

# City of La Verkin

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## LA VERKIN CITY WATER BOARD MINUTES

Thursday, October 23, 2025, 11:00 a.m.

435 North Main Street, La Verkin, UT

**Present:** Kelly Wilson, Doug Wilson, Ken Cox, Kris Gubler, Kyle Gubler, Derek Imlay, Fay Reber, Nancy Cline.

### **I. Call to Order:**

The meeting was called to order by Doug Wilson at 11:00 am.

### **II. Approval of Minutes:** June 26, 2025, July 3, 2025, regular minutes

**The motion was made by Ken Cox to approve the minutes for June 26, 2025, and July 3, 2025, seconded by Kris Gubler. All are in favor. The motion passed unanimously**

### **III. Business:**

#### 1. Discussion and review of the Water Exchange Agreement.

Kyle Explained that they met up with Jeff Gittins up at the League of Cities and Towns and they had just a few minor changes. His biggest change was it didn't say how the water district was going to pay the city, it was unclear. He was concerned about having to get a bond. They are fitting the bill for everything, the intent was there, it just wasn't in the writing he thought it would be best for the district to pay the contractors directly and not pay the city and have the city pay the contractors.

There was discussion that the agenda was labeled wrong. The agenda stated the exchange agreement, but the packet included the surplus water agreement. They are discussing the surplus water agreement. They had the right contract, but the agenda was wrong.

Mayor Wilson read from the agreement on page two it talks about payment. It says the district shall make payments to the city for the secondary water- approval project for the purpose of this agreement. Secondary water system approval project means improvement to the secondary water system defined below mutually agreed by the parties and associated debts. The comments state that this district is happy to pay the city directly to immediately to pay the vendor directly. We could memorialize the city's preference in a separate simple MOU if we wanted to change that to let the district just pay the contractor directly.

Doug asked if the city is doing all the specs, standards and contracts.

Mayor Wilson replied that Sunrise engineering would do all of that for us and put it out to bid.

Kyle explained he thought the best way to handle the payments was to let the district pay the contractors directly and that way they don't have to amend the budget with every payment from the district and the payments going to the contractors. That would be the cleanest way for the city, and we wouldn't have to get a bond to cover anything.

Fay added by doing the payments this way it would eliminate this paragraph number 2. 2 A. It eliminates that as a possible problem. They couldn't claim the money was used improperly.

Kyle agreed that it was in the agreement to make sure the city didn't use the money for anything else and the district could stop payment. This would eliminate that issue.

Doug asked if the agreement is for 13 million dollars and they only spend 11 million dollars could that money go into a fund for future water improvements.

Mayor Wilson explained that it is up to 13 million dollars. If it didn't cost that much, they would not receive any money.

Kyle added that they might be able to extend the irrigation season longer. They would still shut down for a month or two for maintenance in the winter.

Mayor Wilson agreed that no one should be watering in December and January.

Kyle explained that it would generate more revenue because now we charge for nine months.

Mayor Wilson added that if they had the money, they could try getting the rest of the city on irrigation.

Ken Cox agreed that it would be beneficial to the city.

Mayor Wilson asked if the MOU could include, they pay the contractor directly.

Kyle added that they didn't want to have to bond. If they had to get a bond this project wouldn't get started for another six months to a year.

Fay asked how long it would take to construct and update the irrigation system.

Derek replied that it would take a year to eighteen months.

Ken Cox asked if his neighborhood would need to be updated since they already put curb and gutter in and put the irrigation lines in the front.

Derek replied that it's been updated so they don't have to redo the parts of town that have already been updated.

Kyle explained on Main Street the irrigation comes through the backyards, and they want it in the street.

Doug asked about the pipe that runs down SR 9. Would that be the city's backbone.

Mayor Wilson explained that they're going to use that as the transmission line from the river to the settling pond. From the highway here going to Zion on over to the settling pond, that pipe will need to be replaced because it's a pipe. They will have to run a line back as well to hook to our system. Then they'd replace that main line that goes along where the old canal went. That's 15-inch pipe, they'll replace that. That line will be servicing all those people from the settling pond back.

Kyle asked if the pipe over by the gateway was still in that back ditch. Back then they didn't even cover the pipe, just laid it in the ditch.

Ken Cox added that they would lay them in the ditch and cover them with sand 30 years ago.

Kyle responded that's why they couldn't use it in the winter months.

Fay asked if there is a possibility that they do it by MOU, where the district just pays the contractor or whoever, and it's going to take us 18 months, is there a possibility that costs could go up so high that the \$13 million

wouldn't cover what the engineer estimates initially? Do they need a provision in that MOU that says any change order requests above and beyond the \$13 million would be paid by the district? Is there a reason to do that?

Mayor Wilson replied that as far as the cost goes, as soon as it bids, they'll go with that cost, and they buy all the materials up front and give it to the project. And they generally will pay for materials on site so the contractor can pay for the supplies.

Kyle added a lot of contracts have a 10% contingency.

Doug added that with his experience with the water district and running their jobs, they got so tired of change orders. The contractors come in and complain because they hit some rock, or this was more challenging. They basically put out the plans, the specifications, and then along with that, they had to basically sign it agreeing they reviewed it. There will be no increase in this cost regardless of whether we hit rock or whatever. It's kind of like a rock clause. There was no rock clause. They had to figure that out up front. Sometimes the bids went up a little bit, but they always knew what the bottom line was. Then they made them basically certified that they'd reviewed the plans and that there was nothing omitting in there. That way it was put back on the contractor. After we started implementing that, the only time we ever exceeded the contract was when they instigated the change order to add to the plans. We need to make sure that Sunrise has good specs, good standards, good plans. They need some type of agreement there that contractors sign. If they buy the material up front before cost goes up, they should be able to calculate the cost and buy it. He asked if the city has a big lot, they could store all the supplies on.

Kyle asked if that is the city's responsibility or the contractors. If it's a big company, they would have a staging area.

Derek added that with little projects that would work but this is a big project and, in the past, they have used Kents property and fenced it all in.

Mayor Wilson agreed that Kents property would be big enough to hold all the pipe.

Kyle asked if they are ok to tie that property up for a year and half while the project is going. On the fourth of July people will park up there.

Doug suggested that if it's a big company like Interstate Rock they would have their own property to store it in. He wondered about people seeing all the pipe and possibly stealing it.

Derek remarked that in the past they used one of those temporary fence companies, and put a fence around it, and then they've actually installed cameras. It doesn't really prevent stealing if they really want to go get it.

Doug thought they could control costs. It's just how well and solid their contracts are. He suggested they also include if the bid goes over, they can deduct line items.

Kyle added that this is a big project, and they have already had multiple companies interested in bidding on it.

Doug suggested they might pre-qualify people and require them to bond for \$13 million. That could be a pre-qualifier.

Kyle replied that Sunrise engineering would take care of all that for the city.

Mayor Wilson added they will have all the big contractors bidding for it.

Doug added he would like to see the bids and go through them all as they come in.

Kyle replied that there is a process they go through. He asked if they had started to design the project.

Derek replied that once the contract is signed, they will start the design.

Kyle suggested that once they come to an agreement on the contract that they have Mr. Gittins review the final copy. He has been very good at making sure the city is protected. There's been several times that the Conservancy District has referred to him for his expertise.

Derek clarified that the water board was good with the contract. Does it then go to the city council?

Mayor Wilson replied that they would want Mr. Gittins to review it. Most of these changes are his suggestion. Then Morgan also reviews it to see if the district agrees.

Kyle commented that he has a copy of this version of the contract.

Derek added that Morgan calls about once a week to get a progress report. They want to get this taken care of and start the project.

Mayor Wilson suggested if they approve this today and give it to Mr. Gittins then it could be on the next city council agenda.

Fay suggested when they take it before city council that they have Mr. Gittins standing by on zoom to answer any questions the council might have.

Mayor Wilson replied that Councilwoman Wise and Councilman Prince were both at the meeting with Mr. Gittins and they both seemed comfortable with the contract.

Doug clarified the amount is up to \$13,664,500 and should it be defined to be used for secondary water system improvements.

Kyle replied it is defined for that use. The clause that stated the money can only be used for the secondary water system and if the city used it for anything else it would void the contract.

Doug asked if extending the line is possible as well as replacement.

Fay explained that the one line in the contract states they can stop payment if the city misuses the money and can be taken out if they agree to pay the contractor directly.

Kyle asked if they would approve the MOU at the same time.

Fay replied he thought they would.

Kyle asked if Fay or Mr. Gittins would write the MOU.

Fay replied he could write the MOU and have Mr. Gittins review it. He may have some suggestions.

Doug asked if they were going to do this in one bid with one contractor with a cap of \$13,664,500. He suggested if the bid comes in lower than they could add line items.

Mayor Wilson added like the areas in town that don't have irrigation. Like over 600 North.

Derek added there are 600 North and then 250 West and 290 that come off of 600 North. And the area at 125.

Kyle suggested we could have Sunrise add those.

Doug asked Fay if he was comfortable with the language in the contract. And that the water comes back to us in the form of water.

Fay replied that's why we retain Jeff Gittins, to make sure that's happening, as a water expert.

Mayor Wilson added that the district was good about reserving those water connections for us. So that they can't use the water for somebody else.

Kyle commented, hypothetically let's say the water all runs out and we still have 1,000 connections. St. George is going to say we've got those 1,000 connections; we want them. They have made that clear. And Jeff has talked to this district. It doesn't matter. They're La Verkins. They're accounted for. For all the water that is available, whatever connections amount is already part of that equation.

Mayor Wilson added that they've already done something like this before with developers, but they have a term limit on those. So, if they don't use them up within 20 years, they go away but they've got 20 years to use them. He said with us this is good until they use it.

Doug asked if their language here says it doesn't supersede any previous agreements because they have an agreement he signed of a 1,000 connections.

Derek said yes, they have 295 of those connections used.

Doug asked if there was any wording in here that would supersede those. Would this be in addition to those 1000 hook ups.

Mayor Wilson replied that they couldn't find anything that said those connections went away. The meetings they had with them, even calling Ron Thompson back in, they could not find anything where it said that they went away when they signed that pulling agreement. In that pulling agreement, it says anything that's previous to the pulling agreement, the district will honor.

Derek added that they made sure every time they updated the pulling agreement that it didn't do away with any past.

Doug asked if they should create a ledger. We need to keep track of what agreement the connections are coming from and how many we use.

Mayor Wilson responded that the city has a ledger.

Doug suggested they use the ~~pulling~~ <sup>pulling</sup> agreement connections first before the connections in this contract.

Mayor Wilson commented that they said the city has breached a contract on this anyway. They've been taking our money ever since day one. We're not in breach of contract. We don't want to go to court with them over that either.

Doug replied that there was a period of one or two years at the beginning, that they weren't paying that. Mayor Stocks brought it up. He talked to the council. We fixed it and started paying and they back paid the district, and the district was fine. No big deal. There were a couple years that they might have been considered being breached, but they fixed it. They have paid it every cent, as far as he knows.

Kris Gubler commented on the contract line that said, if we're under 13 million or whatever, it said the city shall not expand the geographical boundaries of its secondary irrigation. Will that impact us adding lines?

Mayor Wilson said the geographical boundaries are anything down on the bottom. It's the whole bench. Meaning that we won't expand it up on top.

Doug asked if that was our geographical boundaries.

Kyle explained it's not, but it doesn't include us expanding on the topside. Only on the bench of the city.

Doug asked where in the contract it said that.

Kris replied on page three, numbered II. It says, after completion of the secondary water system, the city shall not expand the geographical boundaries.

Kyle thought it defined it as the whole bench with our irrigation system.

Derek added that it is defined as the Virgin River, and La Verkin creek.

Mayor Wilson thought the district board would have to approve it. If they don't want to approve it, then we would stop sending extra water down the river and let the developers up top use the irrigation water for a golf course. This is a good deal though.

Kyle agreed that he didn't think the board would have a problem with it.

Mayor Wilson agreed that he thought they would agree to this contract. If they didn't then when development happened on the top side, it would come out of the districts pool of water. With this contract it will come out of our water. This saves the district roughly three or four thousand connections.

Doug asked if anyone had exhibit C. It is an exhibit of a map.

Derek said he would get that exhibit from Morgan. It shows the lower bench as our geographical area.

Doug asked if it would exclude any land.

Mayor Wilson replied that it covers the Interstate Rock property down to the gravel pit and Doug's property. Also includes Confluence Park.

Kyle asked if it included La Verkin creek.

Derek answered it did include Leo's land across the creek.

Kris asked if it included Bringhurst Lane.

Derek replied that it did not. But they could identify that as part of town that needs irrigation.

Mayor Wilson added it could be included in the map.

Doug asked where the new sewer plant water lines run.

Derek showed him a map and explained it goes up 370 West then it bores under by the fourplexes off of 800, then bore under to 740 and crosses main street to the pond.

Doug thought it went to Anderson Junction.

Mayor Wilson explained that at first it will go to La Verkin settling pond and eventually go out to Toquerville Reservoir. In the winter when we aren't using the water they will store it in the reservoir. For now, the re-use water will go to the pond and be supplemented by Virgin River water.

Doug asked Fay if he saw any red flags with the agreement.

Mayor Wilson commented they would have Jeff Gittens look over it.

Fay added he thought the contract was good. They would send it to Jeff and have him review it.

Kyle asked who puts the contract into final form.

Fay replied he believed it would be Morgan.

Mayor Wilson asked if it could be ready before Thursday so they could put it on the city council agenda for next week.

Derek replied he will call Morgan and get a final draft.

Fay added they can put it on the agenda and if they don't receive it in time, they can push it out to the next meeting.

Mayor Wilson wanted to get this contract finished.

Fay added he would call Jeff. He wanted to get Morgan and Jeff the MOU so they can get it done at the same time.

Derek said he would ask Morgan for the map also that will be included.

Mayor Wilson added it would be simplest to have the district pay the contractors and not go through the city account. That shouldn't be a problem.

Doug read on page 3, number IV: The parties shall work together on good faith to establish a ledger to account for the total number of new connections provided by the district. The new connections mentioned above are between 2,305 and 3,487 depending on the level of service that is established by the state.

Kyle explained they are proposing the ultra-efficient, efficient, and regular.

Doug continued to read: new connections provided by district to the city pursuant to the agreement. Upon an effective date upon the new connections as the city approved the city shall not reserve the new connections for future use. Meaning that they instantly start pulling on these. They can't use the thousand they already have first.

Mayor Wilson replied once they use these up then they will start using the thousand they already have. After that they still have some water out of the springs they are not using.

Kyle added as far as water is concerned La Verkin is in better shape than anyone in the county,

Mayor Wilson added that those connections will expire in 25 years.

**The motion was made by Ken Cox to recommend approval to city council for the water surplus agreement subject to Jeff Gittens review, add the map and the MOU, seconded by Kris Gubler. All are in favor. The motion passed unanimously.**

**IV. Public concerns for Board Consideration:** Identification of issues for consideration at future meeting.

No comments.

**V. Board members concerns:**

Kyle had a list of citizens that have not paid their irrigation fees, and their 180-day notice will expire in December. One citizen passed away, and her son doesn't have any culinary water. He has been using irrigation water. Due to lack of payment, he has no culinary water.

Derek shared his plan to put a lockable curb stop on it. Put the yoke in and leave the idler on it. Then they will lock the other end with a padlock.

Kyle suggested waiting for the 180 days to expire before locking him out.

Doug was concerned about cross contamination from the irrigation system to culinary water.

Derek replied his culinary was locked and he has a yoke. So, it couldn't back into the system.

Doug asked if the public could come to the city and buy water shares.

Kyle explained once the city takes back a water share by law; they cannot resale it.

Ken added you can lease it out but not sale it.

Doug mentioned his water bill went up.

Kyle replied everyone did with the increased rates. That if they use under 8,000 gallons only the base went up.

Mayor Wilson commented that the people who were abusing the water and using it too much had a wake-up call.

Kyle explained he was one of the people that used culinary water to water his lawn because he didn't want to fight the dirty water. But once the reuse water starts up it will be cleaner water and not so much work to keep it clean.



Doug asked who is building the settling pond.  
Kyle replied that Interstate Rock is building it.

Derek added its part of the land purchase deal. The district is paying for the pond and then they maintain it until it hits the city pumps then we maintain it. They are hoping to get the plans done and get them reviewed by the Dam safety, it might take two months. They can get it started by March.

Mayor Wilson commented that the elevation isn't high enough, so they have to pump the water out. That's part of the water increase is the cost of pumping the water.

Doug asked if there would be a walkway around the pond.

Derek explained there would be a walking path, and they would install fake grass around it. They will have rock boulders stopping people from playing on the hill and helping with erosion. There is no swimming allowed. They will post a sign.

Doug asked if they would have a lining in the pond with rock on top.

Derek explained there is a ramp going down and then the pump. They will have part of the pond cemented. They can drain it and they have an arm that will scoop out the dirt and then it will dry out, and they will remove it.

Kyle asked if the dirt would be good for anything like bedding a pipe. Could the city have access to that dirt.

Derek responded he thought they would work with the city if they used their own equipment and time to get the dirt. It's like rejected sand.

Doug was concerned about kids getting hurt at the pond.

Mayor Wilson replied to it would be like Grandpas Pond. Kids are down there.

Ken Cox added they can make it safe, and kids will need to be watched.

**VI. Adjourn:**

The meeting ended at 11:59 am.  
Minutes were taken by Nancy Cline.

  
Chairman