



60 West Main Street
Hyrum, Utah 84319
Ph. (435) 245-6033
www.hyrumcity.gov

City Council Agenda Information

To: Mayor Miller and City Council
From: Stephanie Fricke, City Recorder
Date: April 13, 2026
Subject: Irrigation Water Agreement

Summary:

The irrigation water agreement is being presented to the City Council for approval to formalize, update, and reaffirm the terms originally approved by the City Council in 2010.

In 2010 Jared and Michael Clawson requested permission to connect properties they were leasing to Hyrum City's pressurized irrigation system. Following the Clawsons' initial request, Corey Nielsen and others requested a connection in 2012, and additional property, including Farrell Petersen's, was added in 2018. The City Council approved the original connection based on Natural Resources Conservation Service (NRCS) calculations and the representation that sprinkler irrigation would reduce water usage, with the City receiving two-thirds of the farmers water since sprinkler irrigation uses approximately one-third of the water compared to traditional methods. As part of that approval, the City also required agricultural properties included in the agreement to pay \$30 per acre to help offset pumping and maintenance costs.

Since that initial approval, the agreement itself was never fully formalized in a clear, comprehensive document reflecting all conditions established by the City Council. This became evident during recent reviews, prompting the need to bring forward a complete and updated agreement for formal adoption.

Councilmember Craig Rasmussen, Public Utilities Director Kade Maughan, and myself conducted an extensive review of historical City Council minutes, prior draft agreements, NRCS reports, and related documentation. This effort was undertaken to ensure the proposed agreement accurately reflects the original intent and all conditions placed by the City Council, including but not limited to:

- No irrigation use on the 4th of July;
- Installation of water meters at each property at the property owner's expense;
- A collective maximum usage limit not to exceed 1,346 gallons per minute;
- Use of 7 GPM nozzles;
- A regulated irrigation schedule of 7 days on and 4 days off;
- Water use may be reduced during drought conditions as determined by the City; and
- Agricultural user fees to offset system pumping costs.

Additionally, due to significant increases in Hyrum City's power rates since 2010, approximately doubling over that time, the proposed agreement updates the per-acre fee from \$30 to \$60 to more accurately reflect current operational costs.

The agreement also establishes that it will be renewed annually unless terminated by either party, providing flexibility while maintaining oversight.

Considerable time and research have gone into ensuring this agreement is accurate, complete, and consistent with the City Council's original direction. The agreement is currently under review by City Attorney Jon Jenkins, and minor revisions may be presented prior to final approval.

Mayor Miller has requested that this agreement be ready for approval by April 16 to ensure that participating farmers receive a 30-day notice prior to implementation of the agreement.

Approval of this agreement will formalize longstanding arrangements, ensure cost recovery aligns with current conditions, and provide clear, enforceable terms moving forward.

If you have any questions, please contact me, Kade, or Craig prior to Thursday's meeting.

Recommendation:

Mayor Miller has requested that this agreement be ready for approval by April 16 to ensure that participating farmers receive a 30-day notice prior to implementation of the agreement.

City Council Meeting Details:

- Meeting Date: April 16, 2026
- Council Role: Discussion and vote

WATER USE AGREEMENT

This Water Use Agreement (this "**Agreement**") is entered into this ____ day of April, 2026, by and among the following property owners: Cody L. and Collette G. Mathews, Cody & Colette Mathews, Claudia S. Evans Inter Vivos Trust, Farrell D. Petersen Revocable Trust, Aldon and Michele Watkins Living Trust, Church of Jesus Christ of Latter-Day Saints, Gerald C Swenson & Patsy R Sweson Revocable Trust, JN Farms LLC, and Nielsen Revocable Trust, (collectively, the "**Water Users**") and the City of Hyrum, a municipal corporation in the State of Utah (the "**City**"; and together with the Water Users as the "**Parties**").

RECITALS

- A. The Water Users own land within or adjacent to Hyrum City (the "**Property**"). The total geographical area of the Property is one hundred and eighty-four-four hundredths (186.44) acres. The Property is divided amongst the Water Users in the following manner:

Water Users:	Parcel #	Acres
Aldon & Michele Watkins Living Trust	01-073-0012	11.9 acres
Church of Jesus Christ of Latter-Day Saints	01-074-0001	10 acres
Gerald C Swenson & Patsy R Swenson Revocable Trust	01-074-0002	10 acres
Claudia S Evans Inter Vivos Trust	01-074-0005	5 acres
Claudia S Evans Inter Vivos Trust	01-074-0006	5 acres
JN Farms LLC	01-074-0004	13 acres
JN Farms LLC	01-072-0002	18.25 acres
JN Farms LLC	01-072-0005	0.86 acres
JN Farms LLC	01-074-0003	20 acres
JN Farms LLC	01-074-0010	15.39 acres
JN Farms LLC	01-074-0016	1.7 acres
Nielsen Revocable Trust	01-074-0018	2 acres
Farrell D. Petersen Revocable Trust	01-071-0002	37.25 acres
Cody & Colette Mathews	01-074-0007	15 acres
Cody L. & Colette G. Mathews	01-074-0008	21.09 acres

- B. The Water Users hold shares in the O’Berry Canal and/or the Main Canal of the Hyrum Irrigation Company (collectively as the "**Shares**"; or individually as a "**Share**"). The Shares entitle the Water Users to the use of a certain amount of secondary water from the Hyrum Irrigation Company (the "**Secondary Water**"). Each O’Berry Canal irrigation Share represents three and a half (3.50) acre feet of water per Share owned on a normal water year; however in years of drought the acre feet allotment per share is reduced.
- C. The City owns and operates a pressurized secondary water system (the "**Water System**").

- D. The Parties desire to enter into an agreement by which (1) the City will allow the Water Users to access the Water System in order to pump and transport the Secondary Water to the Property, for the Water Users' use on the Property, and (2) the Water Users will provide Secondary Water to the City as established in this agreement.

- E. The City agrees to allow the Water Users to connect to and utilize the Water System for the delivery and application of Secondary Water to the Water Users' portion of the Property. In consideration for such access and use, the Water Users acknowledge and agree that the Water Users are to sprinkle the Property at a maximum combined flow rate of three (3.0) CFS, subject to the conditions of the Agreement.

NOW, THEREFORE, for good consideration, the amount and sufficiency of which are hereby acknowledged, the Parties agree as follows:

- 1. Use of Water System. Upon the execution of this Agreement, the City shall permit the Water Users to use the Water System for the purpose of pumping and transporting the Secondary Water to the Property for the Water Users' use of such Secondary Water, all pursuant to the terms and conditions set forth herein, as follows:
 - a. The City may use for its own purposes any excess Secondary Water not used by the Water Users on the Property.
 - b. The Water Users shall be entitled to use the Water System to transport only that water represented by Shares currently held or in the future acquired by the Water Users. The Water Users are not entitled to use any water from the Porcupine Reservoir, which water belongs to the City, nor are the Water Users entitled to use any Hyrum Irrigation Company water shares owned by Hyrum City. Further, the Water Users may not use any effluent resulting from the City's sewer water recycling project.
 - c. The Water Users acknowledge and agree that the City does not control nor dictate the time at which the Hyrum Irrigation Company releases Secondary Water into its distribution system, nor the amount of water released into its distribution system, and that the City makes no representations or warranties with respect to the same.
 - d. Each Water User represents and warrants that its use of Secondary Water through the Water System is authorized under the applicable water rights, irrigation company rules, and Utah law. The Water Users shall be solely responsible for obtaining any approvals required by the

Utah State Engineer for any change in point of diversion, place of use, or nature of use.

2. Term. The initial term of this Agreement shall commence as of June 1, 2026, and shall continue for a period of one year. Thereafter, the Agreement shall automatically renew for successive one-year periods unless a Party provides at least thirty (30) days' written notice of non-renewal prior to June 1 of any year. The City may terminate this Agreement immediately as to any Water User for non-payment, repeated violations, or misuse of the Water System upon written notice.

In the event of termination by one or more Water Users, the remaining Water Users shall retain proportional rights to available system capacity, unless otherwise reallocated by written agreement approved by the City.

3. Disclaimer. Nothing in this Agreement shall be construed as a transfer, change, or conveyance of any water right. Any change in point of diversion, place of use, or nature of use shall require approval from the Utah State Engineer.

4. Flow. The Water Users shall not, collectively, exceed 1,346 gallons per minute (3.0 CFS) at any time. In drought conditions, the City may reduce the maximum flow on a pro-rata basis. If demand exceeds available capacity, water shall be allocated pro-rata according to the number of irrigation shares held by each Water User.

5. Tie-Ins / Connections (Meters). Presently, there are five (5) separate tie-ins on the Properties as shown on the map attached as Exhibit A. The Water Users may relocate such tie-ins, provided the Water Users consult with and receive approval from the City as to the relocation of the tie-ins; and the number of tie-ins on the Property shall never exceed eight (8), which represents one (1) connection per Water User. In the event there becomes greater than eight (8) individual Water Users on the Property, no additional tie-ins shall be granted to such additional Water Users, absent the City providing written approval for such and the additional Water Users being added as a party to this Agreement—or a similar agreement granting the issuance of additional tie-ins on the Property. Each separate Water User is required to have their own meter at the tie-in location as per Section 9.

6. Rate Schedule. The Water Users shall make an annual payment to the City by December 1 of each year in the amount of sixty dollars (\$60.00) per acre of ground connected to Hyrum City's Water System as identified in Recital A. for the previous water season. Non-payment shall subject the Water User to possible termination of this agreement or refusal to divert water through the Water System. The City may amend the rate schedule from time to time, provided that any adjustment shall be reasonably related to the costs of operation, maintenance, repair, and administration of the Water System, and

shall be approved in accordance with applicable municipal procedures. Written notice of any adjustment shall be provided to the Water Users at least sixty (60) days prior to the due date of payment.

7. Time of Use. The Water Users shall be permitted to divert water from the Water System for agricultural purposes only, according to the following usage pattern: Seven (7) days on, four (4) days off (See Exhibit B-NRCS Report). Furthermore, Water Users may utilize the Water System for Secondary Water only when O’Berry Canal water is conveyed in the Main Canal to Hyrum City as identified on the Hyrum Irrigation Company Schedule for the O’Berry Canal attached as Exhibit C. Time of use may be altered in accordance with adjustments to the Hyrum Irrigation Company Schedule.

Water Users shall not use the Water System for Secondary Water from the weekend before July 4th through July 4th.

8. Program of Use Submission. Water Users shall submit to the City, in a form reasonably acceptable to the City, a written water program of use identifying the planned irrigation use of Secondary Water delivered through the Water System (the “Program of Use Submission”). The Program of Use Submission shall include, at a minimum:

- (a) The Water User’s name;
- (b) The applicable parcel number(s);
- (c) The number of irrigation heads to be used (7 gpm nozzle flow);
- (d) A copy of Hyrum Irrigation Company Share Certificate(s) that includes the number of irrigation shares allocated to the Property. Water shares provided for Water System use cannot be duplicative of shares used for irrigation of other properties.

Water Users shall update and resubmit the program of use to the City as reasonably requested or as changes occur.

Water Users are required to coordinate their schedule of use such that the combined flow of water from the Water System shall not exceed one thousand three hundred forty-six (1,346) gallons per minute for all concurrent users. See Section 4. Flow. Flow will be monitored by the City through metered use or by counting active irrigation heads.

9. Water Meter Installation and Maintenance. Each Water User shall purchase and install, at the Water User’s sole cost and expense, a city approved water meter on each Water User’s connection to the Water System by June 1, 2027. All meters shall be installed in a location that allows the City to read the meter without obstruction, and in a manner reasonably approved by the City and shall be capable of accurately measuring water flow and usage. The City may monitor concurrent flow by reading meters and totaling the flow reading to verify the limits of Section 4. Flow. Similarly, annual water use or reduced flow due to drought conditions may

be determined by meter reading and/or by recording operating heads.

The Water User shall be solely responsible for the repair, maintenance, and replacement of any water meter serving the Water User's connection(s). If the City determines that a water meter is damaged, malfunctioning, inaccessible, or otherwise not functioning properly, the City shall notify the Water User. The Water User shall repair or replace the meter, at the Water User's expense, within fourteen (14) days of such notice, unless a different time period is approved by the City. Failure to timely repair or replace a meter may result in suspension of water delivery or other remedies available to the City under this Agreement or applicable law. If a Water User exceeds the maximum allowable flow or otherwise violates the flow limitations set forth in this Agreement, the City may, upon notice, temporarily suspend or restrict such Water User's access to the Water System until compliance is achieved. Repeated violations may constitute grounds for termination of this Agreement as to that Water User.

10. City Access. By signing this Agreement, the Water User expressly grants permission to the City to enter upon the applicable property, at reasonable times, for the purpose of accessing, reading, inspecting, testing, maintaining, or verifying the water meter(s). City shall make reasonable efforts to provide reasonable prior notice before entering the Property, except in case of emergency or where immediate access is reasonably necessary to protect the Water System or ensure compliance with this Agreement.
11. Drought and Water Use Restrictions. The City reserves the right, in its reasonable discretion, to limit the amount of Secondary Water delivered to or used upon the Property in the event of drought conditions or other circumstances resulting in a reduced water supply. Any such determination by the City shall be made in good faith and based upon reasonable considerations of available water resources and system capacity. City shall provide written notice to each Water User at least seven (7) days prior to any drought or water use restriction becoming effective.
12. Force Majeure & Release. In the event of drought, earthquake, or other act of God, the City shall have no liability for interruption of service. Water Users waive any claims for crop loss or other damages arising from such events.
13. Indemnification. Each Water User agrees to indemnify, defend, and hold harmless the City from and against any and all claims, damages, liabilities, and expenses arising out of or related to such Water User's use of the Water System, including but not limited to overuse, misuse, or violation of this Agreement.
14. Notice of Breach; Dispute Resolution. In the event a Party desires to claim that the other Party has breached the terms of this Agreement, the claiming Party shall give written notice to the non-claiming Party of such breach, which notice shall include a brief summary of the facts and circumstances upon which such claim is based. If the Parties are unable to resolve the dispute resulting from such claim

within sixty (60) days after the date upon which the written notice of breach was delivered, the Parties shall, prior to commencing litigation, submit the matter to mediation, to be conducted by a mutually-acceptable mediator. All costs associated with any mediation shall be split equally between the Parties.

15. Governing Law. This Agreement and all amendments hereto shall be governed by the laws of the State of Utah. The exclusive jurisdiction for any litigation arising out of or on account of this Agreement shall be in the courts of the State of Utah, County of Cache.
16. Binding Effect. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the heirs, successors, and assigns of the respective Parties.
17. Severability. The invalidity or unenforceability of any part of this Agreement shall not invalidate or affect the validity or enforceability of any other provision of this Agreement, which shall continue to govern the rights and obligations of the Parties hereto as though the invalid or unenforceable provisions were not a part hereof.
18. Attorney's Fees. In the event any Party shall be in default hereof or violation of the provisions hereof, such defaulting Party shall pay the non-defaulting Party's (be it one or more) attorney's fees and costs incurred by such non-defaulting Party in enforcing this Agreement whether by court action in a court of competent jurisdiction or otherwise.
19. Successors in Interest. The provisions of this Agreement shall be binding upon the Parties' respective successors and assigns.
20. Authority. Each undersigned below warrants and covenants that they have the requisite authority to enter into this Agreement and has full authority to bind the party they represent for and on behalf of the applicable Water User or City.
21. No Third-Party Beneficiaries. This Agreement is solely for the benefit of the Parties.
22. Entire Agreement. This Agreement constitutes the entire understanding of the Parties and supersedes all prior agreements.

IN WITNESS WHEREOF, the Parties execute this Water Use Agreement as of the date first set forth above.

CITY:

THE CITY OF HYRUM, UTAH
a Utah municipal corporation

Steve Miller
Mayor

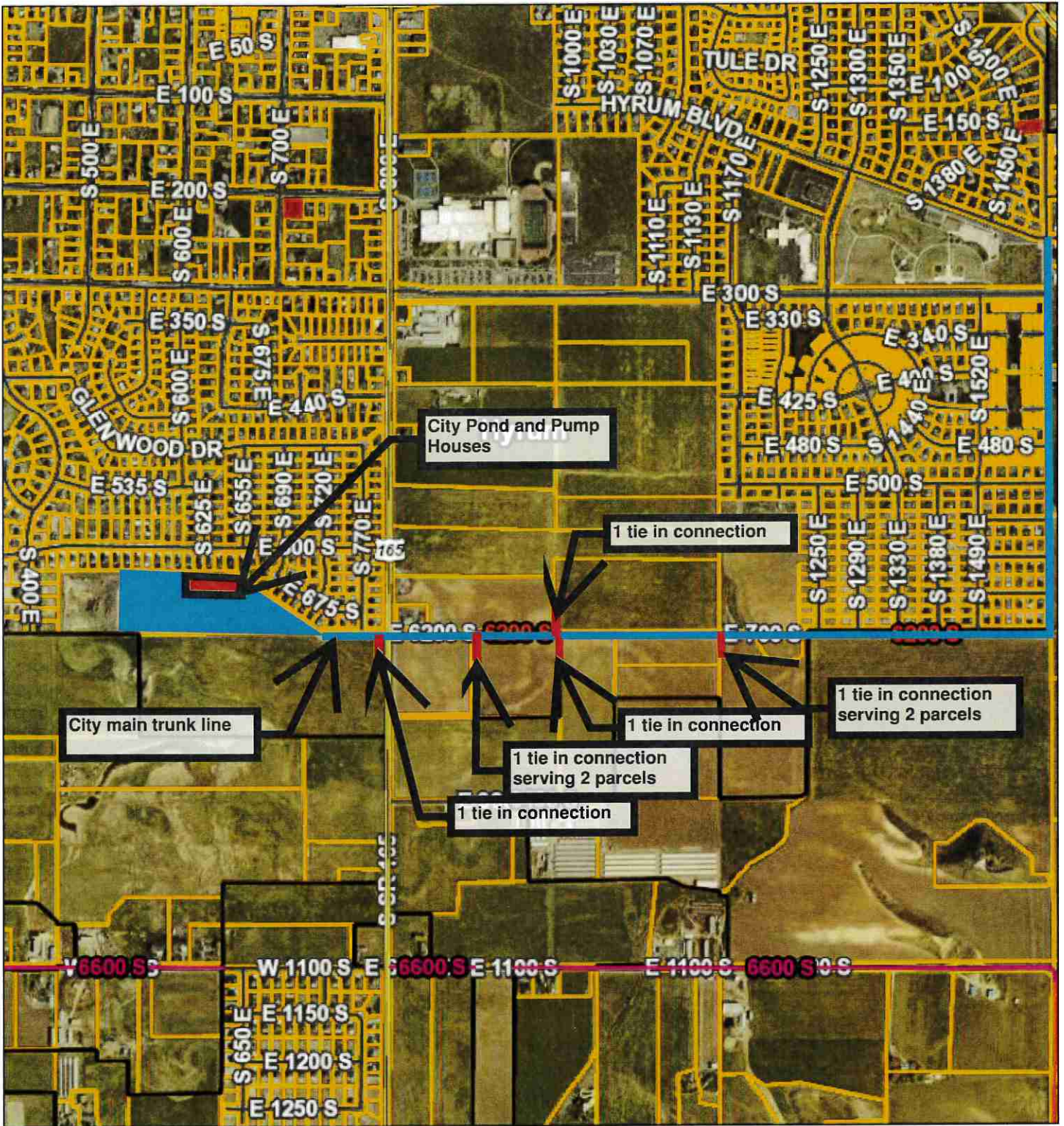
WATER USERS:

_____ Aldon & Michele Watkins Living Trust	_____ Name	_____ Title	_____ Date
_____ Church of Jesus Christ of Latter-Day Saints	_____ Name	_____ Title	_____ Date
_____ Gerald C Sweson & Patsy R Swenson Revocable Trust	_____ Name	_____ Title	_____ Date
_____ Claudia S Evans Inter Vivos Trust	_____ Name	_____ Title	_____ Date
_____ JN Farms LLC	_____ Name	_____ Title	_____ Date
_____ Nielsen Revocable Trust	_____ Name	_____ Title	_____ Date
_____ Farrell D. Petersen Revocable Trust	_____ Name	_____ Title	_____ Date

Cody & Colette Mathews	Name	Title	Date
------------------------	------	-------	------

Cody L. & Colette G. Mathews	Name	Title	Date
------------------------------	------	-------	------

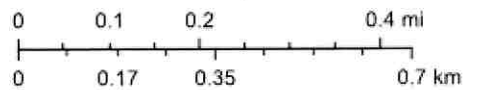
EXHIBIT A



4/10/2026, 7:15:33 AM

1:18,056

- Taxes Due / Unpaid
- Future
- Class B Surface Type
- Private
- Asphalt
- Municipal Boundaries
- Gravel
- County Boundary
- Dirt
- Cache Parcels



Vantor



Natural Resources Conservation Service
NORTH LOGAN FIELD OFFICE
1860 N 100 E
NORTH LOGAN, UT 84341-1784
Phone: (435) 753 - 5616 Fax: (435) 755 - 2117

SUBJECT: Water Requiriments for Clawson and Son's Dairy/Derle Nielson Irrigation System

TO: Hyrum City

DATE: October 7, 2010

Preliminary irrigation designs for Clawson & Son's Dairy as well as Derle Nielson have been prepared. These designs take into account the type of soil, the crop to be grown and the climatic data for the specific area. These designs are being compiled impart of technical assistance through USDA-NRCS.

Sprinkler irrigation systems differ from flood systems in that they are designed to only allow 50% of depleted moisture from the soil before it is replenished. Sprinkler systems are designed to place smaller amounts of water applied more frequently to increase the efficiency of the water applied to the crop. Typical wild flood systems apply large amounts of water in a short amount of time and are typically between 35% and 40 % efficient compared to sprinkler systems which are between 65% and 70% efficient.

Through these preliminary designs it is shown that there will be approximately eight fields irrigated using wheel line systems. These systems range from using 52gpm to 238gpm. The maximum water used with all the systems running at one time or worst case scenario will be approximately 3cfs or 1346gpm. It will be up to Clawson's/ Nielson's and or the canal company to determine what to do with the extra water that is normally delivered for the flood system. From my understanding this flow can reach large volumes of water with the above systems limited to 3cfs maximum. Any additional water delivered is typically the landowner's responsibility as typically canals have a hard time allowing for large changes in water flow. This potentially could mean fairly large amounts of water being delivered for the length of the water turn. More precise volumes of how much water this has been in the past and may be available from the canal company or land owner records.

As part of rotational cropping the growers will have approximately 25% of their land in a grain crop. These crops are grown on any one given field for two or three years to rest it from Alfalfa. Grain crops peak their water use in June and are harvested sometime in July. This would also mean a 25% drop in water usage on a typical year in mid July through the water season. The only time this usage would resume in August or September is on the years that the crop is to be rotated back into an alfalfa variety if fall planting method is used.



Natural Resources Conservation Service
NORTH LOGAN FIELD OFFICE
1860 N 100 E
NORTH LOGAN, UT 84341-1784
Phone: (435) 753 - 5616 Fax: (435) 755 - 2117

The flow values for this design are what the NRCS preliminary design is based upon. These values may change a little one way or the other as the final design is calculated and submitted for approval. Final calculations and values will not be available until a final design is completed and signed by an authorized employee.

Casey Miller
Soil Conservation Technician
North Logan Field Office

EXHIBIT C

**Hyrum Irrigation Company
2026 Water Schedule**

Hyrum City
60 W. Main Street
Hyrum, UT 84319

Shares: 201.55

Ditch: OB1

Every: 14 Days 12 Hours

	START TURN		END TURN	
	DATE	TIME	DATE	TIME
1	5/12/2026	12:22 AM	5/23/2026	8:00 PM
2	5/26/2026	12:22 PM	6/7/2026	8:00 AM
3	6/10/2026	12:22 AM	6/21/2026	8:00 PM
4	6/24/2026	12:22 PM	7/6/2026	8:00 AM
5	7/9/2026	12:22 AM	7/20/2026	8:00 PM
6	7/23/2026	12:22 PM	8/4/2026	8:00 AM
7	8/7/2026	12:22 AM	8/18/2026	8:00 PM
8	8/21/2026	12:22 PM	9/2/2026	8:00 AM
9	9/5/2026	12:22 AM	9/16/2026	8:00 PM
10	9/19/2026	12:22 PM	10/1/2026	8:00 AM

Water Use Regulations

1. No exchange of water will be permitted which interferes with other people's right to use their water turn and without permission of the water master.
2. Required: At the end of the allotted time of any stockholder to the use of water, he/she shall turn the same back into the canal or ditch from which the water was diverted.
3. Persons not desiring to use their water turn or wishing to exchange waer must notify the water master at least 12 hours before the beginning of such turn.
4. This ticket is subject to canellation if the water supply decreases below a certain standard.

Hyrum Irrigation Company
Officers and Directors