

City of La Verkin

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LA VERKIN CITY WATER BOARD MINUTES

Thursday, February 26, 2026, 11:00 a.m.

435 North Main Street, La Verkin, UT

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

I. Call to Order:

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

II. Council appointment of new Board Members:

Joey Church was sworn in by Nancy Cline, city recorder.

III. Approval of Minutes: October 23, 2025, regular meeting, December 29, 2025, special meeting.

The motion was made by Mayor Wilson to approve the meeting minutes of October 23, 2025, regular meeting and December 29, 2025, special meeting minutes, seconded by Ken Cox. Mayor Wilson-yes, Ken Cox-yes, Kris Gubler-yes, Doug Wilson-yes, Joey Church-yes. The motion passed.

IV. Reports:

A. Water Purchase- Kyle Gubler

Kyle Gubler explained that the three that are highlighted in orange is money that the city has reclaimed due to non- payment of their bill, and they were notified. We went through the processes of doing that. He believed that amounted to about two shares. In the code, if for whatever reason, they want to come in and reclaim that back, they can but only they can. We can't sell that water once it's a city; it's a city, but they could come back in we could reinstate that. In order for them to get their contract shares back they have to pay past due and any interest or fees.

Doug asked how they were notified.

Kyle explained they received notifications, probably three different times. The last one was a letter from the attorney that was delivered with certified mail. The way it was set up by in the contract between the canal company and city. It states that we can't take anything back until 180 days. We have to give them half a year to come into compliance. Once a year we send out, around June first, we'll send out another list, and there will be probably twenty-five people on that list that get the letter from me. That states they have 180 days, which falls into December sometimes for them to pay it. Most of them pay it after they get that letter. The next step is a second letter in December that states they need to pay their bill or it's going to be taken back by the city The next step is a letter. We normally have maybe one or two, this time we have three. The city would start charging them monthly rent, and that usually brings them in. The secondary water comes back in, in March; they'll get a bill, and it takes them a month or two before they get past due. Then that's when we send out the first round of letters. A lot of times, what ends up happening is people have a house, and they've either went through a foreclosure or whatever, and people just assume that the water goes with the property. It doesn't; its owned separate from the house.

Doug asked what would happen if the contract holder no longer live in La Verkin.

Kyle explained that we have people that don't live here that still pay for their shares, so they are allowed to keep them. The water conservancy district has thirty something shares, and as long as they pay their assessment, they can have it. Once the city acquires it, it's no longer able to be resold.

Ken Cox added that once the city acquired it, it's only available to be rented out.

Doug asked if there is a cost difference between owning and renting?

Kyle explained that the shareholders contract holders pay slightly less than what the renters do. It's not the incentive to buy a share as big as it used to be.

Mayor Wilson added it's better to keep your share if you have a place to apply it because then you're guaranteed you're going to have that water. You get first priority as far as that goes. Any extra water eventually just turns into drinking water for the city because we signed that agreement with the water district. We no longer lose that extra water down the river. It's going to go to the district, and they'll come back to us and make a water connection.

Kyle explained that the Hot Springs bought 12 shares of water when they bought the land. They don't use that much since they only have some bushes and plants. The entire parking lot used to be a field that used the irrigation but now that is extra water going to the city. Maybe one day they will sell it to the city.

Mayor Wilson added that the conservancy district bought water delivery contracts, and he informed them they have to use the water in La Verkin. They thought they could use it anywhere in Washington county, but they can't.

Doug added that it's not a water right, it's just a share. It's similar to a share in a canal company, which can't take canal company shares and convert them to rights. They can't take that share and go down to Santa Clara and use it on the different canal. The Contract has to be used on the lower river advance.

Mayor Wilson explained that the canal company was converted into a share. If they want a water right, they will have to go through the process of getting the change application and all of that stuff. And breaking it out and changing the diversion, all that. That's possible. But now they have a delivery contract. They have no water rights. That's, why the agreement we made with the county when the canal company turned their shares over to the city: The city can protect those rights. Way better than a canal company. As a canal company, like Hurricane as they build out in the fields out there, eventually they'll come in and adjudicate the canal company, and they will use or lose water rights because they're not using them. La Verkin got the water right. That was the reason we were able to do what we did, and we got straight across no haircut.

Ken Cox added that was one of the things the members of the canal board were angry about. That every year when they used less agricultural water, the city would or the state would evaluate it and if they didn't use it they would be taking it. That was the whole premise behind the change. The city can protect it, but the canal company is a private entity and they can't protect it. He didn't realize that. That's what the advantage was for us to do it like we did. In retrospect now, it was a really good thing for us to do like we did.

B. Virgin River Distribution System Water Users meeting- Mayor Wilson

Mayor Wilson explained that he attended that annual meeting. They only went through the budget. They just indicated too, that this year looks like it's probably going to be a tough year for water coming down the Virgin River because of the snowpack, and so most likely there will be some call on the river, and they generally don't go past 1900. The majority of La Verkin's is 1860 with some riders before 1900. Hurricane is at 1900 if you go beyond that Hurricane Canal Company it would be cut off, and so would the other canal companies down the

river. He doubted they'll go past 1900. We're third best on the river and some little rights upriver. La Verkin used 1940 of our water right, which is 2640 now. So, there were 700 extra feet that we did not use when we went on down the river. From now on, it will go to the water district and turn it into culinary water. Hurricane Canal Company used 10,345-acre feet, St. George treatment plant used 22,810.

Doug asked how much came from the diversion dam.

Mayor explained that it would have been La Verkin, which would have been 1940. Hurricane was 10,345 and the water district was 22,810, a Hurricane city, 13,054, and the Hurricane golf course was 510. Interstate Rock was 213, and that was all out of the diversion dam. That's what we get from that pipeline.

Doug told the mayor he would like to be invited to these water meetings since he is retired now.

C. Culinary Water Management update- Derek Imlay

Derek explained there's not much on the culinary report. They had a pretty rough start last year as far as breaks were concerned. At the end of this fiscal year, they've done really well. We just had our audit done by the auditor, and our year-year in slippage was 19%, which is on the higher side but still within good operation. He liked to be around 10% or less. Our budgets are in really good shape. We have a \$92,000 budget, and we've only spent \$30,000, which is fantastic. Right now, we're riding near the end of our budget with some time left.

D. Irrigation Water Management update-Derek Imlay

Derek explained that we're going to bring irrigation water in on March 9th. They can go through and fix any breaks or any other issues that they find so that they can be operational by the 16th, which will be a Monday.

Ken asked where they would bring it in.

Derek explained that it'll be in and out depending on what they find. There will be no consistency. Lisia put the dates on the water bill. Hopefully, they'll get to everybody that's winterized and have their valves open. So just no expectations for that first week.

Ken commented he will turn off his valves, so he doesn't flood his neighbors. He appreciated that because then he can find the leaks in his pasture when they pressurize it before they turn the water on full force.

Derek added that we're assuming we'll have two more years with this pump station, which is on our filter station. Which is good because now most of its old enough now that we can hardly get parts for it anymore. We're hoping to ride out the next two years and be in pretty good shape.

E. Updates regarding Doug Wilsns list- Derek Imlay

Derek explained that Confluence Park reclamation facility ran into some electrical glitches, so they don't anticipate going online until April. He offered to set up a tour if they wanted to go. At that point, they'll be treating enough water, they'll apply it just to the fields down at Confluence Park. At this point, they don't want to put anything back into the river. We'll shut off our irrigation at 900 North, and then they'll be fully functional on reuse water. We don't have to worry about servicing Confluence Park's or all the maintenance. All the maintenance and everything on those lines are now transferred over to them, so we won't have it. He pointed out on map the reuse facility. This is how the pipeline's going to happen. We're going to come down 900 North 370, bringing a bore underneath the highway, and this will go down 740 North to the pond. All of this is on the road, and it's all paved. Then the line will also go down Main Street from 740 down to SR9 and 500 North. Because at this point right here, our two lines, the district has one that goes down Main Street. We have that one that comes off of 100 East. Then we join and then we share a line. So, they're going to separate the lines out. So that means part of the pond project will be to put two parallel lines in. And we'll separate here,

so there'll be another bore underneath the highway with a new line. He thought it was a twenty-four-inch pipe. This is the pond project. There's an issue between Interstate Rock and the conservancy district as far as pricing, but right now technically the land hasn't been purchased, so without land there is no pond. That's a seven-million-gallon pond. If they can get everything done and with the notes that came back, they're hoping that we might start in June.

Doug asked if that would include the pond, the pipelines and a pump station, and all that would be awarded to Interstate Rock.

Derek explained on the map that this is the intersection. Basically, everything in the yellow and Main Street is going to be impacted with the line that they're going to run, including the pond at the pump station.

Doug asked about the work on the other side of the highway to the treatment plant.

Mayor Wilson explained that it's a separate project and then on the south side, there is going to be the replacement project for the irrigation system in town.

Doug added that it would also include not just the building of the pond, but all the pipelines and everything. But again, just extend the whole thing to them. But that's not us, that's the water district.

Derek explained that it was supposed to be our part of the other project that they didn't do. So, they're going to find ways to help us allocate some of that money back. It's not part of that original thirteen million dollars. If they start in June, they're pushing for an eight-to-ten-month project. We're imagining probably by the first of the year. Then we could start pulling irrigation off of this line next year to some degree.

Doug asked if next years irrigation will be coming from that.

Derek replied that some of the city would be using that reuse water for irrigation. We're going to try running our project parallel with that. We're going to try as we go along to take people off the old line, and they'll come on the new line. We'll try to limit the lack of watering time for people. We'll slowly integrate that system back in as we go forward.

Chief Toquer Reservoir looking at the spring of 2027. One of the maps shows the regional line as far as it impacts all of southern Utah. The other map shows how it impacts our area as far as the reservoir is concerned. He explained the maps. That's the overall plan of what they want to do. By the time they get everything connected they want to be able to bring everybody's reuse water back and forth as needed.

Doug asked if they knew the elevation of the diversion and the pond they are building.

Derek replied where they put the pond, they won't have the elevation that they do at the diversion. That's the reason we have a supplemental pump. The pump will increase the pressure to what it is now, if not five or eight pounds more.

Doug asked if his property could be off the pump they don't need anymore pressure. They have pressure reducing valve, but it fails a lot. But now that the water is going to be clear, it should be better. That'll put good pressure to everybody in town. He asked if the elevation was lower than the diversion dam, they could gravity flow into this with no problem.

Derek explained the secondary water project. All these lines on this map are the areas that are going to be impacted by the secondary water project. This is a separate project from the pond project, but they'll be running at some point together. He thought for the next 10 years every single road in our district would be torn up to

some degree. But these will be the areas that are impacted by it. They are hoping to start November as we take the irrigation system out, and this project is scheduled for eighteen months to two years.

Mayor Wilson added that they mentioned the upper lines, which are the main lines right now, are a fifteen-inch line now. Changing that to eight-inch all the way and using Main Street and SR9, going into the park and down to the city office building. That would be twenty-four-inch pipe, then from there it would be eight inches all the way down Main Street. And with the sloping, they still have to be able to get the volume that they need for the whole town. That saves us from putting a bigger line up on 100 East and all throughout the town. They're thinking that a lot of the lines could be downsized to four inches. By doing that, it's going to save quite a bit of money.

Derek added that's how we're planning on making back some of that money that we unexpectedly are getting charged for from the pump station.

Kyle added that when this goes out to bid there'll be time establish certain timelines, so we won't run into a project that's going way longer. They will save money by doing multiple lines at once on streets that require more than one project.

Ken commented that there's not a city in Utah that doesn't have half their streets torn up right now. We'll just live with it. When they put curb and gutter in front of his house down to Center Street, it was a pain in the neck, but every day he is thankful they did it.

Derek added that unfortunately there is going to be a lot of construction. The third project is our lead and copper project areas specifically Stoll's Trailer Park. That ended up being for the total project was about 2.2. We're probably going to run concurrently with our secondary water project.

Kyle added that we're hoping that we can do that and give some incentive to get a better bid because they'll already be on-site working.

Derek explained we're replacing, in Stowls, the main line and all the service lines running to the yokes. And then from the yokes into the houses because of the federal lead. We're going to do is take the water lines out of the alleyways and put them in front. Then we're hoping to run irrigation project and that together, where it only has to be dug up one time. It gets a lot of this up to date, gets the bigger lines in place. There are other areas marked, but there are only a few places within those that aren't lead and copper compliant that they'll be. They required us to go beyond the meter. We've always stopped at the meter. But if new federal guidelines require us to get involved with the line going from the meter to the house. The financing that we've got takes care of that because it would be upon the city if the citizens couldn't do it. It'd be upon the city to provide a filter or find some financing mechanism to get that done. Those are three quite large projects.

Doug asked if the pond project piping is going to be done separate from the irrigation project and who's funding this?

Derek replied that the district funds it. We've got the trail and there's too many high-pressure gas lines. This is really the only way that we can do it.

Joey Church asked if they were the first in the county to do a reclaim project.

Mayor Wilson replied that St. George City does some reclaimed out of their treatment plant; they've done that for years. But not all of it is reclaimed. Eventually, he thought one hundred percent of the reclaimed water will go into their overall system.

Kyle added that the district purchased some land from Interstate Rock to put in a demonstration garden.

Derek pointed out the location on the map.

Doug asked if they had seen any plans for the demonstration garden or the pump station.

Kyle explained it was too early for the plans.

Derek explained it would be like a testing facility, and they'll have a garden area there. Kind of like a miniature version of Red Hills.

Joey asked what the water retention was. If a gallon of this water goes into the treatment plant, how much water comes back out? Do they have any percentage?

Derek didn't have that information.

Dough asked about the sludge at the bottom of the pond.

Derek replied that a sludge or a solid becomes a byproduct and is shipped out.

Kyle added that when he was down in San Diego, they had the capability of giving you a drink of water. There were several people that had tasted it and said it tasted better than bottled water you can buy. It's just what goes through your mind. They have to put minerals back into it because it's so clean.

Ken added that they take the solids out and take them to the landfill to make mulch out of them with green waste. When he worked at the sewer plant, they shipped two or three trucks full of stuff up there, but it never came to be.

Kyle explained that demonstration plant is strictly there to help people because eventually we are going to be drinking it. That's to help educate people that it can be okay.

Ken gave the example of when he worked for St. George City Water Treatment Plant by Quail Lake. They came into Schultz's one day, and we were talking to them about the water and the treatment plant and they said if you looked at the water from your water bottles you buy at the store under a microscope and you looked at the water that comes out of your tap under a microscope you'd never buy bottled water again. The reclaimed water was cleaner.

Mayor Wilson added that their water with advanced treatment is going to be purer. In fact, it's so pure they will have to add minerals to it because it's corrosive. It makes the water corrosive and the fittings if it's ductile iron line, it will corrode the fittings away because it sucks those minerals back out of the ductile and the fittings. Pure water does not conduct electricity. If you are drinking distilled water pure water, it's sucking the minerals out of your body when you are drinking that.

Ken explained that when he worked at the sewer plant, we had cascade aerators. What happens is the water goes through the process and through the UV lamps, which is supposed to kill everything that's not good for you. Then it goes through the cascade aerators, and what it does is it aerates the water. It's just a series of waterfalls, and then when it gets to the bottom of the waterfalls, then it just flows softly back into the river. The claim is that you take all this stuff out with UV lamps, then you aerate your waters, you take it back in, and then it

collects some of the stuff that it needs to keep it from being too pure before it turns loose into the river. And then when it goes into the river, it picks that stuff up again and becomes consumable. That was a theory.

Derek explained HB 105. It's going through, but to what format it's going through he didn't know yet, but just so they kind of have an idea. The federal government is backing out of a lot of funding packages for the states. It's left the state deciding how they're going to fund things, and so Utah doesn't want to fund water projects unless the city is doing our part. They really want to minimize the amount that they're putting in. This legislation now we're going to get hit twice. It's 1.5 % for water, 1.5 % for sewer, even though we have a sewer district, the sewer district will probably end up implementing something similar to this. Using the formula, they're talking about right now if we were to base it off of our median income for La Verkin, which is \$64,267, combined with 1.5% to our 1,695 connections. That's basically a water bill that would be \$964 per connection annually. Which would put that water bill at about \$80.33 per connection per month. The savings that would have to be set aside every year under this one would be \$1,692,988.47, which would be required for us to set aside every year. What they're trying to do is get the cities to put enough money away when the projects come up the city funds it themselves and not have to go to the state. They had a date that supposedly we had to have this ramped up and ready to go, which was 2031. That's date is no longer in there. He knew that they were going to force us to really step up our tier rates. He thought they'd backed off of that to a degree.

Kyle added we might be exempt.

Fay replied that the exemption is three thousand people or less.

Doug asked with this last rate increase how close are we to this number.

Derek replied they aren't close at all. The city would have to double the rates. We don't know the mechanisms either, because bond payments can take part of this and money already set aside for repair and replacement can take part of this. We are looking probably minimally anywhere from \$25 a month, up to potentially double. The funds need \$88.33 a month for each connection. Most people now pay \$78. Commercial properties will bring the cost of the residential down. We're not setting numbers yet.

Kyle asked if it was up to Ash Creek Sewer District? Is it going to be on them to collect that money and put it in, or on us or both.

Mayor Wilson responded that it'll be up to the sewer district too. They're the ones who figure the rate. We're going to collect it but who's responsible for saving that money? They just give the money like a pass through. They would save their own money.

Kyle commented he talked to John Valenti about the bill and his opinion was that if we're the billing entity, we're the ones that are going to have to make the savings. Which doesn't make sense to him, but he says that's how it reads.

Fay added that under the latest amendments to this, which he thought were the ones passed, Ash Creek is exempt.

Doug asked if the \$83 is on top of what they are currently paying: We're not collecting anything right now for repair and replacement.

Derek replied we are saving for repairs and replacement.

Doug commented they could do the increase in increments.

Derek replied yes and they are going to give you more flexibility in your tiering, whereas before they were going to mandate, harsher higher tier rates.

Kyle added that it did pass and is waiting for the Governor to sign it.

Fay explained that in the old bill, even if you didn't want state money, it was mandatory to adopt these by 2031. They've taken that out. And it's only if we never want state money, then we're not required to do this.

Doug added that if you do this, you don't probably need state money.

Kyle agreed and added that what the ultimate goal of the state is they're trying to get you to save your own money instead of borrowing from them.

Doug asked if they were going to lower our taxes if this happened? They are literally taxing people on their water that normally we'd get a grant from the state or something or a loan. If they do this, it's going to reduce the state budget by this much, they could lower taxes. That's the state legislature.

Mayor Wilson added that the state budget really doesn't affect that because unless we get grant money, you're borrowing money through the state, you're paying it back.

Doug added that the way he reads this it sounds like they're trying to get all these communities to pay their own way, so they can take this money and put it towards the Bear River project. It almost sounds like they need money for this.

Kyle commented that one of the iterations of this bill was that people could qualify for an exemption, and it would be handled by the city to determine how that worked. Seems like it's an awful lot of city work to make that determination. We hope that that got taken out because that would be a nightmare.

Derek added that some degree of reworking is going to be coming down to us to go through. Those numbers are just what we try to establish when they take effect.

Ken commented that working for St. George they would want everyone else to cut their budgets, but they never would cut the cities budget. Besides that, they didn't ever emphasize better planning. Better resource management to save money so we didn't have to cut the budget. They just never emphasized that. They just emphasized cutting your budget, so we can have it over here to do something else with it. And it worked all the time.

Derek explained that the state's going to start charging us that percentage for every thousand gallons of water. He thought it only put us around \$4,800 a year. That will go back to them to be able to fund their administrative fees and things like that.

Doug commented that the days of cheap water are over.

F. Ultra Water Efficient Standards-Fay Reber

Fay explained he put the information in the packet and there is a public hearing on Monday.

Mayor Wilson explained that they've been working on this for quite a while. If they decide to adopt it a developer comes in and agrees to do the ultra-efficient water standards for this subdivision or this section of town that will save them impact money that they don't have to pay to the water district, but they have to abide

by all of these regulations. It would be down to a .39. It gives a house 8,000 gallons a month and they pay for that. If they go beyond that the excess rate is going to be really high.

Doug read part of the information that stated the district reserves the right to use any and all enforcement mechanisms available. To him, that's a little open-ended. What are they going to do.

Mayor Wilson said it would be financial. You might pay \$20 per 1,000 gallons for anything over.

Kyle added that there'll be things that are exempt to make up for it because people need grass to play on. There'll be city parks and amenities like that.

Doug agreed and added that they make provisions for community common areas and pools.

Kyle added that they know it's going to be hard for developers who want higher density. Then the city will want to put amenities in those areas.

Doug gave an example of Cottonwood Hollow. They're developing now. If they follow our landscape requirements, but they also have irrigation, do they have to follow these standards.

Kyle replied this would be for culinary water use. If they've got irrigation, they can as long as they're not using over those 8,000 gallons up on the ultra-conservative. This is really going to be planned for development on top of the hill.

Mayor Wilson added that we're going to tell our developers up there that this is what you must abide by as far as water. And it will increase our connections. That would increase the connections to 3,400.

Doug asked if there had been any movement buying the property.

Kyle explained that it's 25 million bucks. They have it listed and several people came in and ask questions about it. We had a guy this morning. He acted like anybody that's going to buy it has to come on site first, so they can get the credit union to show them.

V. Public Concerns for Board Consideration: Identification of issues for consideration of future meetings.

No comments were made.

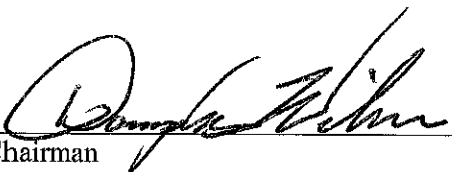
VI. Board members concerns:

No comments were made.

VII. Adjourn:

The meeting ended at 12:05 p.m.

Minutes were taken by Nancy Cline.


Chairman

