

RESOLUTION No. 09-03-2025

A RESOLUTION AUTHORIZING THE EXECUTION OF DOCUMENTS RELATED TO THE CONVERSION OF STRAWBERRY PROJECT WATER FROM AGRICULTURAL USE TO USE FOR MISCELLANEOUS PURPOSES; AND RELATED MATTERS

WHEREAS, pursuant to that certain Act of June 17, 1902 (32 Stat. 388), and all acts amendatory thereof or supplementary thereto, the United States of America, acting through the Bureau of Reclamation (Reclamation), constructed the Strawberry Valley Project (SVP), consisting, in part, of the original Strawberry Dam, the Strawberry Reservoir, and the Strawberry Tunnel, for the purpose of collecting, storing, and conducting a trans-basin diversion of water from tributaries of the Duchesne River into south Utah County; and

WHEREAS, water from the SVP (SVP Water) is delivered to the users thereof (SVP Water Users) for irrigation purposes which, under Reclamation law and policy, are restricted and limited to use for commercial agricultural purposes, and uses incidental thereto (Irrigation); and

WHEREAS, use of SVP Water has historically been appurtenant to the lands on which such water is used; and

WHEREAS, south Utah County is experiencing high levels of population growth and development, which requires the use of SVP Water for municipal and industrial purposes; and

WHEREAS, the Miscellaneous Purposes Act of February 25, 1920 (43 USC § 521) (1920 Act) provides the authority for the Secretary of the Interior (Secretary) to enter into contracts to supply water from any Irrigation project system for purposes other than Irrigation, which provides greater flexibility in how and where the SVP Water may be used; and

WHEREAS, the Boards of Directors of Strawberry Water Users Association (SWUA) and Strawberry Highline Canal Company (SHLCC) have requested that the Secretary allow the use of the SVP Water for purposes other than Irrigation, under the authority of the 1920 Act, and to remove the appurtenance requirement historically associated with the use of SVP Water; and

WHEREAS, responsive to and in support of such request, Reclamation has conducted all National Environmental Policy Act (NEPA) analysis and compliance required to support such actions by the Secretary; and

WHEREAS, Reclamation has, with the assistance of SWUA and SHLCC, prepared draft agreements to implement the provisions of the 1920 Act and to remove the appurtenance requirement, consisting specifically of (i) Contract No. 25-WC-40-1015, Contract for the Use of

Strawberry Valley Project Water for Miscellaneous Purposes (Conversion Contract), and (ii) a form for a Third-Party Contract for Change of Use of Project Water to Miscellaneous Purpose (Third-Party Contract); and

WHEREAS, draft copies of the form Conversion Contract and the Third-Party Contract have been presented to the Santaquin City Council at the meeting at which this Resolution is being considered for adoption, and shall be retained by the City as part of the minutes of such meeting; and

WHEREAS, the City of Santaquin, Utah (“City”) is included as a party to the Third-Party Contracts; and

WHEREAS, the City Council of the City desires by this Resolution to authorize the execution and delivery of each Third-Party Contract as applicable to Santaquin City,

NOW, THEREFORE, be it and it is hereby resolved by the Santaquin City Council as follows.

1. Findings. The Santaquin City Council hereby finds and determines that the execution and delivery of each Third-Party Contract will be beneficial to Santaquin City and to the end users of SVP Water served by Santaquin City, whether through contract obligations, shareholder relationships, retail arrangements, or otherwise, by removing restrictions on the use of SVP Water, enabling (but not requiring) responsiveness to market forces, and allowing SVP Water to be used in the most efficient manner and for the highest and best possible uses.

2. Third-Party Contract. The City Manager of Santaquin City is hereby authorized to execute and deliver each Third-Party Contract presented to the City from time to time for execution, in substantially the form thereof presented to the Santaquin City Council at the meeting at which this Resolution is considered for adoption, with such changes thereto as shall be approved by the City Manager and City Engineer in their reasonable discretion, which changes shall not vary from the terms of such form to a degree that materially alters the purpose and intent of the Conversion Contract. Prior to the execution of each Third-Party Contract, the City Manager and City Engineer shall determine and establish that (i) such Third-Party Contract complies with all provisions of the Conversion Contract, (ii) the amount of carrier water required to be retained has been correctly calculated, (iii) all fees or other amounts to be paid to any other party have been paid, and (iv) in the event a change of ownership of SWUA shares is contemplated, that the associated Assignment and Bill of Sale has been properly completed, signed, and delivered to SWUA. The City Manager and City Engineer are further authorized and directed to take any and all other actions reasonably necessary in connection with the implementation of the Conversion Contract. The authority to execute Third-Party Contracts granted pursuant to this paragraph 2 expressly includes the authority to execute all Third-Party Contracts, if any, designed and intended to replace and/or consolidate existing water dedication agreements, as contemplated by Article X of the Conversion Contract.

PASSED AND ADOPTED by the City Council of Santaquin City, Utah on September 16, 2025.

Daniel M. Olson, Santaquin City Mayor

Councilmember Art Adcock	Voted	___
Councilmember Brian Del Rosario	Voted	___
Councilmember Travis Keel	Voted	___
Councilmember Lynn Mecham	Voted	___
Councilmember Jeff Siddoway	Voted	___

Attest: _____

Amalie R. Ottley, Santaquin City Recorder

CERTIFICATE OF CITY RECORDER

The City Recorder of Santaquin City, Utah does hereby certify as follows:

1. The Resolution to which this Certificate is attached is a true, correct and complete copy of Resolution No. _____ adopted by the City Council of Santaquin City, Utah on _____, 2025.
2. The Resolution was adopted by affirmative vote of a majority of the City Council members present and voting on the measure.
3. The meeting at which the Resolution was adopted was duly called and noticed as required by law and/or all applicable bylaws, rules and regulations.
4. During the meeting, a quorum was present and acted throughout.
5. An original of the Resolution is maintained of record in the books and records of Santaquin City.

City Recorder of Santaquin City