



City of La Verkin

435 North Main St., La Verkin Utah, 84745

(435) 635-2581 Fax (435) 635-2104

www.laverkin.org

LA VERKIN CITY WATER BOARD MINUTES

Wednesday, February 24, 2021, 3:00 p.m.

111 South Main Street, La Verkin, UT

Present: Kyle Gubler, Kelly Wilson, Richard Hirschi, Derek Imlay, John Valenti, Kenneth Cox, Don Halterman, Adrienne & Robert Jahns, Christy Ballard, and Karl Wilson.

Richard Prince was excused.

I. Call to Order by Mayor Richard Hirschi at 3:05 pm.

II. Approval of Minutes: June 24, 2020 minutes.

The motion was made by John Valenti to approve the June 24, 2020 minutes, second by Kyle Gubler. Wilson-yes, Imlay-yes, Hirschi-yes, Gubler-yes, Valenti-yes. Motion carried unanimously.

III. Reports:

A. Water Contracts:

Kyle passed out a list of people that want to sell their shares and people that are currently past due on their assessment fees.

The City Council approved to begin purchasing water shares from individuals who want to sell them for \$2,000 per share. We have been able to purchase 10.25 water shares from individuals. The City currently has approximately 120 shares of water.

If a citizen purchases water from another individual, the City's only involvement is with the paperwork. The account needs to be at a zero balance before the transfer can be completed.

B. Water Purchase:

Discussed with item A.

C. Virgin River Water Users Board:

Kyle explained this Board meets annually. He is a member of the Board representing La Verkin City. They just had their meeting last week. As of the 17th (date of meeting), our watershed was at 70% snowpack. Because of that, they are anticipating a call on the River. This won't affect La Verkin City too much since we have a good water right. In the past, they set the date at 1900 so if you have a water right newer than 1900 you will not be allowed to take water out of the Virgin River and its tributaries. La Verkin City's date is 1890.

Karl Wilson mentioned in the City's agreement with the Washington County Water Conservancy District it states we will share in the pain with the other users if conditions get really bad.

D. Financials:

Kyle reported the City budgeted \$925,000 as the annual budget for culinary water. As of January 31, 2021, which is 58% through the year, we have collected 64% of the revenue.

There is a possibility of a transfer from the General Fund to help with a bond payment.

Overall, the financials are in good shape.

Irrigation report: Again, 58% through the year and we have collected 42% of the revenue. The spring irrigation assessment will go out in March and is a big portion of the revenue.

The irrigation financials are also in good shape.

Kyle reported on the Cottonwood Hollow subdivision and park.

E. Culinary Water Management update

Derek explained normally he would have the water report numbers, however, the Riverwood meter, which is the master meter into La Verkin from Ash Creek Spring and Toquerville Spring has been going out since March. No one realized it until a couple of weeks ago. He is working with the Division of Water Rights to come up with numbers that will reflect what was actually used. Basically, with what the City is proposing we will be at 8% slippage which is still a good system.

Derek explained they would read the numbers and submit the report but failed to realize the numbers were not increasing as they should be.

The Washington County Water Conservancy District (WCWCD) will replace the meter.

The reports have shown over the last three years that the City has gone down in water usage even though our population has increased.

Don Halterman asked what area the Cottam Well feeds.

Derek answered him and mentioned the WCWCD is going to try and increase the pump size for that well.

Robert Jahns asked if new development was going to connect into the City's irrigation system and if so, do they bring water shares with them?

Derek said yes, new developments will connect to the City's system if there is infrastructure for them to connect to. For the most part, it has been. If the property owner has shares, the City would prefer for them to turn them over to the City. The code does state if there are water shares, the developer needs to turn them over to the City for use in that development.

Derek reported the WCWCD has been doing the Water Conservation Plan. They have alerted the cities that unless something happens over the next few years, assuming the Lake Powell Pipeline does not go through, the County could possibly be looking at a shortage of water within the next 5 years.

Kyle reported the Anderson Junction Reservoir has been put on hold from the recent leadership change in the Nation.

Derek said once the WCWCD is closer to having the Conservation Plan completed we will know more of what is going to happen.

F. Irrigation Water Management update

Derek reported the irrigation water will be back in the system on March 8th. This will be for his crew to flush the line and repair the breaks so it will be ready for March 15th.

The City used $\frac{3}{4}$ of the water rights last year. That was higher than the previous year, but he is attributing it to the drought.

Karl Wilson asked if the City came close to the flow rate.

Derek replied we did a couple of times, but it was because an individual in Riverwood opened all his valves. The City had him install a pressure sustaining valve.
The average flow rate is about 5.8-6.0.

Mayor Hirschi brought up the situation in the past with WCWCD taking water for the power plant and leaving us with no pressure to run our system.

Derek explained we should not have that issue this year, there is not enough water in the River. Last year the new administrator was really good to work with.

IV. Business:

A. Discussion and direction on defining the amount of water one share covers.

Derek explained there have been some questions on the amount of water one share covers. He would like to look at having a specific definition.
He passed out a service listing utility billing report.

John said we have been here before. He has an issue with it only because the agreement that was made in 1987 really locked all of this up.

He doesn't mind discussing anything regarding the lessee's but for contract holders, the contract itself would foreclose any discussion establishing any right at all for those contract holders.

Derek said he was not sure what John meant but thought maybe there was some confusion with what he is trying to solve.

John stated everything in the contract was agreed to in 1987. The amount of water given is 4.4-acre-feet of water per share.

Derek said staff is not disputing the contract but according to the contract an acre share is 6.19.

Karl said the City's Master Plan states it takes 3.26 acre-feet of water to water one acre.

Derek read the legal document the City had with the irrigation company. "An irrigation acreage per share is 6.19". If you look at the water right data a share is 7.7278. That is the criteria for an acre.

John has asked for the information from the City and has not been able to get it.

Derek said this is why we are discussing this issue with the Water Board.
The contract is not going to be changed.

According to the two allocations mentioned, either by the 6.19 or the 7.7278, that is the area an average share covers per acre.

The City needs to do another Irrigation Water Study Master Plan. The last one was completed in 2009. It needs to be brought up to date but it also needs to include commercial properties. The 2009 one does not include them.

He is not talking about the water delivery share contracts. What he is talking about is how the City allocates their water shares out.

If someone owns less than a half-acre, they are charged for a quarter share. For a half-acre they are being charged for half a share, a full acre is its own thing and then after that, it increases in half-acre increments.

The problem is the allocation needs to be looked at. In some instances, the numbers don't accurately match the amount of property being irrigated. The Stage Coach Grille has one acre and is being charged for a one-acre lease from the City. The property has only trees and bushes and no grass, but the City is allocating one share to the property.

He went through some of the other properties on the list.

If we do this study, (for the City's side) we should look at the percentage of property being irrigated instead of the property as a whole. That would extend the amount of water that is available to the City.

Kyle pointed out that as a contract holder if he doesn't use all of his allotment, the City does have the right to use it.

If the City doesn't go over the water right it has in the River, the City has the right to disperse the water however they see fit.

The State owns all the water, the City has the right to use it. The contract holders have priority over the people who lease it, but the City is the only one with the right to use it.

The shareholders really just have a delivery contract.

Derek said he has no intention of addressing the delivery contract holders.

The WCWCD is talking about conserving water by encouraging people to xeriscape their property to limit the amount of water each property owner has. La Verkin is not doing themselves any favors by continuing to apply a full acre to property that is only using 30% of that.

On the paper he passed out it shows what the property owner is irrigating versus what they are being charged for.

Kyle brought up metering our secondary water system. The State has already passed that legislation, the City has qualified for an exemption, but it is just a matter of time until a meter is developed to meter Virgin River water.

Derek said the City is going to get closer to using all the allotments if we don't change the criteria. That needs to happen with an Irrigation Master Plan Study. The study will cost \$40,000-\$50,000.

Kyle pointed out the City does lose assessment money from each water share they purchase. That will affect the budget.

Karl mentioned it does make it available for additional leases.

Don asked at what point do we stop building in La Verkin from lack of water?

Derek replied the County will determine that.

Karl reported Zach Renstrom was on the radio discussing that exact thing and said the WCWCD will let the cities know how much their water will be reduced and it will be up to the city on how they handle it.

Derek mentioned the City Water Conservation Plan has several phases that we may need to begin implementing sooner rather than later.

- B. Discussion and direction on possibly adjusting irrigation water allotments per property size.

Discussed with item A.

- C. Discussion and direction on updating the 2009 Irrigation Master including a possible rate increase.

Derek explained this information is usually included in the study.

We currently use a lot of the Water Fund money to cover the Irrigation Fund. The Irrigation Fund should be carrying itself.

An increase cannot happen until a study has been completed and the engineer reported it would cost approximately \$40,000.

Kelly suggested attaching the cost of the study to the shareholders, including the City. It would be about \$66 per share.

Ken asked if an individual could lease shares from another individual.

Karl replied they could, but it would need to go through the City and there is an additional fee for that.

There was a discussion on why a study is needed before rates could be increased.

Derek said these items will be on the next agenda in June.

- D. Discussion and direction regarding the La Verkin City easement in Toquerville for La Verkin Creek water.

Kyle explained the location of Hunter Lane, Brett Cahoon's house. Mr. Cahoon would like the City to release an easement they have on his property. The easement is from the 1930s. Kyle can't find a reason the City would need the easement.

If the City agrees to release the easement, Mr. Cahoon would need to take care of the paperwork so there is not a cost to the City.

Derek explained the location of a pipe the WCWCD has in the area and the location of the pump station.

The City has no rights in the La Verkin Creek so he can't see a reason to keep the easement. There is no water for the City to purchase in that area.

The Board was okay with recommending the City Council to release the easement.

