to complete key tasks and the project in accordance with the FEMA grant timeline to be in compliance and qualify for the grant. Utah Code Section 63G-6a-802(1)(b); WCWCD Administrative Policy 5.3.2.
- The contract is for Engineering services and will be negotiated on the basis of demonstrated competence and qualification and at a fair and reasonable price. *See* Utah Code Section 63G-6a-802(1)(c); WCWCD Administrative Policy 5.3.3(d).
- It is not practicable or advantageous for the district to procure the service through a standard procurement process because any delays will risk completing the project on time in order to remain qualified for the FEMA grant. [Utah Code Section 63G-6a-802(1)(c); WCWCD Administrative Policy 5.3.3(e).

Purchase Amount: No more than \$817,220

Dated this 5<sup>th</sup> day of January 2026

A handwritten signature in blue ink, appearing to read "Zachary Renstrom".

---

Zachary Renstrom, General Manager



## Procurement Memo

**To** Zachary Renstrom, General Manager  
**From** George Elliott, Project Manager  
**Date** January 5, 2026  
**Subject** Procurement of Evaluation and Design Services – Ash Creek Dam

---

**Type of Procurement:** Non-Standard Procurement of Service.

**Item Description:** Dam Evaluation and Design to correct all safety related deficiencies.

**Reason for Procurement:** Need an experienced Dam Engineering firm for evaluation and design to bring Ash Creek Dam in compliance with Federal and State Dam safety standards.

**Proposed Vendor:** RB&G Engineering Inc.

**Circumstances for Using Non-Standard Procurement:** The circumstances for using a non-standard procurement process and choosing this vendor are described in the attached procurement statement. (If sole source, describe the process (e.g., research performed, vendors contacted, etc.) for determining the proposed vendor is the only vendor who provides the procurement item.)

**Purchase Amount:** No more than \$817,220

(Include if procurement of public utility services pursuant to a sole source over \$50,000: Because the purchase is for public utility services pursuant to a sole source contract, publication of notice of the proposed procurement is not required. Utah Code § 63G-6a-802(3)(b)(i).)

**Accounting Code:**TBD

Approved:

A handwritten signature in black ink, appearing to read "Z. Renstrom", written over a horizontal line.

Zachary Renstrom, General Manager

## WATER EXCHANGE AGREEMENT

This Water Exchange Agreement (“Agreement”) is entered into this 19<sup>th</sup> day of November, 2025 (“Effective Date”), by and between Washington County Water Conservancy District (“District”), a water conservancy district organized under the Utah Water Conservancy District Act and a political subdivision of the State of Utah, and La Verkin City, a municipal corporation and political subdivision of the State of Utah (“City”). The District and the City may be referred to herein individually as a “Party” or collectively as the “Parties.”

### RECITALS

- A. The City has three water rights from the Virgin River that the City currently uses for irrigation water.
- B. The City and the District desire to exchange the City’s water from the Virgin River for other water provided by the District, consistent with the terms and conditions of this Agreement.

### AGREEMENT

**NOW, THEREFORE**, in consideration of the foregoing recitals, the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Recitals.** The above-referenced recitals are incorporated into this Agreement by this reference.

2. **Exchange.** The Parties acknowledge and agree that this is an exchange of water rights or sources of water supply for other water rights or sources of water supply that the City determines will equally enable the City to meet the needs of its designated water service area as contemplated under the Utah Constitution, Article XI, Section 6(2)(c).

3. **Water Diversions and Deliveries.**

a. *District’s Diversion and Use of Secondary Water Rights.* In a calendar year, the District shall have the right to divert and use up to the full amount of the City’s Virgin River water rights as identified in Exhibit A, which is attached and incorporated herein by this reference (“**Secondary Water Rights**”), as approved by the Change Application (defined below), provided that the District deliver to the City an equal quantity of water from the District Water Supplies. The District’s diversion of the Secondary Water Rights shall be subject to and contingent upon physical and legal water availability.

b. *District’s Delivery of Water to the City.* In a calendar year, the District shall deliver District Water Supplies to the City in an amount up to the quantity of water the City anticipates it will need to serve its Secondary Water System (defined below). Delivery of District Water Supplies shall be subject to and contingent upon physical and legal water availability. If it is determined that an excess amount of the Secondary Water Rights have been diverted by the District, or that an excess amount of District Water Supplies has been delivered to the City, the Parties shall work in good faith to resolve any imbalance.

c. *Rate and Timing of District's Delivery of Water.* Subject to the physical capacity of the District Reuse Facilities, maintenance, and emergency conditions, the District shall make water available to the City, at the flow rates and times determined mutually by the Parties, for the City to supply its customers' daily secondary water demand. For purposes of this Agreement, "**District Reuse Facilities**" includes all water, collection, conservation, development, storage, treatment, supply, transportation, and distribution facilities, hydroelectric generating, transmission and distribution facilities, and related facilities used to receive, convey, store, treat and deliver reuse water that are (i) currently owned or operated by the District; or (ii) to be hereafter owned or operated by the District.

d. *Delivery Location.* The District shall deliver District Water Supplies to the point(s) of delivery from the District Reuse Facilities to the City's Secondary Water System (collectively, "**Delivery Points**"). The District's deliveries shall be metered at or near the Delivery Points. Exhibit B identifies (A) each Delivery Point and (B) distinguishes between the end of the applicable District Reuse Facilities and the beginning of the Secondary Water System. For purposes of this Agreement, "**Secondary Water System**" means the portion of the City's municipal water system used to receive, convey, store, and deliver water under the Secondary Water Rights that is (i) currently owned or operated by the City; or (ii) to be hereafter owned or operated by the City.

e. *Reasonable Efforts.* Each Party shall use commercially reasonable efforts to cause the exchanged water to be delivered to the other Party. Neither Party shall be in default under this Agreement if such water is not available due to physical or legal water availability such as drought; weather and climate conditions; administrative action by a Governmental Authority, including priority-based curtailment; senior diversions; hostile diversions; or other, similar causes.

f. *Coordination.* Prior to April 1st of each calendar year, the District and the City shall meet to coordinate regarding the terms of this Agreement, including resolving any water delivery imbalances.

#### 4. **Change Application.**

a. Change Application. Prior to exchanging any water pursuant to this Agreement, a permanent change application authorizing the District to use up to the full amount of the Secondary Water Rights in the District's water system and service area ("**Change Application**") must be approved by the Utah State Engineer (Utah Division of Water Rights), and all applicable appeal periods must have run with respect to the Change Application approval.

b. Filing Change Application. The District will prepare a draft of the Change Application and deliver it to the City for review and approval, which approval shall not be unreasonably withheld, conditioned, or delayed. The Change Application shall request authorization for the use of up to the full volume of the Secondary Water Rights in the Parties' water systems and service areas. Both Parties shall sign the Change Application.

The District will pay the filing fee for the Change Application and will be primarily responsible to prosecute it.

c. Title and Ownership. Title and ownership of the Secondary Water Rights which are the subject of the Change Application shall remain in the name of the City. The filing of the Change Application shall not affect title or ownership, but shall allow the District to put the Secondary Water Rights to use consistent with the terms and conditions of this Agreement.

d. Approval of Change Application. The Change Application shall be approved by the Utah State Engineer on terms and conditions consistent with this Agreement. In the event that (A) the Change Application is protested, (B) approval of the Change Application is subject to a request for reconsideration or petition for judicial review, (C) the Utah State Engineer rejects the Change Application, or (D) the Utah State Engineer imposes conditions on approval of the Change Application that the District or the City deems unacceptable, the District and the City shall jointly decide (i) whether or how to continue to prosecute the Change Application to a final, non-appealable Order that is satisfactory to both the District and the City, or (ii) whether to withdraw the Change Application or stop prosecuting it. Neither Party will unreasonably withhold, delay, or condition their consent of the Change Application.

e. Maintaining the Change Application in Good Standing. The City shall comply with the Utah State Engineer's reporting requirements and file all subsequent applications, requests, reports, or other documents necessary to keep active and maintain the Change Application in good standing. The District will provide documents and information in its possession, and otherwise cooperate, to help the City comply with the requirements. The District will pay the filing fee for extension requests and proofs. The Parties shall equally split the underlying costs, including engineering and legal costs, of preparing and filing extension requests and proofs.

5. **Costs.** Except for the filing fee for the Change Application, extension requests, and proofs, which shall be paid by the District, each Party shall bear all their own costs incurred in preparing, executing, and carrying out this Agreement, including constructing or maintaining water system infrastructure, facilities, measurement devices, and diversion works. Specifically:

a. The City shall perform all operations, maintenance, repair, and replacement ("O&M") on its Secondary Water System and its appurtenant facilities in a safe, good, and workmanlike manner; in compliance with applicable law; in conformance with industry standards; and consistent with the terms of this Agreement.

b. The District shall perform all O&M on the District Reuse Facilities in a safe, good, and workmanlike manner; in compliance with applicable law; in conformance with industry standards; and consistent with the terms of this Agreement.

6. **Measurement.** The Parties shall agree on the type, installation, location, or use of appropriate measuring devices to account for all water exchanged under this Agreement. Each

Party shall make records available to the other Party to ensure quantities of water are provided in accordance with this Agreement.

**7. Term and Termination.** This Agreement shall have a perpetual term unless the Parties terminate this Agreement through written agreement signed by each Party or unless the Agreement is terminated by default of a Party pursuant to the provisions of Section 8 of this Agreement. If this Agreement is terminated, the Parties shall execute any necessary documents to withdraw the Change Application or otherwise revert the Secondary Water Rights back to the City's sole use.

**8. Miscellaneous**

**a. Default.**

- i. Subject to Section 8(b), if a Party 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 ("Cure Period") after receiving written notice of default from the non-breaching Party, then the non-breaching Party may, in 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, damages, and/or termination of the Agreement.
- ii. If a default described in Section 8(a) cannot reasonably be cured within the Cure Period, and the defaulting Party 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 to one hundred eighty (180) days (including the original period of thirty (30) days), so long as the defaulting Party continues diligently pursuing cure of the default. If, however, the default remains uncured for a period of one hundred eighty (180) days in the aggregate, then the non-defaulting Party may, in 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, damages, and/or termination of the Agreement.

**b. Remedies.** The Parties shall have all rights and remedies provided under applicable law for a breach or threatened breach of this Agreement. These rights and remedies shall not be mutually exclusive, and the exercise of one or more of these rights and remedies shall not preclude the exercise of any other rights and remedies. Each Party confirms that damages at law may be an inadequate remedy for a breach or a threatened breach of any provision hereof and the respective rights and obligations of the Parties hereunder shall be enforceable by specific performance, injunction, or other equitable remedy.

**c. Mutual Indemnity.** The Parties are "governmental entities" as defined in the Utah Governmental Immunity Act (Utah Code § 63G-7-101 et. seq.). Nothing in this Agreement will be construed as a waiver by either or both Parties of any rights, limits,

protections, or defenses provided by the Utah Governmental Immunity Act. Nor shall this Agreement be construed, with respect to third parties, as a waiver of any governmental immunity to which a Party to this Agreement is otherwise entitled. Subject to and consistent with the Utah Governmental Immunity Act, each Party (as the "Indemnifying Party") shall indemnify, defend and hold harmless the other Party and its board, managers, members, agents, and employees (collectively, the "Indemnified Party") from and against all claims and liabilities (including reasonable attorney's fees and court costs) caused by or arising out of any third-party claim alleging: (a) a negligent or more culpable act or omission of the Indemnifying Party, including any reckless or willful misconduct, in connection with the performance of its obligations under this Agreement, (b) any bodily injury, death of any person, or damage to real or tangible personal property caused by the negligent or more culpable act or omission of the Indemnifying Party, including any reckless or willful misconduct, or (c) violation of applicable law by the Indemnifying Party, except to the extent a claim or liability under Section 8(a) and (b) results from the gross negligence, recklessness, or willful misconduct of the Indemnified Party.

d. **Notice.** Any and all notices, demands, or other communications required pursuant to this Agreement must be in writing and shall have been properly given and effective when received by the Party to be noticed, or when deposited in the United States mail, certified or registered, with delivery confirmation, or when deposited with a nationally recognized overnight delivery service which keeps receipts of delivery, to the following addresses:

To the District at:  
Washington County Water Conservancy District  
Attn: General Manager  
533 East Waterworks Drive  
St. George, Utah 84770

To the City at:  
La Verkin City  
Attn: Mayor  
435 N Main St.  
La Verkin, Utah 84745

Either Party may change its address for the purpose of receiving notices, demands, and other communications set forth in this Agreement by providing written notice in the manner set forth above.

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

**f. Assignment.** Neither Party may assign or otherwise transfer any of its rights or obligations under this Agreement and any such purported assignment or other transfer shall be void.

**g. Binding Effect.** This Agreement shall bind and benefit the respective successors and assigns of the Parties.

**h. Modification.** No modification of this Agreement shall be valid unless made in writing and duly executed by both Parties.

**i. Interpretation.** 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 Agreement; and (ii) the terms and provisions of the Agreement shall be construed fairly to all Parties hereto and not in favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement. The paragraph and subparagraph headings used herein are for convenience only and shall not be considered in the interpretation of this Agreement.

**j. Severability.** If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a final decision of a court of competent jurisdiction, any enforceable portion thereof, and the remaining provisions of this Agreement, shall continue in full force and effect.

**k. Further Assurances.** The Parties to this Agreement agree to do such further acts, take such action, and to execute and deliver to each other such additional agreements, certificates, documents, and instruments as may reasonably be required or deemed advisable to effect the purposes of this Agreement.

**l. Regional Water Supply Agreement Definitions.** Unless otherwise defined in this Agreement, capitalized terms shall have the meaning set forth in Section 1.1 of the Regional Water Supply Agreement dated as of January 1, 2019 by and among the District and various Municipal Customers, as it may be amended from time to time.

**m. Entire Agreement.** This Agreement, together with the Exhibits attached hereto, contains the entire agreement by and between the Parties with respect to the subject matter hereof, and supersedes any prior promises, representations, warranties, inducements or understanding between the Parties which are not contained herein.

**n. No Relationship.** Nothing in this Agreement creates, or is intended to create, any interlocal entity, partnership, joint venture, or fiduciary relationship between the Parties.

**o. No Third-Party Rights.** The obligations of the District and the City set forth in this Agreement shall not create any rights in or obligations to any other persons or parties not a party to this Agreement.

**p. No Waiver.** Any Party's failure to enforce any of the provisions of this Agreement shall not constitute a waiver of the right to enforce such provision. The

provisions of this 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.

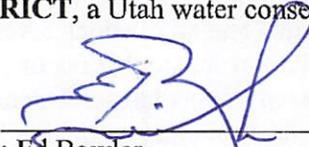
**q. Counterparts.** This Agreement may be signed in counterparts, each of which will be deemed an original and all of which taken together will constitute one and the same instrument. The Parties intend that fax or emailed .pdf signatures constitute original signatures and that a faxed or emailed agreement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

**r. Force Majeure.** No Party shall be considered to be in default with respect to any obligation herein and no Party shall forfeit any right provided herein if the defaulting Party was prevented from fulfilling such obligation or exercising such right by reason of Uncontrollable Forces. A Party rendered unable to fulfill any obligation or exercise any right by reason of Uncontrollable Forces shall use every reasonable effort to remove such inability with all reasonable dispatch.

*[Signatures on following pages]*

IN WITNESS THEREOF, the District has caused this Agreement to be executed by its duly authorized representative(s) as of the Effective Date.

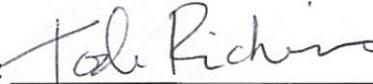
**WASHINGTON COUNTY WATER CONSERVANCY DISTRICT**, a Utah water conservancy district

By:   
Name: Ed Bowler  
Its: Chair, Board of Trustees

ATTEST:

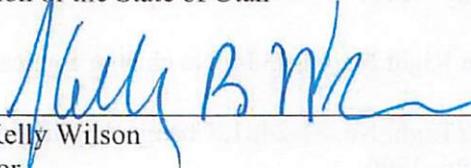
  
Secretary, Board of Trustees

APPROVED AS TO FORM:

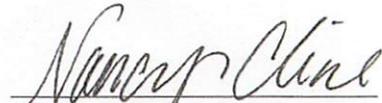
By:   
Name: Jodi Richins  
Its: District Counsel

IN WITNESS THEREOF, the City has caused this Agreement to be executed by its duly authorized representative(s) as of the Effective Date.

LA VERKIN CITY, a municipal corporation and political subdivision of the State of Utah

By:   
Name: Kelly Wilson  
Its: Mayor

ATTEST:

  
City Recorder

APPROVED AS TO FORM:

By:   
Name: Fay Reber  
Its: City Attorney

**Exhibit A**  
**Secondary Water Rights**

---

1. Water Right No. 81-2477, Change Application No. a13530 (Certificated), 1,630 acre feet, Priority: 1890.
2. Water Right No. 81-4334, No change application, 990 acre feet, Priority: 1900.
3. Water Right No. 81-2481, Change Application No. a5300 (Certificated), 20 acre feet, Priority: 1890.

## SURPLUS WATER AGREEMENT

This Surplus Water Agreement (“Agreement”) is entered into this 19<sup>th</sup> day of November, 2025 (“Effective Date”), by and between Washington County Water Conservancy District (the “District”), a water conservancy district organized under the Utah Water Conservancy District Act and a political subdivision of the State of Utah, and La Verkin City, a municipal corporation and political subdivision of the State of Utah (“City”). The District and the City may be referred to herein individually as a “Party” or collectively as the “Parties.”

### RECITALS

- A. The City has three water rights from the Virgin River that the City currently uses to serve its irrigation service area.
- B. The infrastructure that is used by the City to deliver Virgin River water to the City’s irrigation service area is aging and in need of repair or replacement to minimize water loss.
- C. The District is willing to provide financial assistance to the City in making necessary improvements to its irrigation system consistent with the terms and conditions of this Agreement.
- D. In exchange for receiving such financial assistance, the City is willing to allow the District to use the City’s surplus Virgin River water, including the water savings realized from the improvements made to the City’s irrigation system and from future changes in water use, so long as the City receives an equivalent number of New Connections from the District and other consideration provided in this Agreement.

### AGREEMENT

**NOW, THEREFORE**, in consideration of the foregoing recitals, the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Recitals.** The above-referenced recitals are incorporated into this Agreement by this reference.
2. **District Obligations.** Subject to the City fulfilling its obligations under this Agreement, the District shall have the following obligations under this Agreement:
  - a. **District Financial Assistance.** The District will contribute up to a total amount of thirteen million six hundred sixty-four thousand five hundred dollars (\$13,664,500) to the City’s Secondary Water System Improvement Project (defined below), subject to and consistent with the terms and conditions of this Agreement, including the following:
    - i. **Payment.** The District shall make payments for the Secondary Water System Improvement Project. For purposes of this agreement, “Secondary Water System Improvement Project” means improvements

to the Secondary Water System (defined below) mutually agreed to by the Parties and associated debts. The responsibilities and process for payments to the Secondary Water System Improvement Project vendors are contained in a separate Memorandum of Understanding between the District and the City.

- ii. *Cessation of Payment Obligation.* Once the District has paid the total amount identified in this Section 2(a), or if the Secondary Water System Improvement Project ceases, the District shall have no further payment obligation.
  - iii. *Perpetual Use.* 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.
- b. *Delivery of New Connections to City.* The District shall provide to the City New Connections from the District's System, subject to and consistent with the terms and conditions of this Agreement, including the following:
- i. *Surplus Secondary Water Rights.* The Surplus Secondary Water Rights identified in Exhibit A, which is attached and incorporated herein by this reference, shall not be reduced without balancing the ledger of New Connections provided under Sections 2(b)(iv) and 4 of this Agreement. For purposes of this Agreement, "Surplus Secondary Water Rights" means the difference between the total amount in acre-feet of the City's "Secondary Water Rights," as identified in Exhibit B, which is attached and incorporated herein by this reference, minus the acre-feet used by the City for the Secondary Irrigation Area and minus the acre-feet exchanged with the District under the Water Exchange Agreement. For purposes of this Agreement, "Secondary Irrigation Area" means the current amount, at the Effective Date of this Agreement, of irrigated landscape, garden, or agriculture areas associated with residential, commercial, agricultural, or industrial uses that can be reliably and regularly supplied by the City's Secondary Water System as of the Effective Date of this Agreement, taking into account leakage and other system losses. For purposes of this Agreement, "Secondary Water System" means the portion of the City's municipal water system used to receive, convey, store, and deliver water under the Secondary Water Rights that is (i) currently owned or operated by the City; or (ii) to be hereafter owned or operated by the City.
  - ii. *Secondary Irrigation Area.* After completion of the Secondary Water System Improvement Project, the City shall not expand the geographical boundaries of its Secondary Irrigation Area as identified in Exhibit C, which is attached and incorporated herein by this reference.

- iii. *Number of New Connections.* The number of New Connections available to the City shall be based on the Surplus Secondary Water Rights and the Level of Service for each New Connection at the time of Impact Fee payment. To illustrate, given the Surplus Water Rights at buildout as identified in Exhibit A, the District would provide to the City two thousand three hundred and five (2,305) New Connections based on the Level of Service at the Effective Date of this Agreement, three thousand four hundred eighty-seven (3,487) New Connections based on the ultra water efficient Level of Service at the Effective Date of this Agreement, or an amount of New Connections in between the two. The City and the District acknowledge that the Level of Service is determined by the State of Utah. The City and the District acknowledge and agree that the number of New Connections represents a substantially equivalent volume of water to the City in consideration of the Surplus Secondary Water Rights being provided to the District.
- iv. *Ledger of New Connections.* The Parties shall work together in good faith to establish a system, such as a ledger, to account for the total number of New Connections provided by the District to the City pursuant to this Agreement. Upon the Effective Date, the City shall immediately draw upon the New Connections as the City approves development as set forth in Section 8.9.1 (Impact Fees) of the Revised Regional Water Supply Agreement dated January 1, 2019, as it may be amended and/or renumbered from time to time. Upon the Effective Date, the City shall use the New Connections resulting from this Agreement for future growth.
- v. *Impact Fee.* The Impact Fee shall be paid for each New Connection by the landowner/developer. Once the Impact Fee has been paid for the New Connection, the City will be entitled to the resulting number of Equivalent Residential Connections in perpetuity.
- vi. *Delivery Location.* The District shall deliver water for the New Connections to the point(s) of delivery from the District's System to the City's Municipal System (collectively, "Delivery Points"). Exhibit D, which is attached and incorporated herein by this reference, identifies (A) each Delivery Point and (B) distinguishes between the end of the District's System and the beginning of the Municipal System.

c. *Consideration.* The District's financial assistance provided under Section 2(a) of this Agreement and the New Connections provided under Section 2(b) of this Agreement shall represent fair and full consideration for the District's use of the Surplus Secondary Water Rights.

3. **City Obligations.** Subject to the District fulfilling its obligations under this Agreement, the City shall have the following obligations under this Agreement:

a. *Delivery of Surplus Secondary Water Rights to District.* The City shall use reasonable efforts to make available to the District the full quantity of the Surplus Secondary Water Rights in perpetuity, in consideration of the District's obligations herein, including providing the resulting number of Equivalent Residential Connections from New Connections in perpetuity. The Surplus Secondary Water Rights shall be in addition to any water provided under the separate Water Exchange Agreement.

i. *District's Diversion of Surplus Secondary Water Rights.* In a calendar year, the District has the right, in its discretion, to divert up to the full quantity of the available Surplus Secondary Water Rights.

ii. *District's Use of Surplus Secondary Water Rights.* The District shall have the right to use the Surplus Secondary Water Rights anywhere throughout its drinking water system, as approved by the Change Application as that term is defined in the separate Water Exchange Agreement between the Parties.

4. **Coordination.** Prior to April 1st of each calendar year, the District and the City shall meet to coordinate regarding the terms of this Agreement, including balancing the ledger of New Connections and the amount of Surplus Secondary Water Rights deliveries from the City.

5. **Reasonable Efforts.** The City shall use commercially reasonable efforts to cause the available Surplus Secondary Water Rights to be delivered for the District to use. Neither Party shall be in default under this Agreement if such water is not available due to physical or legal water availability such as drought; weather and climate conditions; administrative action by a Governmental Authority, including priority-based curtailment; senior diversions; hostile diversions; or other, similar causes.

6. **Costs.** Each Party shall bear all their own costs incurred in preparing, executing, and carrying out this Agreement, including constructing or maintaining water system infrastructure, facilities, measurement devices, and diversion works.

7. **Measurement.** The Parties shall agree on the type, installation, location, or use of appropriate measuring devices to account for all water exchanged under this Agreement. Each Party shall make records available to the other Party to ensure quantities of water are provided in accordance with this Agreement.

8. **Term and Termination.** This Agreement shall have a perpetual term unless the Parties terminate this Agreement through written agreement signed by each Party or if this Agreement is terminated by default of a Party pursuant to the provisions of Section 9 of this Agreement. If this Agreement is terminated, the Parties shall execute any necessary documents to withdraw the Change Application, as that term is defined in the separate Water Exchange Agreement between the Parties, or otherwise revert the Secondary Water Rights back to the City's sole use.

9. **Miscellaneous**

a. **Default.**

- i. Subject to Section 9(b), if a Party 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 (“Cure Period”) after receiving written notice of default from the non-breaching Party, then the non-breaching Party may, in 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, damages, and/or termination of the Agreement;
- ii. If a default described in Section 9(a) cannot reasonably be cured within the Cure Period, and the defaulting Party 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 to one hundred eighty (180) days (including the original period of thirty (30) days), so long as the defaulting Party continues diligently pursuing cure of the default. If, however, the default remains uncured for a period of one hundred eighty (180) days in the aggregate, then the non-defaulting Party may, in 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, damages, and/or termination of the Agreement.

b. **Remedies.** The Parties shall have all rights and remedies provides under applicable Laws for a breach or threatened breach of this Agreement. These rights and remedies shall not be mutually exclusive, and the exercise of one or more of these rights and remedies shall not preclude the exercise of any other rights and remedies. Each Party confirms that damages at law may be an inadequate remedy for a breach or a threatened breach of any provision hereof and the respective rights and obligations of the Parties hereunder shall be enforceable by specific performance, injunction, or other equitable remedy.

c. **Mutual Indemnity.** The Parties are “governmental entities” as defined in the Utah Governmental Immunity Act (Utah Code § 63G-7-101 et. seq.). Nothing in this Agreement will be construed as a waiver by either or both Parties of any rights, limits, protections, or defenses provided by the Utah Governmental Immunity Act. Nor shall this Agreement be construed, with respect to third parties, as a waiver of any governmental immunity to which a Party to this Agreement is otherwise entitled. Subject to and consistent with the Utah Governmental Immunity Act, each Party (as the “Indemnifying Party”) shall indemnify, defend and hold harmless the other Party and its board, managers, members, agents, and employees

(collectively, the “**Indemnified Party**”) from and against all claims and liabilities (including reasonable attorney’s fees and court costs) caused by or arising out of any third-party claim alleging: (a) a negligent or more culpable act or omission of the Indemnifying Party, including any reckless or willful misconduct, in connection with the performance of its obligations under this Agreement, (b) any bodily injury, death of any person, or damage to real or tangible personal property caused by the negligent or more culpable act or omission of the Indemnifying Party, including any reckless or willful misconduct, or (c) violation of Applicable Laws by the Indemnifying Party, except to the extent a claim or liability under Section 9(a) and (b) results from the gross negligence, recklessness, or willful misconduct of the Indemnified Party.

- d. **Notice.** Any and all notices, demands, or other communications required pursuant to this Agreement must be in writing and shall have been properly given and effective when received by the Party to be noticed, or when deposited in the United States mail, certified or registered, or when deposited with a nationally recognized overnight delivery service which keeps receipts of delivery, to the following addresses:

To the District at:  
Washington County Water Conservancy District  
Attn: General Manager  
533 East Waterworks Drive  
St. George, Utah 84770

To the City at:  
La Verkin City  
Attn: Mayor  
435 N Main St.  
La Verkin, Utah 84745

Either Party may change its address for the purpose of receiving notices, demands, and other communications set forth in this Agreement by providing written notice in the manner set forth above.

- e. **Governing Law and Venue.** The laws of the State of Utah shall govern this Agreement and the transactions contemplated by this Agreement, without giving effect to the choice of law rules thereof. The Parties agree that any judicial action associated with this Agreement shall be taken in the St. George District Court of the Fifth Judicial District of the State of Utah.
- f. **Assignment.** Neither Party may assign or otherwise transfer any of its rights or obligations under this Agreement and any such purported assignment or other transfer shall be void.

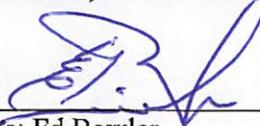
- g. Binding Effect.** This Agreement shall bind and benefit the respective successors and assigns of the Parties.
- h. Modification.** No modification of this Agreement shall be valid unless made in writing and duly executed by both Parties.
- i. Interpretation.** The Parties hereto acknowledge and agree that: (i) each Party has had a full and fair opportunity to have counsel review and to negotiate the terms of this Agreement; and (ii) the terms and provisions of the Agreement shall be construed fairly to all Parties hereto and not in favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement. The paragraph and subparagraph headings used herein are for convenience only and shall not be considered in the interpretation of this Agreement.
- j. Severability.** If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a final decision of a court of competent jurisdiction, any enforceable portion thereof, and the remaining provisions of this Agreement, shall continue in full force and effect.
- k. Further Assurances.** The Parties to this Agreement agree to do such further acts, take such action, and to execute and deliver to each other such additional agreements, certificates, documents, and instruments as may reasonably be required or deemed advisable to effect the purposes of this Agreement.
- l. Regional Water Supply Agreement Definitions.** Unless otherwise defined in this Agreement, capitalized terms shall have the meaning set forth in Section 1.1 of the Regional Water Supply Agreement dated as of January 1, 2019 by and among the District and various Municipal Customers, as it may be amended from time to time.
- m. Entire Agreement.** This Agreement, together with the Exhibits attached hereto, contains the entire agreement by and between the Parties with respect to the subject matter hereof, and supersedes any prior promises, representations, warranties, inducements or understanding between the Parties which are not contained herein.
- n. No Relationship.** Nothing in this Agreement creates, or is intended to create, any interlocal entity, partnership, joint venture, or fiduciary relationship between the Parties.
- o. No Third-Party Rights.** The obligations of the District and the City set forth in this Agreement shall not create any rights in or obligations to any other persons or parties not a party to this Agreement.

- p. **No Waiver.** Any Party's failure to enforce any of the provisions of this Agreement shall not constitute a waiver of the right to enforce such provision. The provisions of this 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.
- q. **Counterparts.** This 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.
- r. **Force Majeure.** No Party shall be considered to be in default with respect to any obligation herein and no Party shall forfeit any right provided herein if the defaulting Party was prevented from fulfilling such obligation or exercising such right by reason of Uncontrollable Forces. A Party rendered unable to fulfill any obligation or exercise any right by reason of Uncontrollable Forces shall use every reasonable effort to remove such inability with all reasonable dispatch.

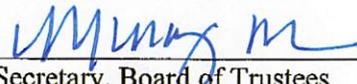
*[Signatures on following pages]*

**IN WITNESS THEREOF**, the District has caused this Agreement to be executed by its duly authorized representative(s) as of the Effective Date.

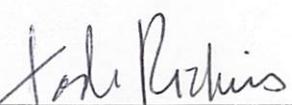
**WASHINGTON COUNTY WATER CONSERVANCY DISTRICT**, a Utah water conservancy district

By:   
Name: Ed Bowler  
Its: Chair, Board of Trustees

ATTEST:

  
Secretary, Board of Trustees

APPROVED AS TO FORM:

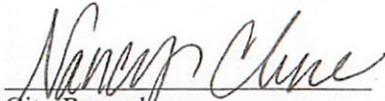
By:   
Name: Jodi Richins  
Its: District Counsel

IN WITNESS THEREOF, the City has caused this Agreement to be executed by its duly authorized representative(s) as of the Effective Date.

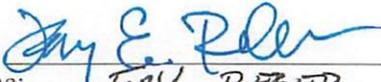
LA VERKIN CITY, a municipal corporation and political subdivision of the State of Utah

By:   
Name: Kelly Wilson  
Its: Mayor

ATTEST:

  
City Recorder

APPROVED AS TO FORM:

By:   
Name: FAY REBER  
Its: City Attorney

**Exhibit A**  
**Surplus Secondary Water Rights**

---

The City will experience a consistent surplus of secondary water under normal operating conditions, with surplus volumes expected to increase due to reductions in agricultural usage and system efficiency gains. The table below summarizes projected Surplus Water Rights under Secondary Water System Improvement Project implementation, 10-year, 20-year, and full buildout conditions.

Milestone	Estimated Surplus Secondary Water (acre feet)
Secondary Water System Improvement Project	976
10-Year (2035)	956
20-Year (2045)	1,052
Build Out	1,360

Sunrise Engineering, Memorandum: La Verkin City Surplus Secondary Water Availability, June 4, 2025.

**Exhibit B**  
**Secondary Water Rights**

---

1. Water Right No. 81-2477, Change Application No. a13530 (Certificated), 1,630 acre feet, Priority: 1890.
2. Water Right No. 81-4334, No change application, 990 acre feet, Priority: 1900.
3. Water Right No. 81-2481, Change Application No. a5300 (Certificated), 20 acre feet, Priority: 1890.

**Exhibit C**  
**Secondary Irrigation Area Geographical Boundary**

---

*[Exhibits on following page]*





**Exhibit D**  
**Delivery Points**

---

*[Exhibit on following page]*

LaVerkin Points of Delivery

Legend

Toquerville to Virgin

Cottam to Toquerville Springs Interconnect

Cottam Meter

Bringham Lane Meter

Riverwood Meter

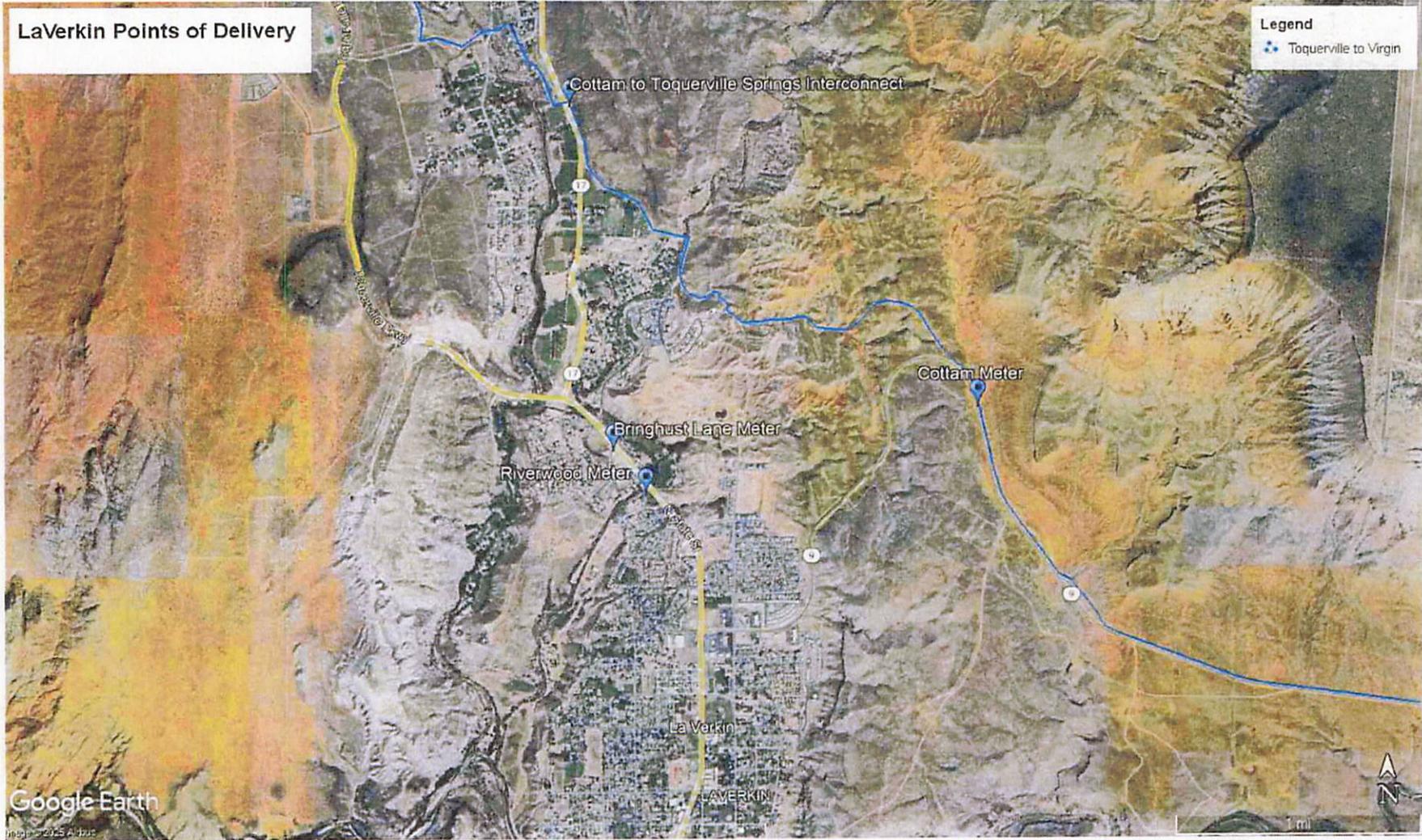
La Verkin

LAVERKIN

Google Earth

Image © 2015 Airbus

1 mi



**MEMORANDUM OF UNDERSTANDING**  
***La Verkin Secondary Water System Improvement Project***

Effective November 19, 2025, this Memorandum of Understanding (MOU) is made between Washington County Water Conservancy District (District) and La Verkin City (City).

**I. AUTHORITY**

The statutes authorizing the District to enter into this MOU and engage in the activities described herein include but are not limited to Utah Code Sections 11-13-101 *et seq.* (Interlocal Cooperation Act), 17B-1-101 *et seq.* (Special Districts), and 17B-2a-1001 *et seq.* (Water Conservancy District Act).

The statutes and regulations authorizing the City to enter into this MOU and engage in the activities described herein include but are not limited to Utah Code Sections 11-13-101 *et seq.* (Interlocal Cooperation Act) and 10-8-1 *et seq.* (Municipal General Powers).

**II. PURPOSE**

The District and City are coordinating on the La Verkin Secondary Water System Improvement Project (Project) as defined in the Surplus Water Agreement dated November \_\_, 2025. The District is providing financial assistance up to \$13,664,500 for the Project. The District will make payments to Project vendors procured by the City through the District's project delivery system (Kahua).

**III. RESPONSIBILITIES OF PARTIES**

To accomplish the purpose described above, the Parties respectively agree to pursue in good faith the following:

**A. Washington County Water Conservancy District**

1. Provide the City and Project vendors access to Kahua for invoice submittal and review.
2. Review Project invoices and resolve any questions with the City within five (5) business days of invoice approval from the City.
3. Pay Project vendors through Kahua in accordance with contracts between the City and Project vendors.
4. Pay Project invoices up to a total of \$13,664,500.

**B. La Verkin City**

1. Procure and contract with vendors for the Project.
2. Include in Project contracts at least thirty (30) days for invoice payment and invoices to be submitted through Kahua by the 10<sup>th</sup> day of each month.

3. Review Project invoices to confirm work performed and notify the District of payment approval within five (5) business days of the vendor submitting its invoice through Kahua.
4. Pay Project invoices above and beyond \$13,664,500.

## VI. GENERAL

1. Amendment. This MOU may be amended through written agreement of all Parties.
2. Termination. Any party may end its participation in this MOU for any reason and at any time by providing written notice to the other Parties. If not terminated earlier, this MOU will end when all of the Parties have fulfilled their respective commitments described above or December 31, 2027, whichever occurs first.
3. Other Agreements. Nothing in this MOU limits any Party from entering into other agreements with one another or with third parties.
4. Release. The Parties agree to release one another from any and all loss, injury, damages, debts, obligations, claims, demands, encumbrances, deficiencies, costs, penalties, suits, proceedings, expenses whether accrued, absolute, contingent or otherwise, including, without limitation, attorney's fees and costs (whether or not suit is brought) and other liabilities of every kind, nature and description arising out of performance under this MOU. This release shall survive any termination of this MOU. However, if a third party were to challenge anything arising out of the performance under this MOU, each Party will bear its own costs and incur any liabilities imposed by the third-party action.
5. No Third-Party Beneficiaries. Nothing in this MOU is intended to create any rights, duties, or obligations by the Parties to any person or entity not a party, and this MOU shall not be deemed to give rise to any right by any person or entity not a party against any Party to this MOU. Nothing in this MOU is intended to nor shall be deemed to relieve or discharge the obligation or liability of any person or entity not a party to this MOU.
6. Authorities not altered. Nothing in this MOU alters, limits, or supersedes the authorities and responsibilities of any Party on any matter within their respective jurisdictions. Nothing in this MOU shall require any of the Parties to perform beyond its respective authority.
7. Financial obligations. Nothing in this MOU shall require any of the Parties to assume any obligation or expend any sum in excess of authorization and appropriations available.
8. Immunity and defenses retained. Each Party retains all immunities and defenses provided by law with respect to any action based on or occurring as a result of this MOU.
9. Enforceability. The Parties agree that this MOU does not create any contractual, or any other legal obligations meant to be enforceable by operation of law.

10. Counterparts. This MOU may be executed in counterparts.

11. Paragraph Headings. The paragraph and subparagraph headings used herein are for convenience only and shall not be considered in the interpretation of this MOU.

12. Laws and Regulations. Any and all actions performed pursuant to this MOU will comply fully with all applicable Federal, State and local laws and regulations.

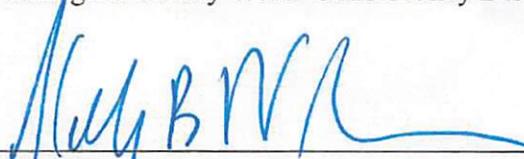
13. Points of Contact. Each Party designates below a primary point of contact ("POC") to coordinate all matters concerning the carrying out of activities under this MOU. Any modifications to the POC will be provided in writing to the other parties. The contacts for work related to the project are:

Party	Point of Contact	Address	Telephone	e-mail
District	Trinity Stout	533 East Waterworks Dr. St. George, UT 84770	435.673.3617	trinity@wcvcd.gov
City	Derek Imlay	435 North Main Street La Verkin, Utah 84745	435.635.2581	derek.imlay@laverkin.gov

Entered into and effective on the date first written above:



Zachary Renstrom, General Manager  
Washington County Water Conservancy District

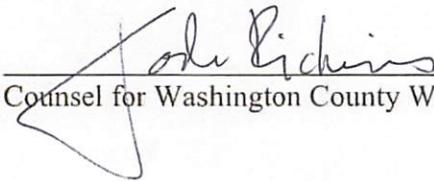


Kelly Wilson, Mayor  
La Verkin City

APPROVED AS TO FORM:



Counsel for La Verkin City



Counsel for Washington County Water Conservancy District



## BOARD OF TRUSTEES 2026 SCHEDULE

### Board Meetings

All board meetings are scheduled on the first Monday of the month at 6 p.m. unless otherwise noted.

January 5	February 2	March 2
April 6	May 4*	June 1
July 6	August 3	September 14
October 5*	November 2	December 1 (Tuesday)
December 17**		

\* Field trip at 3 pm followed by the 6 pm meeting

\*\* Noon lunch meeting, if needed



# Board of Trustees Meeting

January 5, 2026

# Agenda

- Public Hearing to receive input from the public with respect to (i) the issuance of the Series 2026 Bonds and (ii) any potential economic impact that the project to be financed with the proceeds of the Series 2026 Bonds may have on the private sector
- OPMA training
- Consider resolution approving and acknowledging the Ash Creek Dam project with grant funds
- Consider approval of agreement with RB&G Engineering for the Ash Creek project
- Consider approval of Water Exchange Agreement with La Verkin City
- Consider approval of Surplus Water Agreement with La Verkin City
- Consider approval of Memorandum of Understanding for La Verkin Secondary Water System Improvement Project
- Consider approval to provide matching funds to cities that elect to continue transparent water billing messaging programs in 2026
- Consider approval of a P-Card for Lindsey Hall
- Consider amending the 2026 meeting schedule
- Manager's report
- Request for a closed session to discuss:
  - purchase of real property & water rights
  - litigation
- (Return to open session) Consider approval of the purchase of real property & water rights
- Consider approval of December 1, 2025, board meeting minutes



1. Public Hearing to receive input from the public with respects to (i) the issuance of the Series 2026 Bonds and (ii) any potential economic impact that the project to be financed with the proceeds of the Series 2026 Bonds may have on the private sector

- Johnathan Ward, Zions Public Finance
- For Discussion



## 2. Open and Public Meeting Training

- Mindy Mees, WCWCD, Board Secretary
- For Discussion



# Open and Public Meeting Act (OPMA)

<https://www.youtube.com/watch?v=QNVBuXB7vkM>



# 3. Consider resolution approving and acknowledging the Ash Creek Dam Project with grant funds

- Zach Renstrom, WCWCD, General Manager
- For Action



# Item 3 - Recommendation

Move to approve resolution acknowledging the Ash Creek Dam project with grant funds



# 4. Consider approval of agreement with RB&G Engineering for the Ash Creek project

- George Elliott, WCWCD, Project Manager
- For Action



# Ash Creek Dam

FEMA Grant for \$817,220  
Site Evaluation  
Engineering Design



# RB&G's prior work on Ash Creek Dam includes:

- 1980s - Reviewed State of Utah Dam Safety Study and provided preliminary evaluations recommended during the study.
- 1986 - 87 - Performed preliminary geotechnical investigations for potential new dam sites.
- April 2005 - Dam Safety Study - Evaluation of existing dam safety deficiencies.
- February 2013 - Opinion of Probable Cost - Cost estimates were developed to 1) repair the new dam and 2) construct a new dam
- 2021 - Ash Creek Outlet - RB&G designed and assisted with construction management during a project to modify the outlet works as part of the Ash Creek project.
- Reviewed dam instrument readings and met with WCWCD annually for the past several years to review the performance of the dam and provide recommendations for maintenance and monitoring.





# Justification for Non-Standard Procurement

- RB&G has extensive experience at the dam site, with over 30 years of continuous involvement
- Deep institutional knowledge of site-specific conditions and historical design considerations
- Unique qualifications that reduce project risk and support efficient execution
- Selection is in the best interest of project continuity, safety, and schedule



# Item 4 - Recommendation

Move to approve the agreement with RB&G Engineering for the Ash Creek Dam project



# 5. Consider approval of Water Exchange Agreement with La Verkin City

- Morgan Drake, WCWCD, Reuse Program Manager
- For Action



# Reuse Authorization Contracts

Municipal	Ivins	✓
	Santa Clara	✓
	Washington	✓
	Toquerville	✓
	La Verkin	✓
	St. George	In discussion
	Hurricane	
Treatment	Ash Creek Special Service District	✓
	St. George	In discussion

# Reuse Exchange Agreements

<b>La Verkin City Exchange</b>	<b>Pending approval</b>
<b>La Verkin City Surplus</b>	<b>Pending approval</b>
<b>Ivins Irrigation Company</b>	<b>In discussion</b>
<b>St. George Clara Field Canal Company</b>	<b>In discussion</b>
<b>New Santa Clara Field Canal Company</b>	<b>In discussion</b>
<b>Hurricane Canal Company</b>	<b>In discussion</b>

# Program and Municipal Partner MOUs

ACSSD CPWRF Pump Station Reimbursement	✓
St. George City Graveyard Wash Reservoir	✓
La Verkin City Secondary System Project	Pending approval
Program Partner Collaborative Framework	In discussion
ACSSD CPWRF Pump Station Operating	In development
St. George City Reuse Facility Upgrade	In development

# La Verkin Water Exchange Agreement

- District delivers District water supplies to the City
- District diverts an equal amount of City secondary water rights
- Parties coordinate yearly and resolve any imbalances
- Parties filing a change application with Utah State Engineer for District to use City secondary water rights within the District's service area
- City maintains title and ownership of its secondary water rights



# Item 5 - Recommendation

Move to approve the Water Exchange Agreement with La Verkin City.



# 6. Consider approval of Surplus Water Agreement with La Verkin City

- Morgan Drake, WCWCD, Reuse Program Manager
- For Action



# La Verkin Water Surplus Agreement

- District pays \$13,664,500 for the City's secondary system improvement project
- District uses the City's surplus water in perpetuity
- District makes available to City an equal number of new connections
- The impact fee is paid for each new connection
- Parties coordinate yearly and balance ledger of new connections



# Item 6 - Recommendation

Move to approve the Surplus Water Agreement with La Verkin City.



# 7. Consider approval of Memorandum of Understanding for La Verkin City Secondary Water System Improvement Project

- Morgan Drake, WCWCD, Reuse Program Manager
- For Action



# La Verkin Secondary Water System MOU

- City procures and contracts with vendors
- Vendors submit invoices through Kahua
- City and District review invoices for payment
- District pays project invoices up to \$13,664,500



# Item 7 - Recommendation

Move to approve the Memorandum of Understanding for La Verkin Secondary Water System Improvement Project.



# 8. Consider approval to provide matching funds to cities that elect to continue transparent water billing messaging programs in 2026

- Doug Bennett, WCWCD Conservation Manager
- For Action



# What is Transparent Water Billing?

Techniques for more effectively communicating with customers about their water use

- Text message
- Email
- Automated phone call
- Mailed postcards or letters

State of Utah provided a 3-year, \$1.3M grant to WCWCD to use the technology. The grant expires in August 2026



# Why do we message?

- Water leaks identified by AMI smart meters
- “Abstain for rain” messaging
- Interruptions of service
- Water quality issues or boil orders
- Infrastructure updates (road closures, etc)



# How much does it cost?

Municipality	Annual Cost
St. George	\$64,309.00
Washington	\$45,357.00
Hurricane	\$39,725.00
Santa Clara	\$29,749.00
Ivins	\$30,762.00
La Verkin	\$24,551.00
Toquerville	\$23,822.00
WCWCD	\$23,789.00
Subtotal	\$282,064.00
Bulk Discount	\$(28,206.40)
Total Annual Investment	\$253,857.60



# Funding option

The board approved \$200,000 in 2026 funding for cost-share projects with municipal partners in 15-4800-633.

This request is aligned with the program objectives for these funds.



# Item 8 - Recommendation

Move to authorize staff to provide a 50% cost share to any partner municipality that continues to subscribe to the messaging tool service.



## 9. Consider approval of P-Card for Lindsey Hall

- Zach Renstrom, WCWCD General Manager
- For Action



# Item 9 - Recommendation

Move to approve a P-card for Lindsey Hall



# 10. Consider amending the 2026 meeting schedule

- Mindy Mees, WCWCD Board Secretary
- For Action



# Item 10 - Recommendation

Move to approve the amended 2026 meeting schedule, changing December 7<sup>th</sup> to Tuesday December 1<sup>st</sup>



# 11. Manager's report

- Zach Renstrom, WCWCD General Manager
- For Discussion



# 12. Request for a closed session to discuss:

- a. purchase of real property & water rights
- b. litigation

- Zach Renstrom, WCWCD General Manager
- For Discussion



# 13. (Return to open session) Consider approval of the purchase of real property and water rights

- Zach Renstrom, WCWCD General Manager
- For Action



# Item 13 - Recommendation

Move to approve the purchase of real property and water rights as discussed in the closed session



# 14. Consider approval of December 1, 2025, board meeting minutes

- Ed Bowler, WCWCD Chairman
- For Action



# Item 14 - Recommendation

Move to approve the December 1, 2025, board meeting minutes



# Thank you for participating in this board meeting



[wcwcd.gov](http://wcwcd.gov)



[info@wcwcd.gov](mailto:info@wcwcd.gov)

