



**MAGNA WATER DISTRICT  
MEETING PACKET  
FOR THE  
REGULAR BOARD MEETING  
THURSDAY JUNE 11, 2026  
10:00 AM**

8885 W 3500 S, MAGNA, UT 84044

GENERAL OFFICE BUILDING

(801)250-2118

Fax(801)250-1452

***JUNE 11, 2026***  
***REGULAR BOARD MEETING AGENDA***  
***MAGNA WATER DISTRICT***

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MEETING DATE: June 11, 2026 at 10:00 am

LOCATION: 8885 W 3500 S, MAGNA, UT, GENERAL OFFICE BUILDING

**A. Call to Order**

**B. Public, Board and Staff join in the Pledge of Allegiance**

**C. Welcome the Public and Guests**

**D. Public Comment**

Written requests that are received – Please do not take over three minutes due to time restraints for other individuals and the Board.

**E. Inquire of any conflicts of interests that need to be disclosed to the Board**

**F. Employee Recognition**

**G. Approval of common consent items**

1. Minutes of the regular board meeting held May 14, 2026

2. Expenses for May 7 to June 3, 2026

General Expenses: \$798,054.72

Zions Bank Bond Payment: \$83,530.83

**H. Department Reports:**

1. General Manager Report

2. Engineering Report

3. Water Operations Report

4. Wastewater Operations Report

5. Controller/Clerk Report

- Compliance Requirements Report

6. HR Manager Report

**I. Water & Sewer Availability**

**Discussion and possible motion to approve the following developments:**

1. OMEGA Satellite located at 7730 W SR-201 North Frontage Road.

**J. Project Awards & Agreements**

Discussion and possible motion to approve the following project awards and agreements:

1. (Trevor) Award the WRF Operation Building Project.
2. (Trevor) Approval of Bowen Collins and Associates task order for construction management services for the WRF Operation Building Project for an amount not to exceed \$195,280.
3. (Trevor) Approval of IGES task order for material testing for the WRF Operation Building Project for an amount not to exceed \$13,650.
4. (Trevor) Approval of BD Bush change order #1 for the West Side Collection Project 1B, increasing the contract by \$1,201,762.01 for fiber relocation and project restart.

**K. Administrative**

Discussion and possible motion to approve the following administrative items:

1. (LeIsle) Declaration of Candidates filed for Trustee election.
2. (Clint & Nathan) Discussion on Draft No-Fault Policy.
3. (Trevor) Rocky Mountain Power Easement for power service to WRF Operations Building Project.
4. (LeIsle) Approval of 401(k) Plan Amendment.
5. (LeIsle) Presentation by Gilbert & Stewart, CPA's, and approval of Magna Water District financial audit for the year ending December 31, 2025.
6. (LeIsle) Resolution 2026-03 Adjusting Revenues Budgeted in the District's 2026 budget.
7. (LeIsle) Resolution 2026-04 Adopting Final 2026 tax rates.

For information and discussion only – no action items:

8. Next month's board meeting – July 9, 2026 at 10:00 am

**L. Motion to take a brief recess and immediately following, meet in a closed meeting to discuss: (1) the purchase, exchange, lease, or sale of real property, including any**

**form of a water right or water shares, (2) pending or reasonably imminent litigation; and (3) collective bargaining issues pursuant to Utah Code Ann. §§ 52-4-204 through 205.**

- M. Motion to close the closed meeting and re-open the public board meeting.**
- N. Motion to immediately meet in a closed meeting to discuss the character, professional competence, or physical or mental health of an individual pursuant to Utah Code Ann. § 52-4-204 through 205(1)(a).**
- O. Motion to close the closed meeting and re-open the public board meeting.**
- P. Consider action on any noticed agenda item discussed in closed meeting.**
- Q. Other Business**
- R. Adjourn**

# MEETING MINUTES

**MINUTES OF THE  
REGULAR MEETING  
OF THE BOARD OF TRUSTEES OF  
MAGNA WATER DISTRICT**

A regular meeting of the Board of Trustees of the Magna Water District was held Thursday, April 9, 2026, at 10:00 am at the Magna Water District General Office, Kim Bailey Board Room, located at 8885 West 3500 South, Magna, UT.

**Call to Order:** Mick Sudbury called the meeting to order at 10:00 am.

**Trustees Present:**

Mick Sudbury, Chairman  
Jeff White  
Dan Stewart

**Management Present:**

LeIsle Fitzgerald, District Controller  
Trevor Andra, District Engineer  
Dallas Henline, Wastewater Operations Manager  
Andrew Sumsion, HR Manager  
Steve Clark, Water Operations Manager  
Melinda Campbell, Customer Service CR Clerk  
Cameron Petersen, Wastewater Collections Service Maintenance  
Trevor Ratcliffe, Water Construction Service Maintenance  
Kim Cisneros, Customer Service Coordinator AP/Billing Clerk  
Dawson Stewart, Water Construction Service Maintenance

**Also Present:**

Clair Gilmore, Smith Hartvigsen, PLLC  
Don Olsen, Epic Engineering  
Doyle Jenkins, Magna Resident  
Dan Peay, Magna Resident  
Joel Workman, AQS Consulting  
Brittany Montague, Copper Golf Club  
Jared Alba, Copper Golf Club  
Stockton Denos, AE2S  
Jeff Beckman, Bowen Collins Associates

**Pledge of Allegiance:** Chairman led those in attendance in the Pledge of Allegiance.

**Welcome the Public and Guests:** Chairman welcomed those in attendance.

**Public Comment:** None

**Chairman asked if any of the staff or board members had a conflict of interest with anything on this agenda.** There were no conflict of interest.

**Employee Recognition**

**Dawson Stewart – Collections II Certification**  
**Mark Manzanares – Water Distribution I Certification**  
**Gene Stott – Qualified Water Efficient Landscaper**  
**Ed Tucker – Traffic Control Technician**  
**Kim Cisneros – New auto pay sign ups**

Andrew Sumsion started with recognizing Kim Cisneros for signing up 22 customers for autopay last month. This helps lowers phone calls coming into the office, delinquent notices having to be sent out, and delinquent accounts. The entire team signed up 51. He congratulated Dawson Stewart for passing the Collections Grade II Certification, Mark Manzanares for passing the Water Distribution Grade I Certification, Gene Stott for completing the Qualified Water Efficient Landscaper Certification, provided by Jordan Valley Water Conservancy District, Ed Tucker for completing the Traffic Control Technician Certification. No motion was made, for full discussion please go to board meeting recording beginning at position 1:58 to 5:50.

**New Employee Introduction:**

Andrew introduced Melinda Campbell, new Customer Service/Cash Receipting Clerk. Melinda comes from Magna, was the Cyprus High School cheer team coach for many years. Cameron Petersen, new Wastewater Collections Service Maintenance, comes from a small town and has his CDL license already. Trevor Ratcliffe, new Water Construction Service Maintenance, comes from Magna and likes hunting. No motion was made, for full discussion please go to board meeting recording beginning at position 5:51 to 9:57.

**Approval of Common Consent Items:**

**Minutes of the regular board meeting held April 9, 2026**

**Expenses for April 1 to May 6, 2026**

**General Expenses:** \$2,026,044.83

**Zions Bank Bond Payment:** \$1,336,997.29

A motion was made by Dan Stewart, seconded by Jeff White, to approve the minutes of the regular board meeting held April 9, 2026, the general expenses from April 1 to May 6, 2026, and the Zions Bank Bond payment in the amount of \$2,026,044.83 and \$1,336,997.29; respectively. The motion was approved as follows: Mick Sudbury, yea, Dan Stewart, yea, and Jeff White, yea.

**DEPARTMENT REPORTS**

**General Manager Report:** Clint was excused from this meeting. Trevor highlighted the following on behalf of Clint:

**Operations – Water:** We have been using reuse for the secondary water system source, has been going well. The parts for the Copper Club Golf Course have been ordered and waiting for those to arrive to get started on that project.

**Operations – Office:** Trevor and LeIsle have been working with Yoppify to submit an application for the Transparent Water Billing Grant, which will help pay for the AMI metering customer portal that is with Yoppify. The grant will cover 50% of the cost for 3 years. If the grant is awarded, the funding agency will be looking for information about the customer portal and water savings due to having the customer portal available to the public. Management will inform the board if the grant is awarded.

**Communication & Morale:** Andrew and Steve visited a couple of schools in the District, one elementary school assembly and a career day at Lakeridge Elementary. Both visits went well and was a very positive result. This kids were very interested and receptive.

No action was taken, for full discussion please go to the board meeting recording beginning at position 10:39 to 18:50 . Please also see the general manager’s report inserted in the board meeting packet.

**Engineering Report:** Trevor reported on ongoing projects. No action was taken, for full discussion, please go to the board meeting recording beginning at position 18:51 to 28:18. Please also see the engineering insert in the board meeting packet.

**Water Operations Report (including water production and call out report):** Steve reported the culinary water production for the month of April was 113.06 million gallons or 347.00-acre feet, a 2.82% decrease from 2025. YTD production for April was 418.70 million gallons or 1,285.03-acre feet, a 1.29% increase from 2025 YTD. We have purchased YTD 263.66-acre feet of water from Jordan Valley Water. The secondary water production for the month of April was 16.22 million gallons or 49.80-acre feet, a 29.14% decrease from 2025. YTD as was 20.84 million gallons or 63.96-acre feet, a 0.55% decrease from 2025. Steve reported the total number of call outs for water and wastewater departments for April was 13, and total hours paid was 39. No action was taken, for full discussion please go to the board meeting recording beginning at position 28:19 to 30:08. Please also see the water production report insert in the board meeting packet.

**Wastewater Operations Report:** Dallas reported for April the plant is running really well. The reuse system is fully operational, pumped just about 13.5 million gallons to the secondary reservoirs in April. BOD and TSS removal is at 98%, wasting rate is maintained, daily average plant flow is running about 2.8 million gallons/day. Huber came out to the plant for an annual scheduled maintenance review. The collections system is starting the acoustic inspection with SL Rat the last week of May. No action was taken, for full discussion, please go to board meeting recording beginning at position 30:09 to 33:21. Please also see the wastewater report insert in the board meeting packet.

**Controller Report/Clerk Report:**

**Compliance Requirements Report:** LeIsle reported the District is in compliance with compliance requirements.

**1<sup>st</sup> Quarter 2026 Actual vs Budget Report:** LeIsle reported the operating revenue is under budget by \$62,918 or 2.25%, the non-operating revenue is under budget by \$35,165 or 9.46%, and the impact fee revenue is under budget by \$110,622 or 31.98%. The operating expenses are under budget by \$878,979 or 19.21% and the non-operating expenses are under budget by \$26,427 or 18.04%. The amount spent on capital expenditures year-to-date was \$1,787,295. LeIsle reported restricted reserve fund balance is \$12,739,615 and unrestricted fund balance is \$12,713,019 to March 31, 2026.

No action was taken, for full discussion, please go to board meeting recording beginning at position 33:22 to 39:23. Please also see the controller/clerk insert in the board meeting packet.

**HR Manager Report:**

Andrew updated the Board on staffing, trainings coming up, and the monthly safety focus. He reported the succession planning was completed and the onsite cybersecurity training was rescheduled for July.

The District is planning participating in the 4<sup>th</sup> of July Magna parade. No action was taken, for full discussion please go to the board meeting recording beginning at position 39:24 to 45:50. Please also see HR Report insert in the board meeting packet.

Mick expressed his thanks to Management and the job they do.

**WATER & SEWER AVAILABILITY:**

**Discussion and possible motion to approve the following developments:**

**Box Wheel Maintenance Shop located at 6123 W 2100 S:** . A motion was made by Jeff White, seconded by Dan Stewart, to approve water and sewer services to Box Wheel Maintenance Shop located at 6123 W 2100 S. The motion was approved as follows: Dan Stewart, yea, Mick Sudbury, yea, and Jeff White, yea. For full discussion, please go to board meeting recording beginning at position 47:08 to 49:10.

**PROJECT AWARDS & AGREEMENTS**

**Discussion and possible motion to approve the following project awards and agreements:**

**2026 manhole to manhole slip line and spot repair project with Twin D Construction for the amount not to exceed \$275,000:** A motion was made by Jeff White, seconded by Dan Stewart, to approve the 2026 manhole to manhole slip line and spot repair project with Twin D Construction for the amount not to exceed \$275,000. The motion was approved as follows: Mick Sudbury, yea, Dan Stewart, yea and Jeff White, yea. For full discussion please to go board meeting recording beginning at position 49:20 to 51:44.

**ADMINISTRATIVE**

**Discussion and possible motion to approve the following administrative items:**

**Approval of the 2025 Consumer Confidence Report:** Steve indicated this is the annual CCR Report for 2025 that is due to the customers by July 1, 2026. There are just a few small changes from the draft included in the board packet. A motion was made by Jeff White, seconded by Dan Stewart, to approve the 2025 Consumer Confidence Report with the small changes. The motion was approved as follows: Mick Sudbury, yea, Jeff White, yea and Dan Stewart, yea. For full discussion please go to board meeting recording beginning at position 51:52 to 53:43.

**Approval of the 2026 Municipal Wastewater Planning Program Report:** Dallas reported this is the annual Municipal Wastewater Planning Program Report survey, which requires a board motion to accept and file with the State. A motion was made by Jeff White, seconded by Dan Stewart, to approve the 2026 Municipal Wastewater Planning Program Report. The motion was approved as follows: Mick Sudbury, yea, Dan Stewart, yea and Jeff White, yea. For full discussion please go to board meeting recording beginning at position 53:44 to 55:01.

**For information and discussion only – no action items:**

**Discussion on operator seasonal working schedule change to 6:00 am to 4:30 pm from June 1 to August 13, 2026:** Andrew wanted to make sure the Board was still on board with allowing the operator’s schedule change during the summer months. Board gave approval as long as the schedule was not abused. If it was abused, it will be taken away. No action was taken, for full discussion please go to board meeting recording beginning at position 55:09 to 58:55.

**Next board meeting – June 11, 2026 at 10:00 am**

**Other Business:** None

**Adjourn:** Having no further business to discuss, a motion was made by Jeff White, seconded by Dan Stewart, to adjourn the meeting at 11:02 am. The motion was approved as follows: Dan Stewart, yea, and Jeff White, yea.

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Attest

\_\_\_\_\_  
Chairperson

# INVOICE PAYMENTS

**MAGNA WATER DISTRICT  
INVOICE PAYMENTS  
5/7/2026 TO 6/3/2026**

Check Issue Date	Payee	Amount	Description
5/7/2026	COSTCO WHOLESALE	187.82	OFFICE SUPPLIES- OFFICE
5/10/2026	ANSERFONE	290.00	24 HOUR SERVICE
5/10/2026	AWWA	93.00	MEMEBERSHIP DUES
5/10/2026	AWWA	93.00	MEMEBERSHIP DUES
5/10/2026	AWWA	2,702.00	MEMEBERSHIP DUES
5/10/2026	BANKCARD CENTER	70.02	LUNCH FOR OFFICE
5/10/2026	BANKCARD CENTER	488.46	HOTEL - UGFOA CONFREENCE
5/10/2026	BANKCARD CENTER	239.92	BOARD MEETING LUNCH
5/10/2026	BANKCARD CENTER	457.27	HOTEL -WEAU CONFERENCE
5/10/2026	BANKCARD CENTER	461.89	HOTEL -WEAU CONFERENCE
5/10/2026	BANKCARD CENTER	461.89	HOTEL -WEAU CONFERENCE
5/10/2026	BANKCARD CENTER	25.00	ENTITY REGISTRATION- GOVPAY
5/10/2026	BANKCARD CENTER	293.36	MANAGERS MEETING
5/10/2026	BANKCARD CENTER	230.00	TRAFFIC CONTROL TRAINING
5/10/2026	BANKCARD CENTER	280.80	CAR DETAIL - #10
5/10/2026	BANKCARD CENTER	43.31	TEAM BUILDING
5/10/2026	BANKCARD CENTER	573.35	SOFTWARE SUBSCRIPTION
5/10/2026	BANKCARD CENTER	573.35	SOFTWARE SUBSCRIPTION
5/10/2026	BANKCARD CENTER	154.50	SOFTWARE SUBSCRIPTION
5/10/2026	BANKCARD CENTER	83.48	TEAM BUILDING
5/10/2026	BLUELINE SERVICES	33.50	PRE EMPOLYMENT BACKGROUND
5/10/2026	CASELLE	2,792.00	MONTHLY CONTRACT SUPPORT
5/10/2026	CELLGATE	177.00	SERVICE - EDR GATE
5/10/2026	COSTCO WHOLESALE	26.24	REFRESHMENTS -LOCAL SCAPES CLASS
5/10/2026	ISOLVED	164.00	APPLICANT TRACKING SYSTEM
5/10/2026	MICROSOFT	16.53	MICROSOFT EXCHANGE LICENSES
5/10/2026	ORKIN	166.88	PEST CONTROL WWTP
5/10/2026	REPUBLIC SERVICES	2,361.75	GARBAGE - WWTP
5/10/2026	REPUBLIC SERVICES	669.53	GARBAGE - SHOP
5/10/2026	SHRED IT	97.55	DOCUMENT SHREDDING
5/10/2026	TRUGREEN	201.31	WWTP LAWN TREATMENT
5/10/2026	UTAH BARRICADE	372.00	BARRICADE RENTAL - WATER
5/10/2026	UTAH BROADBAND	1,054.00	BROADBAND & INTERENT SERVICES
5/10/2026	VERIZON WIRELESS	1,017.67	CELLPHONE & WIRELESS LINES
5/10/2026	VERIZON CONNECT	672.86	VEHICLE TRACKING
5/10/2026	WEST VALLEY CITY	300.00	PERMIT
5/10/2026	WEST VALLEY CITY	130.20	STORM WATER
5/10/2026	ZAYO	3,596.00	TELEPHONE/DATA SERVICES
5/11/2026	MID ATLANTIC TRUST COMPANY	4,169.16	401(K)
5/11/2026	PURCHASE POWER	532.70	POSTAGE
5/11/2026	UTAH-IDAHO TEAMSTERS SECURITY FUND	41,836.50	UNION HEALTH & WELFARE
5/11/2026	WESTERN CONF TEAMSTERS PENSION	26,368.52	UNION PENSION CONTRIBUTION
5/12/2026	ALLSTATE	478.27	INSURANCE
5/12/2026	HEALTH EQUITY	26.55	HRA SERVICE FEE
5/12/2026	UTAH STATE TREASURER - UNCLAIMED PROP	7,013.68	UNCLAIMED PROPERTY
5/13/2026	ADVANCED ENGINEERING & ENVIR. SERVICES	15,195.00	WTP STORAGE TANK
5/13/2026	ADVANCED ENGINEERING & ENVIR. SERVICES	1,886.00	MWD ONGOING I&C SERVICES
5/13/2026	AIRGAS USA LLC - CENTRAL DIVISION	6.30	ARGON RENTAL CYLINDER
5/13/2026	AIRGAS USA LLC - CENTRAL DIVISION	88.20	ACETYLENE & OXYGEN RENTAL CYLINDERS
5/13/2026	ARDURRA	8,577.50	MWD 2025 GIS SERVICES
5/13/2026	BOB'S BELT SERVICE	536.00	GLOVES
5/13/2026	BOWEN COLLINS & ASSOCIATES	15,508.25	MWD WRF OPERATIONS BUILDING PROJECT
5/13/2026	BOWEN COLLINS & ASSOCIATES	5,020.50	MWD MASTER PLANNING, IMPACT FEE & RATE STUDIES
5/13/2026	BOWEN COLLINS & ASSOCIATES	2,203.00	7200 W SECONDARY WATERLINE PROJECT
5/13/2026	CHEMTECH-FORD LLC	673.00	WWTP LAB & TESTING
5/13/2026	CHEMTECH-FORD LLC	534.00	WWTP LAB & TESTING
5/13/2026	CHEMTECH-FORD LLC	156.00	WATER LAB & TESTING
5/13/2026	CHEMTECH-FORD LLC	640.00	WATER LAB & TESTING
5/13/2026	CORRIO CONSTRUCTION INC	311,472.31	MAGNA WRF INFLUENT PROJECT
5/13/2026	CUMMINS SALES AND SERVICE	36.06	OIL CAP - #55
5/13/2026	ELITE GROUNDS LLC	833.93	LANDSCAPING- WWTP
5/13/2026	ELITE GROUNDS LLC	1,328.34	LANDSCAPING- OFFICE
5/13/2026	HI- VALLEY CHEMICAL	7,585.77	CHEMICALS
5/13/2026	IGES INC	3,100.66	EDR STORAGE TANKS
5/13/2026	JORDAN VALLEY WATER	32,053.29	WATER DELIVERIES
5/13/2026	JUB ENGINEERS INC	590.90	MAGNA WESTSIDE COLLECTION SYSTEM IMPROVEMENT PROJECT 2
5/13/2026	JUB ENGINEERS INC	4,590.20	MAGNA WESTSIDE COLLECTION SYSTEM IMPROVEMENT PROJECT 3
5/13/2026	LEVERAGE IT SOLUTIONS	3,075.00	STANDARD SUPPORT - APRIL 2026
5/13/2026	MALLORY	745.60	SAFETY VESTS
5/13/2026	PREMIER TRUCK GROUP	40.00	INSPECTION #45

**MAGNA WATER DISTRICT  
INVOICE PAYMENTS  
5/7/2026 TO 6/3/2026**

Check Issue Date	Payee	Amount	Description
5/13/2026	PREMIER TRUCK GROUP	85.00	INSPECTION #70
5/13/2026	PREMIER TRUCK GROUP	85.00	INSPECTION #4
5/13/2026	PREMIER TRUCK GROUP	40.00	INSPECTION #56
5/13/2026	QUALITY APPLIANCE SERVICE	419.18	REPAIRS- WWTP SAMPLE FRIDGE
5/13/2026	QUALITY APPLIANCE SERVICE	419.18	REPAIRS- WWTP SAMPLE FRIDGE
5/13/2026	ROCKY MOUNTAIN MEDICAL CLINIC	110.00	DOT PHYSICAL & PRE EMPLOYMENT TEST
5/13/2026	SAFELITE FULFILLMENT INC	253.90	WINDSHIELD - #10
5/13/2026	SEBIS DIRECT INC	2,839.22	PROCESS OF MONTHLY BILLINGS
5/13/2026	SKM INC	3,129.44	SCADA MAINTENANCE- SEWER
5/13/2026	SKM INC	7,428.52	SCADA MAINTENANCE- SEWER
5/13/2026	SOUTHERN TIRE MART	1,780.52	ALIGNMENT & TIRES - #56
5/13/2026	SOUTHERN TIRE MART	56.00	TIRE REPAIR - #74
5/13/2026	STANTEC CONSULTING SERVICES INC	12,320.70	MWD - INFLUENT PROJECT PH 3 - ENG SERVICES DURING CONST
5/13/2026	STANTEC CONSULTING SERVICES INC	11,399.96	WESTSIDE COLLECTION SYSTEM IMPROVEMENTS, PROJECT 1B-CM
5/13/2026	TEMPEST ENTERPRISES	58,824.00	RETENTION MAGNA WATER SERVICE REPLACEMENT PROJECT
5/13/2026	THATCHER COMPANY	9,134.05	CHEMICALS
5/13/2026	TWIN D INC.	5,400.00	PIPE POINT REPAIR - COLLECTION SYSTEM
5/14/2026	PREMIER TRUCK GROUP	40.00	INSPECTION #74
5/14/2026	PREMIER TRUCK GROUP	40.00	INSPECTION #57
5/14/2026	PREMIER TRUCK GROUP	40.00	INSPECTION #44
5/14/2026	PREMIER TRUCK GROUP	85.00	INSPECTION #30
5/14/2026	PREMIER TRUCK GROUP	85.00	INSPECTION #3
5/14/2026	PREMIER TRUCK GROUP	40.00	INSPECTION #95
5/14/2026	SRM CONCRETE	747.50	CONCRETE FOR REPAIRS
5/15/2026	ENBRIDGE GAS	56.28	GAS 3291 S 8000 W
5/15/2026	ENBRIDGE GAS	1,273.22	GAS 6850 W 2820 S
5/15/2026	ENBRIDGE GAS	113.79	GAS 6026 PARKWAY BLVD
5/15/2026	ENBRIDGE GAS	355.80	GAS 8931 W 3500 S
5/15/2026	ENBRIDGE GAS	1,618.83	GAS 7650 W 2100 S
5/15/2026	ENBRIDGE GAS	245.03	GAS 8885 W 3500 S
5/15/2026	WORKERS COMPENSATION FUND OF U	1,664.37	WORKERS COMP
5/18/2026	OSINC INC	200.00	UNIFORM BOOTS
5/19/2026	ROCKY MOUNTAIN POWER CO	24,015.48	POWER BARTON WELLS 1&2
5/19/2026	SAFETY-KLEEN SYSTEMS INC	579.04	USED OIL SERVICE- MECHANIC SHOP
5/19/2026	SAFETY-KLEEN SYSTEMS INC	305.51	USED OIL FILTER PICKUP
5/20/2026	ROCKY MOUNTAIN POWER CO	42.02	POWER 3500 S TANKS
5/20/2026	ROCKY MOUNTAIN POWER CO	93.86	POWER BACCHUS TANKS
5/20/2026	ROCKY MOUNTAIN POWER CO	570.93	POWER SECONDARY WATER PUMP
5/20/2026	ROCKY MOUNTAIN POWER CO	4,123.17	POWER ADMIN OFFICE
5/20/2026	ROCKY MOUNTAIN POWER CO	278.45	POWER CEMENT BLDG SHOPS
5/20/2026	ROCKY MOUNTAIN POWER CO	2,096.39	POWER 7600 RESERVOIR
5/20/2026	ROCKY MOUNTAIN POWER CO	12.00	POWER JORDAN VALLEY
5/26/2026	MID ATLANTIC TRUST COMPANY	4,169.16	401(K)
5/27/2026	BLUE STAKES OF UTAH 811	410.08	BILLABLE & NON E-MAIL NOTIFICATIONS
5/27/2026	ROCKY MOUNTAIN POWER CO	118.21	POWER BOOSTER STATION
5/27/2026	ROCKY MOUNTAIN POWER CO	1,576.37	POWER HAYNES WELLS
6/1/2026	DEPT OF GOVERNMENT OPER	8,176.97	FUEL FOR VEHICLES
6/1/2026	HEALTH EQUITY	50,758.33	2026 HRA CONTRIBUTION
6/1/2026	HEALTH EQUITY	6,897.97	2026 HRA CONTRIBUTION
6/1/2026	ROCKY MOUNTAIN POWER CO	62.54	POWER SHALLOW WELLS
6/1/2026	ROCKY MOUNTAIN POWER CO	9.79	POWER WWTP ADMIN BLDG
6/1/2026	ROCKY MOUNTAIN POWER CO	38,690.95	POWER SEWER PLANT
6/2/2026	AMERITAS LIFE INSURANCE CORP	2,417.71	INSURANCE
6/2/2026	AMERITAS LIFE INSURANCE CORP	2,417.71	INSURANCE
6/2/2026	CATEPILLAR FINANCIAL SERVICES CORP	843.99	PROPERTY TAX -BACKHOE LOADER
6/2/2026	GRAINGER	235.00	GEARS - REUSE SOLID WASTE PUMPS= WWTP
6/2/2026	GRAINGER	160.26	CASTER WHEELS- WWTP
6/2/2026	GRAINGER	96.60	GAUGES- REUSE SOLID WASTE PUMPS= WWTP
6/2/2026	OSINC INC	116.00	UNIFORM BOOTS
6/2/2026	OSINC INC	200.00	UNIFORM BOOTS
6/2/2026	OSINC INC	200.00	UNIFORM BOOTS
6/2/2026	RICOH USA INC	207.92	COPIER ADMINISTRATIVE OFFICE
6/2/2026	SMITH HARTVIGSEN PLLC	988.00	GENERAL LEGAL MATTERS
6/2/2026	THE LINCOLN NATIONAL LIFE	987.12	INSURANCE
6/2/2026	WHEELER MACHINERY CO	(126.06)	HYDRAULIC LINES PARTS - #11
6/2/2026	WHEELER MACHINERY CO	235.64	HYDRAULIC LINES PARTS - #11
6/2/2026	WHEELER MACHINERY CO	40.22	HYDRAULIC LINES PARTS - #11
6/2/2026	WHEELER MACHINERY CO	181.53	HYDRAULIC LINES PARTS - #11
6/3/2026	AMAZON CAPITAL SERVICES	9.99	CLUTCH CABLE - #46
6/3/2026	AMAZON CAPITAL SERVICES	83.78	OFFICE SUPPLIES- WATER/SHOP

**MAGNA WATER DISTRICT  
INVOICE PAYMENTS  
5/7/2026 TO 6/3/2026**

Check Issue Date	Payee	Amount	Description
6/3/2026	AMAZON CAPITAL SERVICES	185.00	SLIP RESISTANT PAINT - OFFICE
6/3/2026	BANKCARD CENTER	1,042.49	FLOOR REGISTERS - OFFICE
6/3/2026	HUBER TECHNOLOGY	1,815.59	GEARBOX MOTOR REPAIR PARTS- WWTP
6/3/2026	O'REILLY	452.85	MECHANIC SHOP SUPPLIES
6/3/2026	PITNEY BOWES GLOBAL FINAN SERVICES LLC	200.46	LEASE OF POSTAGE MACHINE
6/3/2026	UTAH BARRICADE COMPANY	360.00	BARRICADE RENTAL
6/3/2026	UTAH BARRICADE COMPANY	90.00	TRAFFIC CONTROL PLAN
6/3/2026	VESTIS	78.75	EDR MATS & SUPPLIES
6/3/2026	VESTIS	37.03	SHOP/METAL BLDG MATS
6/3/2026	VESTIS	135.86	ADMIN OFFICE MATS & SUPPLIES
6/3/2026	VESTIS	103.65	SHOP UNIFORMS
6/3/2026	VESTIS	311.58	WWTP UNIFORMS
6/3/2026	VESTIS	78.75	EDR UNIFORMS & MATS
6/3/2026	VESTIS	37.03	SHOP/METAL BLDG MATS
6/3/2026	VESTIS	135.86	ADMIN OFFICE MATS & SUPPLIES
6/3/2026	VESTIS	103.65	SHOP UNIFORMS
6/3/2026	VESTIS	339.84	WWTP UNIFORMS
6/3/2026	VESTIS	78.75	EDR UNIFORMS & MATS
6/3/2026	VESTIS	37.03	SHOP/METAL BLDG MATS
6/3/2026	VESTIS	135.86	ADMIN OFFICE MATS & SUPPLIES
6/3/2026	VESTIS	103.65	SHOP UNIFORMS
6/3/2026	VESTIS	311.80	WWTP UNIFORMS
6/3/2026	VESTIS	79.61	EDR MATS & SUPPLIES
6/3/2026	VESTIS	37.44	SHOP METAL BLDG OFFICE MATS & SUPPLIES
6/3/2026	VESTIS	137.34	ADMIN OFFICE MATS & SUPPLIES
6/3/2026	VESTIS	104.78	SHOP UNIFORMS
6/3/2026	VESTIS	355.32	WWTP UNIFORMS
		\$ 798,054.72	

VENDOR NAME	AMOUNT	YTD Totals
ADVANCED ENGINEERING & ENVIR. SERVICES	17,081.00	163,598.90
AIRGAS USA LLC - CENTRAL DIVISION	94.50	669.93
ALLSTATE	478.27	2,391.35
AMAZON CAPITAL SERVICES	278.77	1,801.54
AMERITAS LIFE INSURANCE CORP	4,835.42	14,243.34
ANSERFONE	290.00	1,495.00
ARDURRA	8,577.50	30,210.00
AWWA	2,888.00	3,644.00
BANKCARD CENTER	5,479.09	5,479.09
BLUE STAKES OF UTAH 811	410.08	1,607.91
BLUELINE SERVICES	33.50	472.50
BOB'S BELT SERVICE	536.00	1,477.10
BOWEN COLLINS & ASSOCIATES	22,731.75	148,616.50
CASELLE	2,792.00	14,643.00
CATEPILLAR FINANCIAL SERVICES CORP	843.99	843.99
CELLGATE	177.00	354.00
CHEMTECH-FORD LLC	2,003.00	39,020.00
CORRIO CONSTRUCTION INC	311,472.31	2,190,937.41
COSTCO WHOLESALE	214.06	2,186.83
CUMMINS SALES AND SERVICE	36.06	1,943.85
DEPT OF GOVERNMENT OPER	8,176.97	29,456.17
ELITE GROUNDS LLC	2,162.27	6,829.29
ENBRIDGE GAS	3,662.95	58,496.77
GRAINGER	491.86	4,680.14
HEALTH EQUITY	57,682.85	57,789.05
HI- VALLEY CHEMICAL	7,585.77	12,988.75
HUBER TECHNOLOGY	1,815.59	8,053.12
IGES INC	3,100.66	34,673.50
ISOLVED	164.00	699.72
JORDAN VALLEY WATER	32,053.29	159,390.77
MICROSOFT	16.53	16.53
ORKIN	166.88	643.68
REPUBLIC SERVICES	3,031.28	14,401.17
SHRED IT	97.55	481.35
TRUGREEN	201.31	402.62
UTAH BARRICADE	372.00	2,261.25
UTAH BROADBAND	1,054.00	5,250.00
VERIZON WIRELESS	1,017.67	5,079.05

VENDOR NAME	AMOUNT	YTD Totals
VERIZON CONNECT	672.86	3,224.58
WEST VALLEY CITY	430.20	951.00
ZAYO	3,596.00	17,136.19
JUB ENGINEERS INC	5,181.10	50,773.60
LEVERAGE IT SOLUTIONS	3,075.00	17,449.98
MALLORY	745.60	1,259.05
MID ATLANTIC TRUST COMPANY	8,338.32	228,559.09
O'REILLY	452.85	1,446.69
OSINC INC	716.00	1,989.96
PITNEY BOWES GLOBAL FINAN SERVICES LLC	200.46	400.92
PREMIER TRUCK GROUP	580.00	625.00
PURCHASE POWER	532.70	1,986.45
QUALITY APPLIANCE SERVICE	838.36	838.36
RICOH USA INC	207.92	2,077.91
ROCKY MOUNTAIN MEDICAL CLINIC	110.00	744.00
ROCKY MOUNTAIN POWER CO	71,690.16	375,063.47
SAFELITE FULFILLMENT INC	253.90	1,544.48
SAFETY-KLEEN SYSTEMS INC	884.55	2,117.23
SEBIS DIRECT INC	2,839.22	12,639.38
SKM INC	10,557.96	12,563.15
SMITH HARTVIGSEN PLLC	988.00	17,685.50
SOUTHERN TIRE MART	1,836.52	3,892.68
SRM CONCRETE	747.50	2,262.00
STANTEC CONSULTING SERVICES INC	23,720.66	151,412.63
TEMPEST ENTERPRISES	58,824.00	138,898.43
THATCHER COMPANY	9,134.05	126,802.00
THE LINCOLN NATIONAL LIFE	987.12	6,255.60
TWIN D INC.	5,400.00	83,920.00
UTAH BARRICADE COMPANY	450.00	2,261.25
UTAH STATE TREASURER - UNCLAIMED PROP	7,013.68	7,013.68
UTAH- IDAHO TEAMSTERS SECURITY FUND	41,836.50	216,131.93
VESTIS	2,743.58	15,719.34
WESTERN CONF TEAMSTERS PENSION	26,368.52	151,736.83
WHEELER MACHINERY CO	331.33	20,544.84
WORKERS COMPENSATION FUND OF U	1,664.37	12,329.15
TOTALS	798,054.72	4,717,485.52

**MAGNA WATER DISTRICT  
 ZIONS BANK BOND PAYMENT  
 5/7/2026 - 6/3/2026**

Check Issue Date	Payee	Amount	Description
5/7/2026	ZIONS FIRST NATIONAL BANK	83530.83	5436869-BOND SER 2013
		\$ 83,530.83	

# MANAGER'S REPORT



# MEMO

**TO:** MWD Board of Directors  
**FROM:** Clint Dilley, P.E., General Manager  
**DATE:** 06/03/26 (June 11th Board Meeting)  
**RE:** Report and Discussion from General Manager

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## PURPOSE OF MEMO

The purpose of this memo is to provide the Magna Water District (MWD) Board of Directors a general report from the General Manager and associated discussion with input from rest of management team to keep the board abreast of general matters in the District. The format of the memo will primarily be a list of bullet points to assist guiding the discussion in the board meeting.

## REPORT FROM GENERAL MANAGER

After discussions with the board and management team we have focused our efforts on three main areas including 1) Staffing 2) Operations and 3) Communication as outlined in the following sections.

### STAFFING

- All positions are currently staffed

### OPERATIONS

- Water Operations
  - Copper club secondary water installation in 2600 South is substantially complete and should be able to switch over service to secondary this week
  - Preliminary sampling of Haynes Well #2 has detected total coliform present. WOM & Lead are working with DE to perform shock chlorination of well to eliminate & confirm adequate residuals prior to putting into service for the season
  - WOM & Lead have taken additional samples from all well sources just in case we qualify for compensation through the PFAS Settlement Class Action program
- WWTP Operations
  - SL Rat to begin acoustical inspection services of collection system this month
  - 17 buried manholes have been raised by the crew with only a few remaining to complete
- Office
  - Controller & Attorney completed draft policy on in-house no-fault sewer backup program for board discussion in June board meeting
  - Auditors have completed work with Controller to finalize their annual audit
  - DE & Yoppify submitted transparent water billing grant application for the AMI customer access portal

- Delinquent accounts
  - April 2026
    - Accounts that are delinquent: 601
    - Total of all delinquent accounts: \$160,718.30
    - Average delinquent account balance: \$267.42
    - Pink notices sent out = 310
      - Pink notices were 58% effective
    - Red notices were 95% effective as of 4/30/26
  - March 2026
    - Accounts that are delinquent: 679
    - Total of all delinquent accounts: \$183,857.94
    - Average delinquent account balance: \$270.78
    - Pink notices sent out = 212
      - Pink notices were 68% effective
    - Red notices were 93% effective as of 3/30/26
  - February 2026
    - Accounts that are delinquent: 643
    - Total of all delinquent accounts: \$173,627.44
    - Average delinquent account balance: \$270.02
    - Pink notices sent out = 247
      - Pink notices were 61% effective
    - Red notices were 86% effective as of 2/26/26

#### **COMMUNICATION & MORALE**

- Continue working toward improving communication w/ board members & community partners
  - WOM & HR MGR presented to Magna Elementary on water conservation to the school at two assemblies on Friday, 5/8/26
  - WOM participated in career day at Lakeridge elementary on May 12<sup>th</sup>
  - DR Horton & Salt Lake Excavating to begin work on 4100 South road/waterline this week
  - Mailer for the City 4<sup>th</sup> of July program included with this months bills (paid for by City)
- Work to improve communication & morale with employees
  - HR MGR planning an end of summer luncheon for employees
- Work to improve communication with customers
  - Discuss timing & noticing of preliminary rate analysis findings from consultant with board
  - CCR Report to be posted prior to July 1st
  - Thorough and prompt response to customer concerns and complaints
    - None

# ENGINEERING REPORT

# Engineering Report (Updated 06/03/26)

## Capital and General Engineering Projects

- 8800 West Water line Project
  - Postponed till later date
- 7200 W and 3100 S Secondary Water Project
  - Plan to construct in future
- **Influent Pump Station**
  - Processing submittals and RFI's
  - **Grit Building: electrical mostly complete. New piping from headworks is up to building, ready for connection.**
  - **Pump Station: Channels coated, splash guards and grating installed**
  - **Continuing setting manholes and other yard piping.**
- **Haynes Well #8 Replacement**
  - Started drilling
  - Pump house design complete
  - Working on paperwork and agreement for \$1.31 million grant
    - **Grant application complete and submitted**
    - **EPA reviewing application and working on Grant agreement paperwork**
- West Side Collection Phase 1B Project
  - SR-201 bore on hold until fiber is relocated
  - **Ready to start fiber relocation and then continue sewer crossing of SR-201**
- West Side Collection Phase 2 Project
  - 95% design complete
- **West Side Collection Phase 3 Project**
  - Survey and Geotechnical investigation completed.
  - **Working toward 30% design submittal**
- **WRF Operations / Change House**
  - **Out to Bid. Bidding closes on May 21<sup>st</sup>.**
- **Zone 3 Secondary Water Reservoir**
  - **Pipeline and reservoir are complete**
  - **Anticipate filling reservoir mid-July**
- **Lead and Copper Service Line Replacement**
  - **About 50% complete**
  - **Moving to 8950 W. and 9150 W. for utility and owner replacements.**
- Railroad Parcel
  - Hold property
- EDR Finish and Feed Tank Design
  - **60% design complete**
- Master Plan
  - **Working on Rate Analysis**
- **General Office Conservation Garden**
  - **Plans at 100%**
  - **Finalizing signage**
  - **Plan to bid in July and have Board item in August for project award**

**WATER  
OPERATIONS  
REPORT**

# Water Production Report & Callout Report

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May 2026

## Water Production Summary

The culinary water production for the month of May was 178.42 million gallons or 547.62-acre feet, a 0.12% decrease from 2025. YTD production for May was 597.12 million gallons or 1,832.65-acre feet, a 0.87% increase from 2025 YTD.

We have purchased YTD 337.08-acre feet of water from Jordan Valley Water.

The secondary water production for the month of May was 50.84 million gallons or 156.04-acre feet, a 13.86% decrease from 2025. YTD as was 71.68 million gallons or 220.00-acre feet, a 9.99% decrease from 2025.

## Callout Report – Water and Wastewater Combined

Total number of call outs - 28

Water – 25

Wastewater – 3

Total Hours for call outs – 93

Water – 78

Wastewater – 15

Mainline Leak – 1

Service Line Leaks – 5

Miscellaneous - 22

Summary Of Water Deliveries  
MAGNA WATER DISTRICT  
System # 18014  
May-26

Source	Month's Deliveries (AF)		Change %	Current Month's Gall	Deliveries YTD (AF)		Change %	YTD Gallons
	2026	2025			2026	2025		
<b>CULINARY WATER</b>								
Well Sources Barton and Haynes	531.34	540.94			1,705.77	1,675.36		
To Waste	58.31	58.38			187.22	181.43		
Total Finished Blend EDR	474.20	479.90			1,495.57	1,484.52		
JVWCD Magna Reading	73.15	67.63			335.67	328.20		
JVWCD	73.42	68.39			337.08	332.19		
<b>Total Culinary Water</b>	<b>547.62</b>	<b>548.29</b>	<b>-0.12%</b>	<b>178,429,929</b>	<b>1,832.65</b>	<b>1,816.71</b>	<b>0.87%</b>	<b>597,128,684</b>
<b>SECONDARY WATER</b>								
Irrigation Well #1	-	-			0.57	-		
Irrigation Well #2	-	18.45			0.79	18.45		
Irrigation Well #3	-	6.11			0.04	6.77		
High Zone (secondary)	43.65	50.93			49.79	66.73		
Low Zone (secondary)	-	-			-	-		
WWTP Reuse (secondary)	112.39	102.18			168.81	150.03		
<b>Total Secondary Water</b>	<b>156.04</b>	<b>177.67</b>	<b>-13.86%</b>	<b>50,842,357</b>	<b>220.00</b>	<b>241.98</b>	<b>-9.99%</b>	<b>71,682,160</b>
<b>Total Production of Water</b>	<b>703.66</b>	<b>725.96</b>	<b>-3.17%</b>	<b>229,272,130</b>	<b>2,052.65</b>	<b>2,058.69</b>	<b>0%</b>	<b>668,810,844</b>

\* EDR Blend + Total Secondary + JVWCD = Total Production

## MAY CALL OUTS

Dept.	Employee	Date	Hours	Description
EDR	MATT SKOGERBOE	5/1/2026	3	BURGLER ALARM AT EDR
		5/9/2026	3	BACK FLOW- 8997 W NEWHOUSE DR
		5/11/2026	3	UNIT 1 CABINET FAILURE & AIR LOSS
WATER	GENE STOTT	5/2/2026	3	PRIVATE IRRIGATION LEAKING - WESTERN DR
		5/28/2026	3	SERVICE LEAK- 7462 W JEFFERSON RD
		5/29/2026	3	BROKEN STOP & WASTE VALVE- 8550 W 3500 S
		5/29/2026	3	NO WATER, HOMEOWNER ISSUE - 3161 S THOMAS BROOK
		5/31/2026	3	SECONDARY VAULT LEAKING- 7030 W ANTELOPE RD
WATER	CLINT GILES	5/8/2026	3	EMERGENCY BLUE STAKES- 8262 W 3500 S
WATER	MATTHEW HUNTER	5/7/2026	3	SERVICE LEAK- 8997 W NEWHOUSE DR
		5/8/2026	3	SERVICE LEAK- 7360 W WESTPARK DR
		5/9/2026	3	NO WATER- 8997 W NEWHOUSE DR
			3	LOW WATER PRESSURE- 2793 S 8950 W
		5/10/2026	3	COLDSIDE LEAK- SUGAR PLUM PARK
			3	COLDSIDE LEAK- 2942 S BREEZE DR
		5/12/2026	3	TURN ON WATER- 7602 W 2820 S
WATER	MIKE HARMS	5/15/2026	3	SPRINKLER IN PARK STRIP BROKEN- 4091 S IRON PROSPECT
		5/17/2026	3	NOW WATER, COLD SIDE CAME OFF IN METER BOX- 7259 W KING TOP RD
		5/18/2026	3	MAINLINE LEAK- 2970 S MERTON WY
		5/19/2026	3	SHUT GEATE FOR POWER COMPANY
SEWER	BOB BATT	5/22/2026	3	WAS PRESSURE GAUGE BLEW OFF, THE PIPE WAS TAPPED AND PLUGGED
SEWER	SCOTT BECK	5/22/2026	3	WAS PRESSURE GAUGE BLEW OFF, THE PIPE WAS TAPPED AND PLUGGED
		5/30/2026	3	FINE SCREEN UP STREAM LEVEL SENSOR CONDUIT BROKE, TEMPORARILY SECURED UNTILE ELECTRICANS CAME
SEWER	DYLLAN DELOBEL	5/22/2026	3	WAS PRESSURE GAUGE BLEW OFF, THE PIPE WAS TAPPED AND PLUGGED
		5/25/2026	3	INTERNET OUTAGE AT WWTP
WATER	QUINTON GORRINGE	5/22/2026	3	EMERGENCY BLUE STAKES- 3187 S BREEZE DR
WATER	GAVIN HENSHAW	5/21/2026	3	SPRINKLER LEAK- 2611 S LAXEY DR
		5/22/2026	3	WATER TURN ON- 3381 S 7860 W
		5/23/2026	3	SERVICE LEAK- 7511 W WESTERN DR
		5/24/2026	3	SERVICE LEAK- 3714 S BUCKEROO CIR
		5/25/2026	3	COLD SIDE LEAK- ANTELOPE PARK DR
<b>Total Callout Hours</b>			<b>93</b>	
<b>Total Callouts</b>			<b>28</b>	
<b>Total Water/EDR Hours</b>			<b>78</b>	
<b>Total # of Water Callouts</b>			<b>25</b>	
<b>Total WWTP Hours</b>			<b>15</b>	
<b>Total WWTP Callouts</b>			<b>3</b>	

## LEAKS

Date	Address	Hours	Mainline/Service
5/7/2026	8997 W NEWHOUSE DR	3	SERVICE
5/8/2026	7360 W WESTPARK DR	3	SERVICE
5/18/2026	2970 S MERTON WY	3	MAINLINE
5/23/2026	7511 W WESTERN DR	3	SERVICE
5/24/2026	3714 S BUCKEROO CIR	3	SERVICE
5/28/2026	7462 W JEFFERSON RD	3	SERVICE
<b>TOTAL</b>		<b>18</b>	

# WASTEWATER OPERATIONS REPORT

# Magna WRF Operations Report: May 2026

## Overview:

- During May, the reuse system remained in full operation, with total reuse flows increasing to over 35 MG for the month, more than doubling April volumes and exceeding May 2025 totals by approximately 5 MG. The system handled the higher demand without issue, and overall treatment performance remained stable with no operational concerns.

## Regulatory & Compliance:

- The facility remained in compliance with all permit requirements throughout May. Routine sampling results were consistent and within expected ranges, with no issues to report.
- Effluent ammonia increased briefly due to a blower hose issue at the aeration basin. The issue was identified and corrected, with levels returning to normal.

PARAMETER	Permit Limit	Mar-2026	Apr-2026	May-2026
Influent BOD (mg/L)	N/A	246	231	241
Effluent BOD (mg/L)	25	5	5	5
BOD Removal Percent (%)	85	98	98	98
Influent TSS (mg/L)	N/A	281	273	254
Effluent TSS (mg/L)	25	4	4	4
TSS Removal Percent (%)	85	99	99	98
Effluent Ammonia (NH <sub>3</sub> )	7	0.90	0.61	1.27
<b>Additional Plant Parameters</b>				
Wasting Rate (MGD)	N/A	.139	.124	.133
Daily Average Plant Flow (MGD)	N/A	2.785	2.739	2.798
Monthly Total Reuse Flow (MG)	N/A	0.0	13.29	35.19

*\*These measures are key indicators of how well the treatment process is working.*

\*BOD (Biochemical Oxygen Demand) is a measure of the amount of dissolved oxygen that microorganisms need to break down organic matter in wastewater under aerobic conditions.

\*TSS (Total Suspended Solids) is a measure of the number of solid particles suspended in wastewater or effluent that can be trapped by a filter.

## Monthly Highlights:

- Treatment staff completed polymer jar testing with an alternative product to evaluate potential performance improvements and cost savings. The alternative product did not outperform the current polymer, and no cost benefit was identified.

**CONTROLLER/  
CLERK  
REPORT**

# COMPLIANCE OF LEGAL REQUIREMENTS AND INTERNAL POLICIES CHECK LIST

LEGAL REQUIREMENTS	2026 DATE COMPLETED	DUE DATE
Posting of Annual Schedule of Regular Board Meetings	1/4/2026	1st Monday in January
Adoption of District's Annual Tentative Budget	11/30/2025	11/30/2026
Annual Certification and Filing of FINAL Budget with State Auditor	12/31/2025	12/31/2026
Annual Filing of Impact Fees Report with State Auditor	3/18/2026	3/31/2026
Annual Filing of Financial Statements with State Auditor	6/30/2026	06/30/2026
Participation in Utah Public Finance Website (transparent.utah.gov) Salaries/Benefits	1/15/2026	1/31/2026
Quarterly Budget to Actual Reports provided to Board of Trustees 1st Quarter 2nd Quarter 3rd Quarter 4th Quarter	5/14/2026	05/31/2026 08/31/2026 11/30/2026 02/28/2027
Quarterly Expenditures and Revenues posted to Utah Public Transparency Website 1st Quarter 2nd Quarter 3rd Quarter 4th Quarter	4/18/2026	04/30/2026 07/31/2026 10/31/2026 01/31/2027
WWTP Annual Biosolids Report to State	4/27/2026	5/15/2026
OSHA 300 Report - Posted & Submitted	1/16/2026	2/1/2026
Board member contact information (name, phone number, and email address) posted on the Utah Public Notice Website	1/1/2026	1/31/2026
Semi-annual Report to State Money Management Council June 30 Report December 31 Report		07/31/2026 01/31/2027
File statement with Division of Corporations re: receipt of notice of claim	1/1/2026	1/31/2026
File with Registry of Lieutenant Governor	4/20/2026	4/30/2026
Disclosure regarding responsibility of homeowner to repair retail water line		Semi-Annually
Year End W-2's	1/28/2026	January 31

# COMPLIANCE OF LEGAL REQUIREMENTS AND INTERNAL POLICIES CHECK LIST

LEGAL REQUIREMENTS	2026 DATE COMPLETED	DUE DATE
<b>Quarterly Payroll Reports</b>		
1st Quarter	4/20/2026	4/30/2026
2nd Quarter		7/31/2026
3rd Quarter		10/31/2026
4th Quarter		1/31/2027
<b>Annual Sales Tax Return</b>	1/28/2026	01/31/2026
<b>Annual ET Technologies Waste Renewal Certification</b>	4/21/2026	4/30/2026
<b>Water Use Report</b>	1/31/2026	03/31/2026
<b>Municiple Wastewater Planning Program Report</b>	4/27/2026	05/15/2026
<b>Publish Consumer Confidence Report</b>		7/1/2026
<b>Risk Management Plan - WWTP</b>		12/31/2026
<b>Renew SAM.gov Registration</b>	3/10/2026	3/10/2026
<b>Water Conservation Plan</b>		12/31/2026
<b>Ethical Behaviour Written Pledge to Trustees &amp; Employees</b>	5/31/2026	12/31/2026
<b>Annual Employee Training</b>		
Sexual Harassment & Discrimination		12/31/2026
Tuition Assistance Program		12/31/2026
Fraud Awareness Training		12/31/2026
Data Privacy Training		12/31/2026
Ethical Behavior	5/31/2026	12/31/2026
Preventing Violence in the Workplace		12/31/2026
<b>Annual Trustee Training</b>		
Open and Public Meetings Act		12/31/2026
Utah Public Officers' and Employees' Ethics Act		12/31/2026
New Trustee Special and Local District training Course		12/31/2026
<b>Conflict of Interest Annual certification</b>	1/31/2026	1/31/2026
<b>Employee Performance Evaluations</b>	4/9/2026	03/31/2026
<b>Hotline</b>	Ongoing	Posted on Website always
<b>Annual Filing of Fraud Risk assessment with State Auditor</b>	1/1/2026	06/30/2026
<b>GRAMA Training Annual for Records Officer</b>	4/27/2026	05/31/2026
<b>Data Privacy Program Report - Annual</b>		12/31/2026
<b>Appoint A Board Chair Person Annually</b>	1/8/2026	01/31/2026
<b>Public Tax Increase Hearing</b>	When Needed	When Needed
<b>Review Insurance/Bonding Requirements</b>	1/31/2026	01/31/2026
<b>Review Fund Balance Limitation</b>	1/31/2026	01/31/2026

# COMPLIANCE OF LEGAL REQUIREMENTS AND INTERNAL POLICIES CHECK LIST

LEGAL REQUIREMENTS	2026 DATE COMPLETED	DUE DATE
Imposing/Increasing Fee - Public Hearing		When needed
Impact Fee Facilities Plan Update/Impact Fee Analysis - Proposing Change - Public Hearing	2/19/2026	2/19/2026
<p><b>Meeting Minutes</b></p> <p>Meeting Minutes and any materials distributed at the Meeting available on the Utah Public Notice Webiste, District website, and district office within three business days after the minutes are approved, make an audio recording of the open meeting available to the public for listenting, and post the same within three days of meeting.</p>	Ongoing	

# HR MANAGER REPORT

# Human Resources Report

- Staffing- 36 of 36 positions are currently filled.
- Training-
  - May 27 Trench Shoring
  - June 8,10 Arbinger Training (Melinda, Cameron, Trevor)
  - June 9 CPR/First Aid (Mandy, KayDee)
  - June 15 Casselle Workorder Training
  - June 16 Chlorine Training/Tour Thatcher Chemical
  - June 24 Excavation Safety/Trench Shoring (Chris, Ty, Gene, Dawson, Mark, Quin)
  - June 24 Onsite Confined Spaces
  - July 29 Onsite Cyber Security Training
- Safety Focus- Heat Related Illnesses
- Conferences-
- 4<sup>th</sup> of July Participation
- End of Summer Party
- Goals
- Fleet Update

# OMEGA SATELLITE



BOARD OF TRUSTEES  
Mick Sudbury, Chairman  
Jeff White  
Dan L. Stewart

GENERAL MANAGER  
Clint Dilley, P.E.

May 28, 2026

Fereidon Nabavi  
845 S Main St C4  
Bountiful, UT 84010  
801-884-3170

**Subject: Omega Satellite – Water & Sewer Availability**

**Fereidon,**

We have completed our preliminary review of the proposed **Omega Satellite** Building located on 7730 W U-201 Hwy, Magna Utah 84044. Our determination of water and sewer availability is as follows:

#### **EXISTING FACILITIES**

- |                  |  |
|------------------|--|
| <b>WATER</b>     | Water service is available near the development. There is a 12-inch main located in North Frontage Road, South of the proposed development.  |
| <b>SEWER</b>     | Sewer service is available near the development. There is an 8-inch main located in North Frontage Road, South of the proposed development.  |
| <b>SEC WATER</b> | Secondary water service is not available near the development. There is a 10-inch “dry” secondary water line that runs along North Frontage Road, South of the proposed development. |

#### **RECOMMENDATIONS**

- |                  |   |
|------------------|---|
| <b>WATER</b>     | Connect to the existing 12-inch water main in North Frontage Road and extend the service to the development.                                |
| <b>SEWER</b>     | Connect to the existing 8-inch sanitary sewer line located in North Frontage Road and extend the required sewer service to the development. |
| <b>SEC WATER</b> | Provide required service lateral to the property from the existing 10-inch “dry” secondary water line in North Frontage Road.               |

Plans showing the water and sewer lines will need to be furnished to the District by the Developer’s engineer. These Plans will need to show the location of all lines, line sizes, profile of sewer, fittings, and water service connection sizes, locations, and type.



**BOARD OF TRUSTEES**  
Mick Sudbury, Chairman  
Jeff White  
Dan L. Stewart

**GENERAL MANAGER**  
Clint Dilley, P.E.

It is my recommendation that the Magna Water District Board approve providing water and sewer services to this Development. If you have any questions or concerns, please contact me at 801-250-2118.

Sincerely,

A handwritten signature in blue ink that reads "Trevor Andra".

Trevor Andra P.E.  
District Engineer  
Magna Water District

[See attached map of project area]



**WRF  
OPERATION  
BLDG**

June 2, 2026

Trevor Andra, P.E.  
District Engineer  
Magna Water District  
8885 West 3500 South  
Magna, Utah 84044

**Subject: Bid Review and Recommendation for Magna WRF Operations Building Project**

Dear Trevor:

Bids for the Magna WRF Operations Building Project were received on Thursday, May 21, 2026. Six contractors furnished bids for consideration, and we have completed our review of these bids to verify that they were responsive. Refer to the attached Bid Tabulation Summary for related information.

The apparent low bidder is Paulsen Construction with a bid of \$2,063,999.42. Being the low bidder, we reviewed their proposal and contacted a few of their key subcontractors and provided references. They have recently completed work similar to this project and have proved to be capable of doing the work required for this project. After our review we have found that their bid meets the qualification requirements in the contract documents.

Having found their bid to be responsive, it is our recommendation that Paulsen Construction be awarded the project. In the event that there are any concerns with the low bidder, the second lowest bidder was Valley Design & Construction with a bid of \$2,089,669.00. In reviewing their bid, they also met all qualifications and would be capable of performing the work required for this project.

After the Notice of Award has been sent, we are planning to schedule a meeting with the selected Contractor to discuss and lay out a detailed schedule and project approach. If you have any questions regarding the bid review or need any additional information, please contact me at (801) 495-2224.

Sincerely,  
Bowen Collins & Associates,



Nate Rogers, P.E.  
Project Manager

pc: Clint Dille, P.E./Magna Water District, General Manager  
Dallas Henline/Magna Water District, Wastewater Operations Manager  
Beau Lamper/Magna Water District, Wastewater Operations Lead  
Jeff Beckman, P.E./Bowen Collins & Associates

Enclosures (1)



**Bid Tabulation  
Summary**

<b>PROJECT NAME</b>	Magna WRF Operations Building
<b>PROJECT NUMBER</b>	483-25-01
<b>PROJECT LOCATION</b>	Magna, UT

<b>PROJECT MANAGER</b>	Jeff Beckman
<b>PROJECT ENGINEER</b>	Nate Rogers
<b>BID DATE</b>	5/21/26 2:00 PM

RANK	CONTRACTOR	BID PRICE	% from Lowest Bidder	Addendum #1 Acknowledged	Addendum #2 Acknowledged	Bid Bond	Subcontractor List	Bid Signed	Bid Evaluated & Responsive
1	Paulsen Construction	\$ 2,063,999.42	LOW BID	Yes	Yes	Yes	Yes	Yes	Yes
2	Valley Design & Construction	\$ 2,089,669.00	1.2%	Yes	Yes	Yes	Yes	Yes	Yes
3	Cal Wadsworth Construction	\$ 2,182,459.00	5.7%	Yes	Yes	Yes	Yes	Yes	Yes
4	Corrio Construction	\$ 2,863,619.00	38.7%	Yes	Yes	Yes	Yes	Yes	Yes
5	VanCon, Inc.	\$ 3,112,644.00	50.8%	Yes	Yes	Yes	Yes	Yes	Yes
6	COP Construction	\$ 3,180,842.00	54.1%	Yes	Yes	Yes	Yes	Yes	Yes

**Successful Bid:** Paulsen Construction \$ 2,063,999.42

**BOWEN**  
**COLLINS**



**EXHIBIT A**  
**Magna Water District**  
**WRF Reuse Project**  
**BOWEN, COLLINS & ASSOCIATES**

**SCOPE OF WORK – CONSTRUCTION MANAGEMENT SERVICES**

**DATE:** May 26, 2026  
**PROJECT:** Magna WRF Operation Building  
**PROJECT MANAGER:** Nate Rogers, P.E.  
**PROJECT LOCATION:** Magna, Utah  
**PROJECT NO.:** 483-25-01

**BACKGROUND**

Bowen Collins & Associates (BC&A) has completed the design for the Magna WRF Operations Building Project for the Manga Water District (MWD). The Project is currently in the bid phase. MWD has requested that BC&A provide engineering services during construction phase of the project. It is anticipated that the construction period will last approximately 15 months. The following tasks will be completed by members of the BC&A Construction Management Team.

**SCOPE OF WORK**

**TASK 3 – CONSTRUCTION MANAGEMENT SERVICES**

BC&A will provide engineering services during construction including reviewing project schedules, reviewing submittals and shop drawings, responding and clarifying RFI's and evaluating material and equipment substitutions. These engineering services will also include evaluating and making recommendations for action on change orders, reviewing construction payment requests, attending construction meetings and conducting on-site observation. A breakdown of this task is detailed below.

**Subtask 3-1: Project Management and Coordination Meetings.**

Schedule, attend and conduct bi-weekly progress meetings through the duration of construction. At minimum, the bi-weekly progress meetings will be attended by the following individuals:

- MWD's Project Team
- Contractor Project Manager and Superintendent
- BC&A's Project Manager and Construction Manager

Depending on the stage of construction, other individuals may be invited to the bi-weekly progress meetings. This subtask also includes scheduling and conducting a pre-construction meeting with the District, BC&A, the successful General Contractor and any other parties involved.

**Subtask 3-2: Construction Documentation Administration.**

Provide organized, timely review of construction documentation of product submittals, shop drawing submittals, project schedules, schedule of values and RFI's. This includes the administration of reviewing Contractor payment requests and maintaining contract changes such as Field Orders, Work Change Directives and Change Orders. BC&A will utilize the VPO Software System to coordinate, document and organize electronic submittals.

**Subtask 3-3: Project Observation.**

Provide part-time construction observation services, including coordination with District staff, field observation, contractor coordination, attendance at regular construction progress meetings, and construction documentation.

**Subtask 3-4: Special Inspections.**

This task includes budget for sixteen (16) separate visits each for special inspections that may be required during construction.

**Deliverables:**

1. Meeting minutes will be prepared after each bi-weekly progress meeting and for the pre-construction meeting.
2. Record log of submittals.
3. Documentation of RFI's, RFQ's and change order requests.
4. Copies of all daily inspection reports.

## **TASK 4 – PROJECT CLOSEOUT**

BC&A will provide project closeout services as the construction phase nears completion. This includes startup and subconsultant services, reviewing operation and maintenance manuals, compiling accurate record drawings and providing any post-project services that may be needed. The project documentation that is completed during this task will be provided to the District for their records. A breakdown of this task is detailed below.

### **Subtask 4-1: Start-up and Subconsultant Services.**

Coordinate and attend startup services with individual equipment suppliers. This may include scheduling and conducting a meeting with the District, BC&A and the successful General Contractor to discuss the startup plan and determine ways to minimize disruptions to the daily operations of the existing WRF.

### **Subtask 4-2: O&M Manuals.**

Coordination with the General Contractor to prepare and provide comprehensive package of operations and maintenance manuals following completion of construction.

### **Subtask 4-3: Record Drawings & Project Documentation.**

Coordination with the General Contractor and other project parties to gather all as-built construction documents and compile Record Drawings following completion of construction.

### **Subtask 4-4: Post-Project Services.**

This task is for any post-project services that may be needed. This could include additional coordination with subconsultants to troubleshoot new building equipment or coordination with MWD's system integrator, SKM, to work through any integration questions that may arise from the migration of equipment from the existing Operations Building to the new Operations Building.

#### **Deliverables:**

1. Completed record drawings in ready-to-print format including:
  - a. 2 bound half-sized sets of record drawings (11" x 17").
  - b. Electronic copy of construction files including record drawing provided via file sharing folder.
2. Bound copies of the Operation and Maintenance manuals including all equipment, data sheets and information.

#### **Excluded Items:**

The following items are not included in the project scope of work, but can be added if desired by the District as the project progresses.



1. Additional services required during construction that are beyond the anticipated level of effort provided for construction management.
2. SCADA integration and programming services and panel layout shop drawings.
3. Startup training services.
4. Utility Potholing Services. It has been assumed that the District would provide potholing services on the project sites if found to be needed.

## **SCHEDULE**

It is anticipated that the tasks outlined in this Scope of Work will be completed shortly after final completion, which is to occur on or before August 27, 2027.

## **ENGINEERING FEE**

BC&A will complete the services described above for an engineering fee not to exceed \$195,820.00. A detailed breakdown of estimated labor requirements and costs and miscellaneous expenses is attached.



**Exhibit B  
Engineering Fee Estimate**

<b>PROJECT</b>	MWD WRF Operations Building
<b>CLIENT</b>	MAGNA WATER DISTRICT
<b>DATE</b>	5/12/2026

Engineering & Construction Management													Expenses					Project		
Task	Description	Labor Category	Office		BC&A Staff								Subtotal Hours	Subtotal Labor	HVAC/Plumbing Subconsultant	Architect Subconsultant	Steel Special Inspections	Mileage (Estimated)	Subtotal Expenses	Total Cost
			Acct	CAD Mgr	EIT	Sr SE	EE	Sr EE	CM	CM Mgr	PE	PM/PIC								
		Staff	Skousen	Anderson	McCullough	Smoot	Lake	Youngstrom	Thompson	Mecham	Rogers	Beckman								
		2026 Billing Rate*	\$140	\$184	\$144	\$183	\$183	\$245	\$160	\$206	\$188	\$251								
<b>3 Construction Management Services</b>																				
3-1	Construction Management and Coordination Meetings		8		80	8	12		4	4	80	20	216				\$1,500	\$1,500	\$40,198	
3-2	Construction Documentation Administration				99	40	48	8	12		50	4	261					\$26,345	\$72,009	
3-3	Project Observation				116		12		24	8	30	4	194				\$3,180	\$6,315	\$38,049	
3-4	Special Inspections					8			36	12			56			\$2,310	\$450	\$2,760	\$12,698	
	<b>Subtotal</b>		<b>8</b>		<b>295</b>	<b>56</b>	<b>72</b>	<b>8</b>	<b>76</b>	<b>24</b>	<b>160</b>	<b>28</b>	<b>726</b>				<b>\$5,130</b>	<b>\$36,920</b>	<b>\$162,960</b>	
<b>4 Project Closeout</b>																				
4-1	Start-up and Subconsultant Services				8						4	2	14					\$9,900	\$12,366	
4-2	O&M Manuals				12						4	2	18					\$0	\$3,057	
4-3	Record Drawings & Project Documentation			16	24	8	8				8		64					\$0	\$11,103	
4-4	Post Project Services				16		8				12		36				\$150	\$150	\$6,325	
	<b>Subtotal</b>		<b>16</b>	<b>60</b>	<b>8</b>	<b>16</b>					<b>28</b>	<b>4</b>	<b>132</b>				<b>\$150</b>	<b>\$10,050</b>	<b>\$32,860</b>	
	<b>Totals</b>		<b>8</b>	<b>16</b>	<b>355</b>	<b>64</b>	<b>88</b>	<b>8</b>	<b>76</b>	<b>24</b>	<b>188</b>	<b>32</b>	<b>858</b>				<b>\$5,280</b>	<b>\$46,970</b>	<b>\$195,820</b>	

**Notes:**

**Standard Expenses Include:**

- Mileage reimbursement at \$0.75/mile
- 10% markup on subcontractors and expenses
- \*Billing rates are adjusted annually, typically each January

**Assumptions:**

- Roundtrip miles from Draper Office to Magna WRF:

50



April 29, 2026

Nate Rogers, P.E.  
Bowen Collins  
801.495.2224

**Re: Proposal for Construction Administration Services  
Architectural, HVAC and Plumbing Scope  
Magna Operations Building  
Magna Water District  
Magna, UT 84044**

Hello Nate:

CTA Inc. (dba Cushing Terrell) is pleased to provide the professional services as outlined below. We are excited to continue to work with Bowen Collins on important project within our downtown!

The following proposal provides a description of Cushing Terrell's understanding of the project scope and discusses the scope of services Cushing Terrell will provide in the Construction Administration phase of the project.

**Scope of services included:**

Cushing Terrell shall provide support to Bowen Collins during construction of the above project, including the following items:

- Virtually attend a pre-construction conference with Contractor, Subcontractors and water district.
- Review, coordinate and take appropriate action on material and product submittals, RFIs, substitution requests, and shop drawings related to Architectural, HVAC, and Plumbing Design Scope.
- Attend (1) on-site observation visit to document the contractor's progress and quality of construction to determine if the construction is proceeding in accordance with the Design Team's design intent and the construction documents; Provide field report to Bowen Collins of findings. Occurrence shall be at Bowen Collins direction but is anticipated at 65% Completion.
- Virtually attend (8) OAC Meetings occurring at Bowen Collins discretion. It is understood that the meetings will be conducted every other week and be a duration of 12 months.
- Render any interpretation or clarification necessary for the proper execution or progress of the construction as related to Architectural, HVAC and Plumbing scope.
- Attend (1) on-site substantial completion walk-through and prepare 'punch list' of items to be corrected and/or completed before the warranty period can commence as related to Architectural, HVAC, and plumbing.
- Analyze and approve change orders specially related to design scope.
- Provide final completion observation and certification.
- Incorporate contractor markups into digital record drawings once the Project is complete.

**Scope of Services excluded/Costs not included:**

- Plan review /Permit application fees
- Printing of drawings/specifications
- FF&E design/documentation
- In-person site visits other than as noted.
- Design changes in the field.

**Professional Services for this Project, as indicated above, shall be as follows:**

Operation Building Design and Bidding Services:

<b>Hourly not to Exceed Total:</b>	<b>\$32,800.00</b>
<b>Reimbursables (Travel):</b>	<b>\$2,850.00</b>

**Payment Schedule:**

The project will be billed monthly. Payments are due and payable Thirty (30) days from the date of Cushing Terrell's invoice. Amounts unpaid thirty-one (31) days after the invoice date shall bear interest at the rate of 1.5% per month.

**Additional Services:**

Additional services will be billed hourly unless fixed fee is requested. Work will begin upon receipt of written approval.

We appreciate the opportunity to work with you on this project and your willingness to utilize our firm. We look forward to providing you with Architectural and Engineering services for this project as described above. If you have any questions or concerns regarding any part of our proposal, please do not hesitate to contact me at (208) 577-5674 and [joshuagregoire@cushingterrell.com](mailto:joshuagregoire@cushingterrell.com).

Sincerely,

CUSHING TERRELL



Joshua Gregoire, AIA  
Project Manager | Architect  
Cushing Terrell

cc: File -

**IGES**



**Materials Testing Services Agreement**

**PARTIES**

This agreement entered into at Draper, Utah, is made effective this 29<sup>th</sup> day of May between:

**Magna Water District**  
8885 West 3500 South  
Magna, Utah 84044  
T: (801) 250-2118  
hereinafter called "Client"  
Attn: Trevor Andra, District Engineer  
[trevor@magnawater.com](mailto:trevor@magnawater.com)

**IGES, Inc.**  
12429 South 300 East, Suite 100  
Draper, Utah 84020  
T: (801) 748-4044, F: (801) 748-4045  
hereinafter called "IGES"

**PROJECT DESCRIPTION**

Client engages IGES to obtain soil samples, perform proctor and gradation tests as needed and provide compaction (soil density) testing, concrete sampling & testing, grout sampling & testing, masonry and other miscellaneous testing services for the proposed Magna WRF Operations Building at the facility located at 7750 W 2100 S in Magna, Utah. As required by Bown Collins, all concrete samples will be cast as 6" x 12" specimens. As with the other projects on this property, Bown Collins performs all special inspections.

**SCOPE OF SERVICES**

IGES agrees to perform the following services at the specified costs:

1. Perform laboratory Proctors, Plasticity Limit and Gradation testing as requested by client.
2. Provide density, concrete and asphalt testing at the site.
3. Provide other testing and special inspections as needed for the project.
4. Report results of testing to Client on a weekly basis.

Material testing will be billed on a time and expense basis in accordance with the attached fee schedule. Technicians will be billed at a rate of 1.5 times the standard rate for all time over 40 hours during a week and for any weekend work.

Density Testing (per visit – 1 hr visit) .....	\$215
Concrete Testing (per visit/set – 2 hr visit – includes break fee) .....	\$500
Special Inspection (per visit – 1 hr visit).....	\$250

Density Testing (10 -12 visits) .....	\$2,750
Concrete Testing (10 visits – Break Fee - Including pick up next day) .....	\$7,000
Asphalt Testing (1 all day visit / 1 loose sample).....	\$1,000
Lab Testing (1 Modified Proctor with Sieve Analysis / Asphalt lab testing / Masonry Prisms).....	\$1,400
Admin and Support Services.....	\$1,500

**ESTIMATED TOTAL PROJECT COST .....\$13,650\***

\*See attached rate schedule for specific costs associated with laboratory testing on soil and concrete, estimated fee is based on our understanding of the anticipated testing that will be needed and is based on the information, hourly rates, unit rates, etc. presented in this proposal and any future annual rate increases. The number of visits and duration of visits are subject to failing tests, cancelled tests, inclement weather, site preparation, or other unforeseen conditions may require additional visits and/or longer visits.

**Changes**

Where applicable, proposed fees constitute our best estimate of the charges required to perform the services as defined. Except as otherwise provided, the project scope will not be reduced without written mutual agreement. Where project scope is expanded by Client (or agent), Client will be responsible for payment for services resulting therefrom. For those projects involving conceptual or process development services, activities often cannot be fully defined during initial planning. As the project progresses, if facts are uncovered which reveal a change in direction or an alteration of scope, IGES will inform Client so that changes in scope can be negotiated as required.

**TERMS AND CONDITIONS**

1. Any additional work that Client, Owner, IGES or other authority requires that is not contained in this contract will be billed according to our current fee schedule.
2. IGES will bill Client monthly or as otherwise determined, as work progresses. Invoice amounts are due and payable in full within 30 days of the invoice date. Accounts unpaid after said 30 day period shall be in default and shall be subject to a default or late payment charge at the rate of 1.5% per month based upon the unpaid balance of the account dating from the invoice date, and accrued and compounded monthly. IGES may give notice by regular mail and suspend services if the Client is in default as defined above. IGES will not be responsible for any penalty, damages or hardship that may result from such suspension of work. Client agrees to pay any and all costs and fees required or incurred by a collection agency and/or an attorney to collect payment in full.
3. In recognition of the relative risks and benefits of the project, Client agrees that IGES's total aggregate liability for all acts, errors or omissions (whether based upon contract, tort or other legal theory) shall not exceed five (5) times the amount of IGES's fee. Client agrees that Client's sole and exclusive remedy for any claim, whether based upon contract, tort or other legal theory, will be against IGES's corporate entity and not against any of IGES's individual employees, officers, or directors.
4. Neither party shall be responsible or held liable to the other for any consequential, incidental, or indirect damages, including loss of profit, loss of product, or business interruption. The obligations and remedies provided herein are exclusive and in lieu of any other rights or remedies available at law or in equity. Indemnifications, releases from liability and limitations of liability shall apply notwithstanding default or negligence of the party indemnified, released or whose liability is limited.
5. IGES will provide its services in accordance with generally accepted engineering principles and practices existing at the time of performance for the locality where the services are performed. IGES makes no guarantees or warranties concerning services and no guarantees or warranties may be implied under the Uniform Commercial Code or otherwise.
6. Client agrees to notify Consultant (24) hours in advance of any necessary tests and observations.
7. Unless otherwise agreed to in writing, test specimens or samples taken by IGES may be disposed of after completion of laboratory testing.
8. Client shall not assign this Agreement or any claim or cause of action for alleged breach of this Agreement without the written consent of IGES.
9. No rights or benefits are provided by this Agreement to any person other than the Client and IGES, and the parties do not intend to confer any rights in third-parties.
10. All legal actions by either party against the other arising out of this Agreement, or for alleged failure to perform in accordance with the applicable standards of care, shall be barred two years from the date the claimant knew or should have known of its claim; provided, however, that no legal actions shall be asserted by Client or IGES more than four years after the date of IGES's last invoice for services.
11. This Agreement may be terminated by either party by not less than 10 days written notice to the other party specifying substantial failure to perform in accordance with the terms of the Agreement by the other party through no fault of the terminating party. Such termination shall not be effective if the substantial failure to perform is remedied within the 10 day period. If this Agreement is terminated, IGES shall be paid for services performed up to the termination notice date plus reasonable termination expenses.
12. Client represents and warrants that it possesses all necessary permits and licenses required for the performance of the services.
13. Client shall furnish with reasonable promptness such soils investigations and reports, land surveys, existing building information, tests, analyses, etc. as may be necessary for the proper execution of IGES's services at no expense to IGES, and IGES shall be entitled to rely upon the accuracy and completeness thereof. All designs, drawings and other documents produced by IGES are instruments of IGES's service and shall be the property of IGES unless otherwise specified. All designs, drawings, and other documents produced by IGES are not intended or represented to be suitable for reuse by Client or others on extensions or modifications of this project or any other project. Reuse of any such documents without written permission from IGES for the specific purpose intended shall be at the user's sole risk, without liability to IGES. Client agrees to indemnify and hold IGES harmless from all claims, damages, and expenses, including attorney's fees arising out of such unauthorized reuse.
14. This Agreement shall be governed by the laws of the State of Utah unless otherwise agreed in writing between the parties.
15. Should any provision of this Agreement be held invalid or unenforceable, the remaining provisions shall remain valid and binding upon the parties. The failure of IGES to insist upon strict performance by Client of any the terms and conditions of this Agreement shall not be deemed a waiver of any of IGES's rights or remedies and shall not be deemed a waiver of any claim involving any subsequent breach or default.

---

**Client and IGES acknowledge that each has read and agrees to the Terms and Conditions above which are incorporated herein and made a part of this Agreement and apply to all services performed by IGES.**

**Client: Magna Water District**

**Consultant : IGES, Inc.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



**SCHEDULE OF CHARGES**  
**Intermountain GeoEnvironmental Services, Inc.**  
**2026**

**PERSONNEL**

Principals.....	\$200 per hour
Associates .....	\$180 per hour
Senior Engineers/Geologists/Geophysicists .....	\$170 per hour
Project Engineers and Geologists .....	\$150 per hour
Staff Engineers and Geologists .....	\$140 per hour
Assistant Professionals.....	\$120 per hour
Senior Field/Laboratory Technicians and Special Inspectors.....	\$105 per hour
Junior Field/Laboratory Technicians.....	\$85 per hour
Word Processing and Clerical .....	\$80 per hour
Expert Consultation, Report Preparation and Testimony.....	\$300 per hour

**LAB TESTING**

Proctor Tests (with rock correction) .....	\$240 each
Atterberg Limits Tests.....	\$135 each
Sieve Analysis .....	\$100
Minus No. 200 Wash .....	\$75
Concrete Cylinder Breaks (4 x 8).....	\$40 per cylinder (\$180 for Set of 5)
Concrete Cylinder Breaks (6 x 12).....	\$45 per cylinder (\$200 for set of 5)
Concrete Cylinder Density (4 x 8) .....	\$50 per cylinder
Concrete Flexural Beams.....	\$120 each
Concrete Shrinkage Beams.....	\$550 per set of 3
Grout Prisms.....	\$40 each
Mortar Cubes .....	\$160 per set of 6
Masonry Prisms.....	\$50 each
Grout Cubes.....	\$160 per set of 6
Shotcrete Core Breaks .....	\$170 for set of 6
Course Specific Gravity of Aggregate.....	\$95
Specific Gravity of Asphalt/Concrete Cores.....	\$45 per core
Asphalt Extraction Gradation .....	\$180
Asphalt Theoretical Maximum Specific Gravity (RICE) .....	\$180
Marshall Compaction and Density.....	\$180

**EQUIPMENT**

Vibration Monitoring.....	\$350 per week/\$900 per month
Mileage.....	\$1.00 per mile (\$0.65 for Materials Testing)

**MISCELLANEOUS EXPENSES**

Out-of-town living expenses, vehicle rentals, sub-contracted work, postage, shipping, travel, and other costs incurred with outside services or equipment..... Cost plus 15%

# CHANGE ORDER #1



Stantec Consulting Services Inc.  
2890 East Cottonwood Parkway Suite 300, Salt Lake City UT 84121-7283

June 1, 2026

**Attention: Mr. Trevor Andra, PE - District Engineer**

Magna Water District  
8885 West 3500 South  
Magna, UT 84044

Dear Mr. Andra,

Stantec requested that the contractor for Project 1B, BD Bush Excavation (BD Bush), prepare a cost proposal for the relocation of the UDOT ATMS fiber-optic line under Highway 201 by directional drilling, along with any additional costs incurred due to the project delay. Relocation of the existing fiber-optic line is required to address a conflict with the bore path of the new 30-inch trunk sewer. In addition, Magna Water District directed BD Bush to increase the south opening of SSMH-11 to 36 inches on March 31, 2026.

BD Bush submitted a change order proposal to Stantec last week. After reviewing the proposal and discussing its cost basis with BD Bush, we are submitting the revised change order proposal for your consideration (see attached). The proposal includes costs for relocation of the fiber-optic line, contractor and subcontractor demobilization in 2024, remobilization in 2026, fabrication of a custom drill head to reduce the risk that the abandoned fiber-optic casings could impede the bore, and escalation in material, labor, and fuel costs since 2024. In addition, the launching and receiving boring pits and geotechnical monitoring activities must be reestablished from the point at which they stopped in 2024.

The Stantec team recommends that Magna Water District approve the change order in the amount of \$1,216,762.01 and issue a notice to proceed to BD Bush to complete Project 1B. Although the delay related to the fiber-optic conflict has increased project costs, Project 1B is critical infrastructure that will improve overall sewer collection capacity and should therefore be completed. We are confident the project can be successfully completed using the measures included in this proposal.

If you have any questions or would like to discuss the proposal, please contact me.

Regards,

**Stantec Consulting Services Inc.**

---

**J. Clinton Rogers** P.E.  
Vice President  
Phone: 801-617-3204  
clint.rogers@stantec.com

Attachment: Project 1B Change Order Proposal\_BD Bush

Magna Westside Collection

Bid Items							
Description	Quantity	UM	Unit Bid Price	Total Bid Price	% Billed	Total Billed	Remaining
Pipe Materials (pipe, Fittings And Install)	1	LS	\$ 591,000.00	\$ 591,000.00	90%	\$ 531,900.00	\$ 59,100.00
Excavation (Excavation, Shoring, Pipe Bedding, Groundwater Mitigation, Imported Fill And Backfill)	1	LS	\$ 622,500.00	\$ 622,500.00	90%	\$ 560,250.00	\$ 62,250.00
Manholes (Manholes, Fittings And Equipment Install)	1	LS	\$ 184,400.00	\$ 184,400.00	95%	\$ 175,180.00	\$ 9,220.00
Pavement (cutting, Roadbase And Restoration)	1	LS	\$ 244,650.00	\$ 244,650.00	95%	\$ 232,417.50	\$ 12,232.50
Administration (permitting And Traffic Control)	1	LS	\$ 100,500.00	\$ 100,500.00	90%	\$ 90,450.00	\$ 10,050.00
Trenchless Pipe Installation By Pilot Tube Trenchless Method Under State Highway 201	1	LS	\$ 326,200.00	\$ 326,200.00	0%	\$ -	\$ 326,200.00
<b>Launch Shaft (Pilot Tube) - NEED TO RESET WITH CHANGE ORDER</b>	1	LS	\$ 522,850.00	\$ 522,850.00	45%	\$ 235,282.50	\$ 287,567.50
<b>Reception Shaft (Pilot Tube) - NEED TO RESET WITH CHANGE ORDER</b>	1	LS	\$ 382,800.00	\$ 382,800.00	61%	\$ 235,060.00	\$ 147,740.00
48-inch Steel Casing Pipe (Pilot Tube)	1	LS	\$ 70,250.00	\$ 70,250.00	100%	\$ 70,250.00	\$ -
Carrier Pipe Placement For 30-inch PVC, Inside Steel Casing Pipe, Complete In Place	1	LS	\$ 53,950.00	\$ 53,950.00	0%	\$ -	\$ 53,950.00
<b>Geotechnical Instrumentation And Monitoring - NEED TO RESET WITH CHANGE ORDER</b>	1	LS	\$ 164,500.00	\$ 164,500.00	30%	\$ 49,350.00	\$ 115,150.00
Backfill Grout	1	LS	\$ 42,350.00	\$ 42,350.00	0%	\$ -	\$ 42,350.00
Cathodic Protection Test Stations Listed In Sheet I-3	1	LS	\$ 14,000.00	\$ 14,000.00	0%	\$ -	\$ 14,000.00
Other (Mobilization, Bonds/insurance, OH&P)	1	LS	\$ 142,600.00	\$ 142,600.00	90%	\$ 128,340.00	\$ 14,260.00
Bid Allowances Per Section 01 95 00	1	LS	\$ 25,000.00	\$ 25,000.00	0%	\$ -	\$ 25,000.00
			Billed To Date		66%	\$ 2,308,480.00	\$ 1,179,070.00
<b>Miscellaneous Items</b>				<b>original contract</b>		<b>\$ 3,487,550.00</b>	
Excavation	100	CY	\$ 31.25	\$ 3,125.00	0%		
Imported Fill	100	CY	\$ 89.50	\$ 8,950.00	0%		
Roadbase	10	CY	\$ 64.60	\$ 646.00	0%		
Pavement Cutting	10	SF	\$ 4.60	\$ 46.00	0%		
Asphalt	10	CY	\$ 260.00	\$ 2,600.00	0%		
48-inch Steel Casing Pipe Installed By Trenchless	10	LF	\$ 8,810.00	\$ 88,100.00	0%		
Carrier Pipe Placement For 30-inch PVC Inside 48" Steel Casing Pipe Complete In Place	10	LF	\$ 355.00	\$ 3,550.00	0%		
Backfill Grout	10	CY	\$ 2,360.00	\$ 23,600.00	0%		
<b>Change Orders</b>							
<b>Launch Shaft (Pilot Tube) - NEED TO RESET WITH CHANGE ORDER</b>	1	LS	\$ 522,850.00	\$ 235,282.50			
<b>Reception Shaft (Pilot Tube) - NEED TO RESET WITH CHANGE ORDER</b>	1	LS	\$ 382,800.00	\$ 235,060.00			
<b>Geotechnical Instrumentation And Monitoring - NEED TO RESET WITH CHANGE ORDER</b>	1	LS	\$ 164,500.00	\$ 49,350.00			1529.57
<b>Mob - NEED TO RESET WITH CHANGE ORDER</b>	1	LS	\$ 142,600.00	\$ 128,340.00			20917.11
Relocate Fiber Optic Line	1	LS	\$ 142,038.75	\$ 142,038.75			10520.21
Demobilization Cost - NIX	1	LS	\$ 142,917.92	\$ 142,917.92			3355.8
Additional Costs - NIX Remobilization, Cost Escalation	1	LS	\$ 201,293.81	\$ 201,293.81			155385.7
Additional Costs - BD Bush (Aggregate & Fuel Costs Increase)	1	LS	\$ 52,800.00	\$ 52,800.00			191708.4 9585.42 201293.8
Additional Costs - Cutting Head Fabrication	1	LS	\$ 29,679.03	\$ 29,679.03			
			Change Order Cost	\$ 1,216,762.01		\$ 1,045,044.23	
			Billed To Date	\$ 2,308,480.00			
			Remaining Cost To Complete (contract)	\$ 1,179,070.00			
			Adjusted Contract Amount	\$ 4,704,312.01			

## BD BUSH COST SUMMARY

### WORK CHANGE DIRECTIVE NO.: 1

Owner:	Magna Water District	Owner's Project No.:	
Engineer:	Stantec	Engineer's Project No.:	181301866
Contractor:	BD Bush	Contractor's Project No.:	
Project:	Magna WCS Project 1B		
Contract Name:	Magna WCS Project 1B		
Date Issued:	03/31/2026	Effective Date of Work Change Directive:	03/31/2026

**Description:**

Contractor to prepare a cost proposal for the relocation of UDOT ATMS Fiber Optic under Highway 201 via directional drilling as per the attached drawings and specification. Relocation of the existing fiber optic lines are required to address a conflict with the bore path of a new 30" trunk sewer. Additionally, Contractor to upsize the south opening of SSMH-11 to 36" per discussions with MWD and design team on 03/31/2026.

**Attachments:**

**Magna 1B FO Relocation Design Drawings, Specification Section 33 05 07.13 – Utility Directional Drilling, and GC-1**

The relocation work shall proceed as an amendment to the existing Project 1B contract only on approval by the Owner, Magna Water District, of the costs to be proposed by the contractor in the table below. In addition to the costs for the fiber optic relocation, please include any additional costs needed to complete Project 1B above and beyond the existing contract as result of delays or material cost escalations. These increases must include documentation and are subject to review by the Engineer and Owner.

**Change in Contract Price:**

ITEM	COST
HDD Subcontract	\$ <u>142,038.75</u>
Open-Cut Surface Work and Utility Box Connections for Fiber Relocation	\$ _____
Custom Pilot Ramming Head Fabrication	\$ <u>29,679.03</u>
Upsizing of SSMH-11 Opening	\$ _____
Project 1B Additional Cost Claims	\$ <u>1,045,044.23</u>
<b>Total</b>	<b>\$ <u>1,216,762.01</u></b>

Recommended by Engineer

Authorized by Owner

By:

\_\_\_\_\_

\_\_\_\_\_

Title:

\_\_\_\_\_

\_\_\_\_\_

Date:

\_\_\_\_\_

\_\_\_\_\_

Original



Claude H.  
NIX CONSTRUCTION

Proposal  
RE-FY2001 - Magna Wastewater Collection System Project 1A, FH201 Crossing, Magna, UT

10/26/2001

To: H2Bench Excavation  
Address:

Attn: Tucker Bush  
Phone:  
Email:

This Proposal includes the following items:

Installation of sheetpile in wetland and reception shaft. Install sheet pile in wetland using vibratory pile driving method. Installation of client provided carrier pipe thru casing. Furnish and install casing spacers. Provide installation of instrumentation and monitoring for shafts and trenchless crossing. Annular space of carrier inside casing. Setting of client provided manholes. Furnish and install backfill test shafts for casing. Backfill shafts and compact with client provided backfill.

Item	Description	Qty.	Unit	Price	Total
1	<b>Mobilization</b> Includes: 1. One mobilization of required equipment and material to/from work site. 2. Provide material submittal package for permit. 3. Inter-site Moves. 4. Enclosure for Support of Excavation and Dewatering. 5. Enclosure for tunnel work plan, pipe racks, and backfill grout. 6. Pathing of utilities shown on drawings. * Includes one mobilization of crew and required equipment. * It is assumed we can complete all work consecutively and uninterrupted.	1	EA	\$ 96,537	\$ 96,537
2	<b>F&amp;I 48" Steel Casing (625 Wall) for 30" SDR35 PVC Sewer</b> Includes: 1. 48 inch x 625 thick steel casing laid under highway. 2. Equipment, labor and material to install steel casing per plan. 3. Utilize pipe racks from class project per specification. * Excludes rubble, boulders, rock, or split face. * There is under the assumption of ground conditions conducive to pilot tube installation.	107	LF	\$ 2,129	\$ 229,783
3	<b>Construct Launch Shaft</b> Includes: 1. Furnish and install concrete sheet piles to share Launch Shaft. 2. Excavate launch and place walers beams, per sharing design. Remove beams at completion. 3. Load export material on client provided tracks, for disposal. 4. Fine grade and stabilize pits with rock (1" max). 5. Furnish and install concrete bottom slab in shaft. 6. Provide dewatering inside shaft, as required. 7. Provide pit wall for trenchless crossing. 8. Set and stack sheet provided, manholes in shaft. 9. Backfill and compact pits with client provided import material (CMA material). 10. Place Reverse K Rail Barrier in front of pit, per plan.	1	LS	\$ 435,979	\$ 435,979
4	<b>Construct Reception Shaft</b> Includes: 1. Furnish and install concrete sheet piles to share Reception Shaft. 2. Excavate reception and place walers beams, per sharing design. Remove beams at completion. 3. Load export material on client provided tracks, for disposal. 4. Fine grade and stabilize pits with rock (1" max). 5. Furnish and install concrete bottom slab in shaft. 6. Provide dewatering inside shaft, as required. 7. Provide pit wall for trenchless crossing. 8. Set and stack sheet provided, manholes in shaft. 9. Backfill and compact pits with client provided import material (CMA material). 10. Place Reverse K Rail Barrier in front of pit, per plan. <i>NOTE: Above line will need to be relocated to accommodate shaft.</i>	1	LS	\$ 310,340	\$ 310,340
5	<b>Install Only, Client Provided 30 inch PVC Thru Casing</b> Includes: 1. Equipment and labor to install carrier pipe thru casing. 2. Furnish and install stainless steel casing spacers on carrier pipe.	168	LF	\$ 165	\$ 27,720
6	<b>Geotechnical Instrumentation and Monitoring</b> Includes: 1. Provide monitoring plan submittal. 2. Furnish and install AMES for settlement monitoring. Provide analysis and reporting. 3. Furnish and install SHM Optical Survey Points. Parameters and frequency per plan. 4. Provide traffic control for set-up of most monitoring points. 5. Install and remove pipe for AMES. 6. Equipment and labor to monitor parameters and instruments, as required in spec.	1	LS	\$ 117,478	\$ 117,478
7	<b>Backfill Grout, Annular Space between Carrier and Casing</b> Includes: 1. Furnish and install LMCC grout, 2800 PSI. 2. Quantity is based on concrete slurry material, shown on annex track. 3. Provide bulkheads, vents, and airlock ports, as required. 4. Provide plugs to bottom carrier pipe, prior to grouting. <i>NOTE: Ready mix tickets will be provided for billing purposes.</i>	16	CY	\$ 1,811	\$ 29,034
8	<b>Cathodic Protection Test Stations</b> Includes: 1. Furnish and install cathodic protection test stations at each end of casing, per plan.	2	EA	\$ 6,964	\$ 13,928
<b>Estimated Project Total:</b>					<b>\$ 1,416,549</b>
				<b>Working Days to Complete:</b>	<b>89 Days</b>

**Client to provide:**

- Removal and disposal of all spoil fill. Estimated quantity: 1099 CY.
- CMA backfill material. Estimated quantity: 1250 CY. To be provided on site.
- Client to provide enough tracks to transport material from production.

**Excludes:**

- \*Ground conditions as available for pilot tube or casing installation (2" rock, boulders, gravel, rubble or split face)
- \*Disposal of spoil
- \*Backfill material of any kind
- SUPPLY and install water to stream of any kind. Water pump, water meter, and 100' of 1.5" diameter pipe.
- Construction of any kind.
- Any other items not specified by contract documents, including disposal of material, existing or proposed work.

# Nix - Additional Cost + Cutting head Fabrication

Claude H. Nix Construction Co.

Project: Magna WCS Project 1B - WCD 1

4/17/2026

RE: Additional Re-mobilization Costs

## 1. Cost Rate Changes 2024 (Bid) to 2026 (Re-Mob)

Utilization Count	Resource Type	Description	2024 Cost Rate (Bid)	2026 Cost Rate	Cost Change
8.00	Construction Equipment Rate	Gooseneck Trailer (Transport for Fabrication)	\$ -	\$ 120.00	\$ 120.00
10.00	Construction Equipment Rate	Grout Pump Blastcrete 25 CY/HR	\$ 820.90	\$ 869.90	\$ 49.00
12.50	Construction Equipment Rate	Pilot Tube Machine w/ Power Pack	\$ 3,088.44	\$ 3,303.44	\$ 215.00
25.00	Construction Equipment Rate	Dump Truck	\$ 2,343.25	\$ 2,535.50	\$ 192.25
36.37	Construction Equipment Rate	Excavator PC228	\$ 2,648.89	\$ 3,383.54	\$ 734.64
41.50	Construction Equipment Rate	Vactor Truck	\$ 6,158.00	\$ 6,623.40	\$ 465.40
50.83	Construction Equipment Rate	Soilmec SR 30 Drill Rig	\$ 9,505.83	\$ 10,420.83	\$ 915.00
74.44	Construction Equipment Rate	Water Truck	\$ 3,721.84	\$ 4,466.21	\$ 744.37
76.72	Construction Equipment Rate	Auger Bore Machine	\$ 16,853.62	\$ 13,856.78	\$ (2,996.85)
86.14	Construction Equipment Rate	18" Pneumatic Hammer (Goliath)	\$ 11,484.63	\$ 10,118.49	\$ (1,366.13)
85.14	Construction Equipment Rate	Compressor, Air, 1000cfm, diesel	\$ 8,971.15	\$ 10,536.26	\$ 1,565.11
94.00	Construction Equipment Rate	Tractor Truck	\$ 12,126.94	\$ 12,549.94	\$ 423.00
111.00	Construction Equipment Rate	Excavator PC400 w/ Vibro	\$ 22,238.30	\$ 23,746.79	\$ 1,508.49
116.42	Construction Equipment Rate	Excavator Linkbelt w/ Compactor	\$ 8,806.92	\$ 10,830.82	\$ 2,023.90
130.48	Construction Equipment Rate	500 Gal. Lube Pump	\$ 6,987.03	\$ 7,052.27	\$ 65.24
159.14	Construction Equipment Rate	Truck, Mechanic c/w tooling	\$ 5,808.49	\$ 5,967.63	\$ 159.14
204.14	Construction Equipment Rate	Welding Equipment	\$ 3,221.53	\$ 3,929.63	\$ 708.10
374.48	Construction Equipment Rate	2.5 CY Loader CAT 924	\$ 25,543.47	\$ 28,445.71	\$ 2,902.24
438.06	Construction Equipment Rate	Excavator PC400/490HD-5	\$ 61,334.91	\$ 67,432.70	\$ 6,097.79
943.04	Construction Equipment Rate	Truck, 1 Ton Crew Truck	\$ 37,625.86	\$ 38,890.81	\$ 1,264.95
1,800.00	Construction Equipment Rate	Generator, WhisperWatt 45 Kw	\$ 27,900.00	\$ 29,898.00	\$ 1,998.00
1,805.00	Construction Equipment Rate	Generator, WhisperWatt 25 Kw	\$ 18,501.25	\$ 19,403.75	\$ 902.50
5.00	Installed Material Rate	24 Inch x .500 Wall Steel Casing (For 48 Inch Custom Reaming Head Fabrication)	\$ -	\$ 697.13	\$ 697.13
24.00	Installed Material Rate	Neat Cement Slurry for LDCC 300 PSI	\$ 6,151.86	\$ 7,464.60	\$ 1,312.74
55.13	Installed Material Rate	Concrete 4000 PSI	\$ 13,457.18	\$ 12,133.26	\$ (1,323.90)
60.00	Installed Material Rate	Road Base 3/4"	\$ 1,080.00	\$ 1,512.23	\$ 432.23
63.67	Installed Material Rate	1" Minus Washed Gravel	\$ 1,325.58	\$ 1,597.91	\$ 272.33
10.00	Labor Rate	Operator Class 2	\$ 434.75	\$ 446.50	\$ 11.75
30.00	Labor Rate	Equipment Transport Driver	\$ 1,762.50	\$ 1,797.75	\$ 35.25
122.00	Labor Rate	Truck Driver - Heavy	\$ 4,956.15	\$ 5,447.30	\$ 491.15
286.87	Labor Rate	Welder	\$ 9,330.18	\$ 14,494.29	\$ 5,164.11
925.04	Labor Rate	Foreman I	\$ 54,345.88	\$ 55,432.80	\$ 1,086.92
957.91	Labor Rate	Operator Class 1	\$ 44,459.14	\$ 45,584.69	\$ 1,125.55
1,049.60	Labor Rate	Laborer 2	\$ 34,531.82	\$ 35,765.10	\$ 1,233.28
167.00	Unique Rate	Pilot Tube 4 Inch Diameter 2.5 Feet Long	\$ 4,676.00	\$ 5,010.00	\$ 334.00
<b>Change in Rate Cost Summary (2024 to 2026)</b>					
Material Cost Increase*					\$ 1,390.52
Equipment Cost Increase					\$ 19,015.55
Labor Cost Increase					\$ 9,148.01
*see attachments					

## 2. Change in Operating Cost Summary (2024 to 2026)

Description	2024 (Bid)	2026	Cost Change
Project Estimated Manhours	4,123	4,123	
Additional Man Hours For Re-Mob (Cleaning Up Waters and Shoring)		60	
Operating Cost per Man Hour	\$ 32	\$ 64	
Operating Cost Project	\$ 131,951	\$ 267,069	\$ 135,118

## 3. Change in Subcontractor Cost Summary (2024 to 2026)

Description	2024 (Bid)	2026	Cost Change
Kidduff Underground Engineering*	\$ 26,300	\$ 28,598	\$ 2,298
M&M Cathodic*	\$ 5,385	\$ 6,283	\$ 898
Subcontractor Cost Increase			\$ 3,196
*see attachments			

## Summary of Additional Costs for Re-mobilization

	2024 (Bid)	2026	Additional Cost
Contract Amount	\$ 1,416,549	\$ 1,614,031	\$ 197,482
Material Cost Increase			\$ 1,390.52
Equipment Cost Increase			\$ 19,015.55
Labor Cost Increase			\$ 9,148.01
Subcontractor Cost Increase			\$ 3,196
Operating Cost Increase*	\$ 131,951	\$ 267,069	\$ 135,118
15% Markup	\$ 212,490	\$ 242,104	\$ 29,614

\*see attachments

**Re-mob Cost \$ 197,482**

## Custom Pilot Barring Head Fabrication

Description	Quantity	Unit Cost	Total
Lor's Machine Shop*	1	\$ 25,100	\$ 25,100
Sales Tax	1	\$ 1,819.75	\$ 1,820
15% Markup			\$ 4,038
*see attachments			

**Total Cost \$ 30,958**

**\*\*Confidential\*\***

Claude H. Nix Construction Co.

4/17/2026

Project: Magna WCS Project 1B - WCD 1

RE: Additional Re-mobilization Costs

Operating Expenses Breakdown

Original Rate (Bid 2024)	\$32 /Manhour
Current Rate (2026)	\$64 /Manhour

Rates based on:

Average monthly operating costs 2024 (Bid) 113,200

Average monthly operating costs 2026 176,300

Average 12-month billable man hours 2024 (Bid) 3500

Average 12-month billable man hours 2026 2750

Operating Changes from time of original bid to current	2024 (Bid) Average Monthly	2026 Average Monthly	Change
DEPRECIATION EXPENSE			\$ 3,750.00
EMPLOYEE EDUCATION/ TRAINING			\$ (1,060.00)
INSURANCE - MEDICAL			\$ 1,580.00
ACCOUNTING & LEGAL FEES			\$ 1,890.00
ADVERTISING			\$ (330.00)
EMP RETENTION/RECRUITING			\$ 10.00
CONTRIBUTIONS & DONATIONS			\$ (70.00)
DUES & SUBSCRIPTIONS			\$ (250.00)
INSURANCE - GENERAL			\$ 11,360.00
OFFICE EXPENSE			\$ (130.00)
OFFICE MAINTENANCE			\$ 40.00
TELEPHONE			\$ 40.00
CELLULAR TELEPHONE			\$ 260.00
TRAVEL			\$ (250.00)
MEALS & ENTERTAINMENT			\$ (130.00)
MISCELLANEOUS EXPENSES			\$ (1,910.00)
OFFICE UTILITIES			\$ (20.00)
OUTSIDE SERVICES			\$ 4,390.00
RENT-J&S			\$ -
SALARIES & WAGES - OFFICE			\$ 30,480.00
OFFICER SALARY			\$ 12,910.00
PROPERTY TAXES			\$ 120.00
INSURANCE - LIFE			\$ -
<b>Total Monthly Operating Cost Change 2024 to 2026</b>			<b>\$ 62,680.00</b>

2026

McGurle Pit  
8211 South Hwy 89  
Willard, Utah  
  
801-782-9504

Description	Retail	Contractor	Claude H Nix Construction
Landscape Rock	\$95.75	\$87.00	\$80.30
1" Crushed Rock	\$23.55	\$21.35	\$17.25
1 1/2" Crushed Rock (check availability)	\$25.00	\$22.60	\$18.10
2" to 8" Crushed Rock	\$44.35	\$40.20	\$39.10
3" Minus Borrow	\$12.85	\$11.80	\$10.10
6" Minus Borrow	\$11.30	\$10.20	\$9.25
6" to 12" Crushed Rock	\$50.00	\$45.50	\$43.25
3/8" Bedding Sand	\$11.75	\$10.70	\$9.45
1" State Spec Road Base	\$15.70	\$14.30	\$13.70
Clean Incoming Misc. Pit Run	\$22.05	\$22.05	\$22.05

Hot Springs Quarry  
9205 South Hwy 89  
Willard, Utah  
  
801-782-6177

Description	Retail	Contractor	Claude H Nix Construction
LANDSCAPE ROCK	\$84.60	\$76.90	\$71.05
3" MINUS	\$12.00	\$10.95	\$10.10
1" CRUSHED ROCK	\$23.55	\$21.35	\$17.25
1 1/2" ROCK CRUSHED	\$25.00	\$22.60	\$18.10
2" - 4" DRAIN ROCK	\$39.75	\$36.20	\$33.75
1" COMM ROAD BASE	\$12.15	\$11.05	\$10.40

South Weber Pit  
7425 South 2700 East  
South Weber, Utah  
  
385-298-1284

Description	Retail	Contractor	Claude H Nix Construction
Unscreened Floor Sand	\$10.50	\$9.95	\$7.75
Screened Floor Sand	\$12.40	\$11.30	\$9.40
Mortar Sand (Mason)	\$84.70	\$79.90	\$78.45
1/16" Top Dressing Sand	\$87.15	\$84.70	\$82.25
Washed Concrete Sand	\$38.90	\$35.50	\$33.85
1" Rock	\$26.00	\$24.95	\$23.15
1" Recycled Road Base	\$16.55	\$14.35	\$13.35
1" Road Base	\$17.35	\$16.80	\$15.25
Clean Incoming Concrete	\$22.05	\$22.05	11.05

**SOUTH WASATCH FRONT**

Beck Street Quarry  
1730 North Beck Street  
North Salt Lake City, Utah  
  
801-430-1489

Description	Retail	Contractor	Claude H Nix Construction
2" MINUS EMBANKMENT	\$8.05	\$6.60	\$6.15
1" ROCK-CRUSHED	\$30.20	\$25.45	\$23.40
1 1/2" ROCK-CRUSHED	\$30.20	\$25.45	\$23.40
3" MINUS BORROW	\$13.90	\$11.60	\$10.05
3" MINUS A1A	\$12.65	\$10.50	\$9.20
3/8" NATURAL SAND	\$10.65	\$9.25	\$7.75
4" MINUS ROCK-SCREENED	\$37.85	\$33.50	\$29.40
#4 X #8 ROCK WASHED	\$5.00	\$12.95	\$11.30
1" ROCK- WASHED	\$36.25	\$31.05	\$29.05
1 1/2" ROCK- WASHED	\$42.10	\$35.65	\$34.00
1" RECYCLED ROAD BASE (CALL BEFORE QUOTE)	\$12.90	\$10.55	\$9.35
3/4" APWA SPEC ROAD BASE	\$30.65	\$26.25	\$23.50
COMM ROAD BASE	\$12.50	\$10.30	\$9.45
1 1/2" STATE SPEC ROAD BASE	\$15.15	\$12.35	\$10.95
WATER	\$10.30	\$9.40	\$9.40
INCOMING ASPHALT	\$20.95	\$17.25	\$17.25
INCOMING CONCRETE	\$22.00	\$18.10	\$18.10
INCOMING CONCRETE W/REBAR	\$69.10	\$57.10	\$57.10
WEIGH	\$10.10	\$9.15	\$9.15

Scott Tisor  
 CMC Ready Mix  
 801-385-3525  
 stisor@cmcreadymix.com



**CONCRETE.SAND.GRAVEL**

CUSTOMER: CLAUDE H. NIX

PROJECT: MAGNA SEWER PLANT

150 East 1750 North, Suite A, Vineyard, UT 84059

DISPATCH: 385-887-2750

Price List Effective 1/1/26 - 1/1/27 After this date an increase will apply

MIX	Description	Price
C406	4000 PSI EXTERIOR 3/4" ROCK	\$200.00
NEAT	300 PSI FOAM FILL MIX	\$290.00
		\$
		\$
		\$
		\$
		\$

\* DELIVERY FEE: \$40.00 per yard (Non-Taxable: DELIVERY IS ALREADY INCLUDED in above prices)

\*\*All prices assume payment by check or ACH only.

**Additional Products**

Product	Unit	Price
UDOT Mixes	Per Yard	\$25.00
Hot Water	Per Yard	\$9.00
Fiber	Per Yard	\$8.00
Color Washout	Per Load	\$200.00
Non-Chloride Accelerant 1%	Per Yard	\$9.50
Calcium Chloride 1%	Per Yard	\$8.50
Additional 1/2 Bag Cement	Per Yard	\$4.00
Short Load 2-4.75 YD	Per Load	\$225.00
Pea Gravel Mixes	Per Yard	\$6.00
Full Bag Mixes	Per Yard	\$8.00
Delay (per hour)	Per Yard	\$6.50
High Range Water Reducer	Per Yard	\$10.00
Mid-Range Water Reducer	Per Yard	\$5.00

**Surcharge/ Non-Standard Fees**

Product	Unit	Price
Environmental Fee	Per Load	\$35.00
Fuel Surcharge	Per Load	Market
Truck Time (Excess of 5 Min/YD)	Per Minute	\$3.50
Return Dirty	Per Load	\$200.00
Saturday or after hours 4pm - 4am	Per Load	\$150.00

\*Payment in full is due 30 days from the date of the invoice. Balances not paid in full when due will incur finance charges at the rate of 1.5% PER MONTH, which is 18% annual percentage rate. Finance charges accrue and are charged on all invoice amounts not paid by the end of accounting period after the due date, both before and after judgment, and continuing each month until paid in full.

\*All Prices are subject to change. \*The applicable sales tax rate will be added to the above prices, except as noted

<b>Project Name</b>	Magna Westside Collection System Project 1B	<b>Change Number</b>	02
<b>Requested By</b>	Jon Nix	<b>Date of Request</b>	4/10/2026
<b>Company</b>	Claude H. Nix Construction	<b>KUE Project No.</b>	P-25007
<b>Project Owner</b>	Magna Water District	<b>KUE Task/Add</b>	

**Change Name** Additional Mobilization

**Description of Change:**

KUE mobilized on-site on April 21, 2024, to perform Task #8 of the original Task Order signed 12/10/2024 for the installation of the instrumentation and monitoring system using an AMTS. A stop-work order was given after KUE had arrived on-site. There was an unforeseen utility conflict in the tunnel alignment. KUE then demobilized.

KUE is requesting a Change Order for cost increases in Labor and Equipment. The subcontract between KUE and Nix is based on pricing from 10/2024. Attached are the 2024 and 2026 rate sheets.

Nix has requested KUE remobilize in the fall of 2026 to install the Instrumentation and Monitoring.

**Effect on Schedule:** N/A. KUE will mobilize again as directed by Nix, with a minimum of 4 weeks' notice.

**Estimated Change Order Pricing Below:**

<b>B Geotechnical Instrument and Monitoring Plan</b>									
B.1	Quals, Instrument Shop Drawing(s), Plan submittal	Plan	0	\$ 3,800	\$ -	Plan	0	\$ 3,800	\$ -
B.2	Mobilization, AMTS Installation, and Baseline	LS	1	\$ 11,900	\$ 11,900	LS	1	\$ 13,275	\$ 13,275
B.3	Monthly AMTS & Website (x1 Unit)	MO	2	\$ 4,200	\$ 8,400	MO	2	\$ 4,400	\$ 8,800
B.4	AMTS Data Review and Reporting	HRS	40	\$ 140	\$ 5,600	HRS	40	\$ 140	\$ 5,600
B.5	Demobilization	EA	1	\$ 3,200	\$ 3,200	FA	1	\$ 3,723	\$ 3,723
B.6	Equipment & Materials	LS	1	\$ 1,500	\$ 1,500	LS	1	\$ 1,500	\$ 1,500
B.7	Maintenance Trip (As Needed)	EA	0	\$ 3,200	\$ -	FA	0	\$ 3,723	\$ -
B.9	Piezometer (Installation) *Excludes Drilling Sub	LS	1	\$ 1,500	\$ 1,500	LS	1	\$ 1,500	\$ 1,500
B.10	Piezometer Reporting	Hrs	0	\$ 140	\$ -	Hrs	0	\$ 140	\$ -
B.11	Inclinometer (Materials and Installation x4 Units) *Excludes Drilling Sub	MO	2	\$ 11,200	\$ 22,400	MO	2	\$ 11,200	\$ 22,400
B.12	Inclinometer Reporting (1/2 Hour per Day, based on 40 days)	Hrs	20	\$ 150	\$ 3,000	Hrs	20	\$ 150	\$ 3,000
B.13	Additional Monthly AMTS (As Needed)	MO	0	\$ 4,200	\$ -	MO	0	\$ 4,400	\$ -
B.14	Additional Day Rate for Install (As Needed)	Day	0	\$ 1,895	\$ -	Day	0	\$ -	\$ -
<b>TOTAL ESTIMATED COST</b>				<b>2024 Pricing</b>	<b>\$ 57,500</b>	<b>2026 Pricing</b>		<b>\$ 59,798</b>	
						<b>Adjusted CO #2 Price</b>		<b>\$ 2,298</b>	

**FEEES FOR SERVICES:**

The submittals will be prepared per project specifications and will be stamped by a licensed Professional Engineer in the State of Utah. We have anticipated up to two cycles of revisions for our submittals; our estimated costs for preparation of these submittals are summarized in Table 1 below.

**Table 1: Summary of Estimated Costs for Services**

TASK	Description	Unit	Est. Qty	Unit Price	PRICE
<b>1</b>	<b>Axial, External Loading, Pipe Integrity and Thrust Resistance</b>				
1.1	Axial, External Loading, Pipe Integrity, and Thrust Calculations	EA	1	\$ 4,200	\$ 4,200
<b>2</b>	<b>Tunnel Work Plan (Ram/MTBM)</b>				
2.1	Work Plan/Contingency Plan Submittal w/ shop drawings	Plan	1	\$ 4,000	\$ 4,000
<b>3</b>	<b>Support of Excavation Design</b>				
3.1	Sheet Pile Launch and Reception Shaft Calcs & Drawing Package	EA	1	\$ 14,500	\$ 14,500
<b>4</b>	<b>Contact Grouting Submittals</b>				
4.1	Calculations and Shop Drawings	Plan	0	\$ 3,200	\$ -
<b>5</b>	<b>Buoyancy and Backfill Cellular Grouting Submittals</b>				
5.1	Calculations and Shop Drawings (Ram/MTBM)	Plan	1	\$ 3,600	\$ 3,600
<b>6</b>	<b>Dewatering Plan for Construction Shafts</b>				
6.1	Calculations and Shop Drawings	Plan	1	\$ 6,500	\$ 6,500
<b>7</b>	<b>Additional Requested Engineering Services</b>				
7.1	Additional Calculations and Shop Drawings (Time & Materials)	Hrs	0	Rate Table	
<b>8</b>	<b>Geotechnical Instrument and Monitoring Plan</b>				
8.1	Quals, Instrument Shop Drawing(s), Plan submittal	Plan	1	\$ 3,800	\$ 3,800
8.2	Mobilization, AMTS Installation, and Baseline	LS	1	\$ 11,900	\$ 11,900
8.3	Monthly AMTS & Website (x1 Unit)	MO	2	\$ 4,200	\$ 8,400
8.4	AMTS Data Review and Reporting	HRS	40	\$ 140	\$ 5,600
8.5	Demobilization	EA	1	\$ 3,200	\$ 3,200
8.6	Equipment & Materials	LS	1	\$ 1,500	\$ 1,500
8.7	Maintenance Trip (As Needed)	EA	0	\$ 3,200	\$ -
8.9	Piezometer (Installation) *Excludes Drilling Sub	LS	1	\$ 1,500	\$ 1,500
8.10	Piezometer Reporting	Hrs	0	\$ 140	\$ -
8.11	Inclinometer (Materials and Installation x4 Units) *Excludes Drilling Sub	MO	2	\$ 11,200	\$ 22,400
8.12	Inclinometer Reporting (1/2 Hour per Day, based on 40 days)	Hrs	20	\$ 140	\$ 2,800
8.13	Additional Monthly AMTS (As Needed)	MO	0	\$ 4,200	\$ -
8.14	Additional Survey (T&M)	Hrs	0	\$ 195	\$ -
<b>TOTAL ESTIMATED COST</b>					<b>\$ 93,900</b>

KUE has not been provided your CPM schedule to accurately cost the unit price items. For purposes of this proposal, we estimate it will require 2 days to mobilize, install and baseline the instrumentation 7 days ahead of tunneling. We assumed an advancement rate of 25 ft/shift. KUE plans on daily inclinometer measurements at the shafts during construction, weekly thereafter and three post-construction shots per spec. KUE estimates about 1 hour each day to process and



M&M Cathodic Protection Service Inc.  
 303 Redberry Road  
 Draper UT 84020  
 888-763-8572  
 info@cathodicprotectionutah.com  
 CathodicProtectionUtah.com

2026

# PROPOSAL

Date	Estimate #
4/14/2026	6074

Name / Address
Claude H. Nix Construction/Jasco, Inc. ATTN: Chris Hackworth 1893 Skyline Dr. Suite 203 South Ogden, Utah 84403

Job Site

Qty	Description	P.O. No.	Terms
		Cost / Estimate	Total
1	REVISED PROPOSAL 2026 - MATERIALS AND INSTALLATION OF CATHODIC PROTECTION SYSTEM, PER BID SPECIFICATION (AND/OR DOCUMENTS PROVIDED) for project titled, "Magna Westside Collection 1B " Supply of specified materials, including installation, testing, and verification, per the supplied bid specification or other documents provided. We will provide submittals upon bid award. All work to be overseen by NACE (National Association of Corrosion Engineers) Certified and/or Steel Tank Institute Certified, and State of Utah Department of Environmental Quality Certified personnel.	6,283.00	6,283.00

AS A RESULT OF RECENT MAJOR PRICE INCREASES IN RAW MATERIALS, THE PRICING PROVIDED IN OUR PROPOSAL IS SUBJECT TO CHANGE. WE WILL EVALUATE AT TIME OF ORDER AND NOTIFY IF A PRICE CHANGE IS REQUIRED.

**Total \$6,283.00**



M&M Cathodic Protection Service Inc.  
 Draper UT 84020

888-763-8572

info@cathodicprotectionutah.com

CathodicProtectionUtah.com

2024 (BID)

# PROPOSAL

Date	Estimate #
10/23/2024	5079

Name / Address
Claude H. Nix Construction/Jasco, Inc. ATTN: Jon Nix 1893 Skyline Dr. Suite 203 South Ogden, Utah 84403

Job Site

Qty	Description	P.O. No.	Terms
		Cost / Estimate	Net 30
		Cost / Estimate	Total
1	MATERIALS AND INSTALLATION OF CATHODIC PROTECTION SYSTEM, PER BID SPECIFICATION (AND/OR DOCUMENTS PROVIDED) for project titled, "Magna Westside Collection 1B" Supply of specified materials, including installation, testing, and verification, per the supplied bid specification or other documents provided. We will provide submittals upon bid award. All work to be overseen by NACE (National Association of Corrosion Engineers) Certified and/or Steel Tank Institute Certified, and State of Utah Department of Environmental Quality Certified personnel.	5,385.00	5,385.00
<b>AS A RESULT OF RECENT MAJOR PRICE INCREASES IN RAW MATERIALS, THE PRICING PROVIDED IN OUR PROPOSAL IS SUBJECT TO CHANGE. WE WILL EVALUATE AT TIME OF ORDER AND NOTIFY IF A PRICE CHANGE IS REQUIRED.</b>		<b>Total</b>	<b>\$5,385.00</b>

LOU'S MACHINE SHOP

Estimate

Remit to:  
 Lous Machine  
 2619 Jackson Ave.  
 Ogden, Ut. 84401

DATE	ESTIMATE NO.
4/7/2026	919

NAME / ADDRESS
Nix Construction AP@CHINIX.COM 1893 E. Skyline Drive, Ste. 203 Ogden, Ut. 84403

RECEIVER

ITEM	DESCRIPTION	QTY	COST	TOTAL
Labor & Material	Quote to fabricate 4-arm 24" to 48" upsize tooling with AR500 cutting edge, rolled and welded 48" OD X 3/4" wall X 36" long Grade 50 casing, and wrap-around lube manifold 24" pipe supplied by Nix		25,100.00	25,100.00T

*20,265.74*

MATERIAL STRENGTH IS BEYOND OUR CONTROL. THEREFORE, WE ASSUME NO RESPONSIBILITY FOR MATERIAL FAILURE.

Sales Tax (7.25%) \$1,819.75

**TOTAL** \$26,919.75

+ 15% MARKUP

~~30,958.00~~



# Claude H. Nix Construction | Jasco Inc.

Change Order Request:

Shut down due to UDOT fiber location.  
Magna Westside Collection System Project 1B  
BD Bush Excavation, Attention: Tucker Bush

CO#1

5/20/2025

Notes: Potholing found that UDOT fibers in the center of SR201 were in the alignment of the designed 48" casing and 36" PVC carrier. Work was stopped on 21 April 2025 for engineers and owner to evaluate options. This change order is for the additional costs related to the stop work order. Engineer/Owner evaluated the options including completely demobilizing and remobilizing when the design is completed, leaving work completed to date and paying rental rates on the shoring and barrier, or just demobilizing and paying some downtime for decision evaluation. Contractor was directed to demobilize from the site. Additional time is dependent on the time to redesign and schedule will need to be adjusted accordingly.

Item	Description	Quant.	Unit	Total
<b>OPTION 1</b>	<b>Demob/Remob</b>			
<u>Includes</u>	Removing installed sheets and traffic barrier Demobilization of all equipment onsite Mobilizing equipment when design is complete Reinstalling sheets and traffic barrier Remobilizing Instrumentation	1	LS	\$ 196,075.00
<b>OPTION 2</b>	<b>Monthly Rental for Work in Place</b>			
<u>Includes</u>	All steel shoring and K-rail installed and onsite.	1	Month	\$ 70,569.00
<b>OPTION 2a</b>	Demobilization and remobilization of heavy equipment and instrumentation	1	LS	\$ 38,893.00
<b>OPTION 3</b>	<b>Demob from Site</b>			
<u>Includes</u>	Removing installed sheets and traffic barrier Demobilization of all equipment onsite 2 weeks downtime for crew and equipment per agreement 2 weeks rental of shoring per agreement	1	LS	\$ 136,112.30
Cost of Change				\$ 136,112.30
Total cost increase to original contract				\$ 136,112.30
Additional Time Requested for Change				TBD Working Days

*Handwritten notes:*  
 +5% = 142,917.92  
 20/15% → \$156,530.00

Acceptance of change order: The above prices, specifications, and conditions are satisfactory and are hereby accepted. This change order must be signed and faxed or emailed back upon acceptance.

Agreed to:

By: \_\_\_\_\_

Print: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Thank-you  
Stephanie Nix-Thomas

CONFIDENTIAL NOTICE: This message is intended only for the individual or entity to which it is addressed, and may contain information that is privileged, confidential, or exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited.

**1893 East Skyline Drive    South Ogden, UT 84403**  
**Phone (801) 479 - 9000    Fax (801) 689 - 2512**



BOARD OF TRUSTEES  
Mick Sudbury, Chairman  
Jeff White  
Dan L. Stewart

GENERAL MANAGER  
Clint Dilley, P.E.

Tucker Bush  
BD Bush Excavation  
14676 S. 855 W.  
Bluffdale, Ut 84065

**Subject:** WSC Project 1B – Trenchless Demobilization

Dear Tucker,

The UDOT fiber conduit in Hwy 201 is a conflict with the trenchless portion of Project 1B. MWD and Stantec have started the process with UDOT to determine how and when this conduit can be relocated, but this likely going to take months to resolve.

Given the costs received from the BD Bush/Nix team to either demobilize on trenchless or pay rental to keep the shoring and other equipment in place, MWD directs that trenchless demobilization occur until the fiber conflict has been remedied. Please submit the cost of the demobilization as a change order.

In the meantime, please work to complete the open cut portion of the work as soon as possible.

If you have any questions or concerns, please contact me at 801-250-6279.

Sincerely,

A handwritten signature in cursive script that reads "Trevor Andra".

Trevor Andra, P.E.  
Magna Water District  
District Engineer



# NO-FAULT POLICY

RESOLUTION 2026-XX

**A RESOLUTION OF THE MAGNA WATER DISTRICT BOARD OF TRUSTEES  
ADOPTING A DISCRETIONARY PROCESS BY WHICH THE BOARD MAY  
REIMBURSE CUSTOMERS FOR EXPENSES THEY INCUR RESPONDING TO  
ISSUES WITH DISTRICT FACILITIES THAT ARE THE NOT THE FAULT OF THE  
DISTRICT OR THE CUSTOMER**

WHEREAS, the Magna Water District (“**District**”) is a special district and political subdivision of the State of Utah; and

WHEREAS, Utah Code § 17B-1-103(2)(q) authorizes the Board to “perform any act or exercise any power reasonably necessary for the efficient operation” of the District; and

WHEREAS, Utah Code § 17B-1-301(1) authorizes the Board to “manage and conduct the business and affairs of the district” and to “determine all questions of district policy;” and

WHEREAS, the Board desires to amend its Administrative Rules and Regulations (“**AR&Rs**”) to enact an optional process by which the Board may, in its sole discretion, reimburse customers who incur costs and expenses responding to a break, leak, backup or other failure of District facilities that are the direct result of extenuating circumstances in which neither the property owner nor the District are at fault.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the District that:

1. Enactment. Section 7 of the AR&Rs is enacted to include the language attached to this Resolution as **Exhibit 1**.
2. Direction to General Manager and Staff. The General Manager is directed and authorized to: (i) take all actions needed for the District to renumber and reformat the AR&Rs to incorporate the changes this Resolution enacts; and (ii) create any internal forms or related customer applications that the General Manager may deem necessary to implement this Resolution.
3. Severability: If a court of competent jurisdiction determines that any part of this Ordinance is unconstitutional or invalid, then such portion of this Ordinance, or specific application of this Ordinance, shall be severed from the remainder, which shall continue in full force and effect.
4. Effective Date. This Resolution and the amendments to the AR&Rs shall take effect on June 1, 2026.

[execution on following page]

**Commented [NB1]:** I think we'll need some time to create the necessary application forms.

ADOPTED AND PASSED BY the Board of Trustees of Magna Water District on May 14, 2026.

MAGNA WATER DISTRICT

\_\_\_\_\_  
Mick Sudbury  
Chairman of the Board

Attest

\_\_\_\_\_  
LeIsle Fitzgerald  
Board Clerk

Voting:

Dan L. Stewart voting  
Mick Sudbury voting  
Jeff White voting

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DRAFT

## EXHIBIT 1

### 7. NO-FAULT CULINARY WATER, SANITARY SEWER FAILURE REIMBURSEMENT PROGRAM

#### 7.1. PURPOSE

The purpose of this Section is to establish a discretionary policy to guide the Board in determining whether to reimburse property owners who have incurred costs and expenses as a direct result of a break, leak, backup or other failure of District facilities that are the direct result of extenuating circumstances in which neither the property owner nor the District are at fault.

**Commented [NB2]:** I think this is key. Otherwise, everyone will submit a claim every time their insurance denies coverage.

#### 7.2. DEFINITIONS

The following definitions shall apply for the purposes of this Section and shall be in addition to those definitions set forth in Section 1.5 of the ARR:

**Commented [NB3]:** I alphabetized this section.

- 7.2.1. "Actual cash value" means the actual, depreciated value of an item, and not the replacement value.
- 7.2.2. "Cleanup contractor" means an independent disaster cleanup contractor, licensed to do business in Utah.
- 7.2.3. "Cleanup" means all activities necessary to reasonably restore destroyed or damaged real and personal property to its pre-event condition, in accordance with applicable laws, ordinances, and regulations.
- 7.2.4. "District facilities" means any culinary water, secondary water, or sanitary sewer pipeline, and all related appurtenances the District owns, operates, and maintains.
- 7.2.5. "Extenuating circumstances" means situations or circumstances beyond the control of the District and the property owner that could not be reasonably anticipated, prevented, or mitigated, and that are not the direct result of a natural disaster or act of God.
- 7.2.6. "Maximum Payment" means ten thousand dollars (\$10,000).
- 7.2.7. "Private facilities" means any pipelines and related facilities which are owned and operated by a property owner, and which connect to the District's facilities.
- 7.2.8. "Property owner" means the owner of the premises which has sustained a loss described in this Section, or any tenant or other person lawfully in possession of such premises.

**Commented [NB4]:** I think we need to limit payment to these types of situations.

**Commented [NB5]:** The language below references a definition for this term, so I've included one here. I also suggest making the \$10K amount a lifetime limit per applicant as well.

#### 7.3. NO FAULT PAYMENT OF CLEANUP AND DAMAGES

The District may pay from its operating budget reasonable or actual expenses a property owner incurs for damages and costs to clean up, sanitize, or repair damaged or destroyed property, when such loss or expense is caused by breakage or backup of a District facility as a direct result of extenuating circumstances, subject to:

**Commented [NB6]:** Do we want to make this mandatory? I suggest that we make this optional.

- 7.3.1. The restrictions, limitations, and other provisions of this Section;
- 7.3.2. Unencumbered and appropriated funds exist within the District's applicable budget to satisfy the claim; and
- 7.3.3. The property owner executes a full release, approved by the District's Attorney, by which the property owner waives, releases, and covenants not to sue the District or any of its officers, employees or agents regarding the incident which resulted in the application or claim for damage reimbursement. The District shall only make payments to property owners under this Section after the property owner has executed the release, which shall be in lieu of all other claims regarding the incident.

#### 7.4. REIMBURSEMENT; APPLICATION; LIMITATIONS

- 7.4.1. A property owner seeking reimbursement under this Section shall submit a written application to the District Clerk that describes in reasonable detail; (i) the damages incurred; (ii) the costs the property owner has incurred; (iii) any related receipts, invoices, or other documentation; and (iv) an explanation as to why the property owner believes they are entitled to reimbursement from the District under this Section.
- 7.4.2. The property owner must submit their application to the District Clerk within ninety (90) days after the occurrence of the following: (i) the District's insurance has inspected the claim and determined the claim to be the direct result of extenuating circumstances; and (ii) the District has provided the property owner with a written summary of the District insurance's determination.
- 7.4.3. The District may require property owners to use forms and templates the District's General Manager and Attorney have approved when submitting an application.

**Commented [NB7]:** This section didn't make sense to me because the District insurance requirements are outside of the property owner's control. Do these edits work?

#### 7.5. APPLICATION INVESTIGATION AND RECOMMENDATION

The District Clerk shall refer all claims to the General Manager, the Board, and the District's Attorney. The Board must approve all payments in accordance with this Section, and the District shall make all payments the Board may approve from the District's operating budget. The Board shall be under no obligation to review or act upon an application and any decision by the Board to review, approve, or deny an application shall be a purely discretionary action of the Board.

**Commented [NB8]:** The language above says that payments will come from the operating budget. I don't recommend that we dip into the District's reserves.

## 7.6. CRITERIA FOR PAYMENT OF CLAIMS

If the Board determines in its sole discretion to review an application, the Board may only grant reimbursement under the application if it finds that the following criteria are satisfied:

- 7.6.1. The District's applicable budget contains sufficient funding to pay the claim in accordance with this Section and the District does not need the available funding for other purposes the Board determines to be of greater importance to the District
- 7.6.2. The property owner suffered an otherwise uninsured loss that was caused by a break in or backup of a District facility as a direct result of extenuating circumstances where the property owner acted reasonably and responsibly to avoid the loss and mitigate damage or loss;
- 7.6.3. The property owner notified the District as soon as reasonably practicable of any breakage to or backup of a District facility, but no later than thirty (30) days of the breakage or backup; and
- 7.6.4. The evidence the property owner submitted with the application substantiates the claimed damage in a commercially reasonable manner.

**Commented [NB9]:** I think this is key. Otherwise, we'll get a claim whenever someone's insurance denies coverage.

**Commented [NB10]:** I think we need a hard deadline here.

## 7.7. DISQUALIFYING EVENTS

Any one or more of the following conditions shall result in the denial of all or part of an application under this Section:

- 7.7.1. The property owner did not submit the application in a timely manner pursuant to this Section;
- 7.7.2. Private insurance partially or fully covered the loss; provided, that insurance deductibles are eligible for payment under the provisions of this Section;
- 7.7.3. The property owner is at fault or is otherwise ineligible, under the terms of this Section;
- 7.7.4. The loss was caused by an unreasonable, illegal, or an irresponsible act of the property owner, property owner's agent, or member of property owner's business or household, including but not limited to actions that violate these ARR and other applicable District regulations and policies;
- 7.7.5. The loss or eligibility for reimbursement is unsubstantiated, under commercially reasonable standards; or
- 7.7.6. The property owner is not in good standing with the District for any reason.

## 7.8. REDUCTIONS IN PAYMENT

Any one or more of the following conditions shall result in reduction of a payment, request, or claim under this Section:

- 7.8.1. The loss was partially covered by private insurance, in which event the claim shall be reduced by the amount of said insurance payment or right of payment;
- 7.8.2. The loss exceeds the maximum payment or the Board determines, in its sole discretion, that the District lacks sufficient funding to approve the full amount the application requests;
- 7.8.3. The documentation the property provides in the application to document the property owner's loss is inadequate or incomplete; and
- 7.8.4. The property owner did not cause the problem but failed to act reasonably or responsibly to minimize or mitigate the loss.

#### 7.9. APPLICATIONS FROM GOVERNMENT ENTITIES PROHIBITED

Notwithstanding any other provisions of this Section, government entities shall not be eligible to submit applications or to receive reimbursement or payments under this Section, including the United States of America and its agencies, the State of Utah, and any other governmental or quasi-governmental entity, including any political subdivision (counties, municipalities, and special districts).

#### 7.10. MAXIMUM PAYMENTS

The maximum payment represents both: (i) the total amount of money the Board may approve under one application a property owner submits under this Section; and/or (ii) the maximum amount of reimbursement a property owner may receive under multiple applications before becoming ineligible to submit additional applications and receive reimbursement under this Section.

#### 7.11. PAYMENT LIMITATIONS

Payments under this Section shall be limited to the actual cash value (depreciated value) of the lost or damaged property and not its replacement value or cost. In no event shall the District pay or reimburse the property owner for the payment of special or consequential damages.

#### 7.12. DISCRETIONARY NATURE OF BOARD'S AUTHORITY

Any assistance or payment the District made under this Section is strictly voluntary on the part of the District. While the Board shall comply with this Section if it elects in its sole discretion to review and act upon an application, the Board shall be under no obligation to act upon or approve any application a property owner may file pursuant to this Section. The

Board may also, in its sole discretion, elect to deny an application that a property owner files under this Section after electing to review the application.

7.13. PAYMENT DOES NOT IMPLY LIABILITY OR WAIVE GOVERNMENTAL IMMUNITY

- 7.13.1. The adoption of this Section is not an admission of liability and does not imply any liability or responsibility on the part of the District, including responsibility for any damage or loss that may be the subject of an application a property owner may file pursuant to this Section.
- 7.13.2. Nothing in this Section shall be construed as an acknowledgment by the District that the property owner has a meritorious claim under the Utah Governmental Immunity Act, and the District reserves the right to assert all available defenses.
- 7.13.3. This Section shall not in any way supersede, change or abrogate the Utah Governmental Immunity Act, and its application to the District, or establish in any person a right to sue the District under this Section.
- 7.13.4. Acceptance of any payment made pursuant to this Section shall constitute a full and complete waiver and release of all claims a property owner may have against the District, its officers, employees and agents arising from the incident subject of that payment.

7.14. BUDGET EXPENDITURES

The District is authorized to establish, subject to review and approval by the Board, a water and sewer utility enterprise “extenuating circumstances” account, to be funded from water and sanitary sewer rates. Appropriations will be made through the regular budget process, including recommending to the Board of Trustees the adoption of utility fee and rate increases to fund this program, if necessary.

**Commented [NB13]:** Doing this will likely increase the number of claims we'll receive. Is this something we want to do? I had thought that this was intended to be a limited tool.

# RMP EASEMENT

[REV05042015](#)

Return to:

Rocky Mountain Power  
Lisa Louder/Frankie Mansuetto  
1407 West North Temple Ste. 110  
Salt Lake City, UT 84116

Project Name: MAG14/Magna Water District/New Service  
WO#: 7533656  
RW#:

[Parcel No. 14-16-376-013-0000](#)

### **UNDERGROUND RIGHT OF WAY EASEMENT**

[Subject to the terms and conditions set forth in this Underground Right of way Easement \(“Easement”\)](#)~~For value received~~, [Magna Water District, a special district and political subdivision of the State of Utah](#) (“Grantor”), hereby grants Rocky Mountain Power, an unincorporated division of PacifiCorp its successors and assigns, (“Grantee”), an easement for a right of way 10 feet in width and 85 feet in length, more or less, for the construction, reconstruction, operation, maintenance, repair, replacement, enlargement, and removal of underground electric power transmission, distribution and communication lines and all necessary or desirable accessories and appurtenances thereto, including without limitation: wires, fibers, cables and other conductors and conduits therefor; and pads, transformers, switches, cabinets, and vaults [\(collectively, “Grantee’s Facilities”\)](#) on, across, or under the surface of the real property of Grantor in Salt Lake County, State of Utah [\(“Easement Parcel”\)](#) more particularly described as follows and as more particularly described and/or shown on ~~Exhibit(s)~~ **Exhibit A** attached hereto and by this reference made a part hereof:

Legal Description: LOTS 14 & 15 BLK 4 ATHENS SUB. TOG/W VACATED ALLEY ABUTTING ON THE N. 9756-5341

Assessor Parcel No. [14-16-376-013-0000](#)

———Together with the right of access to the ~~right-of-way~~[Easement](#) from adjacent lands of Grantor for all activities in connection with the purposes for which this ~~e~~[E](#)asement has been granted; and together with the present and (without payment therefor) the future right to keep the ~~right-of-way~~[Easement](#) clear of all brush, trees, timber, structures, buildings and other hazards which might endanger Grantee’s facilities or impede Grantee’s activities.

[The Easement is subject to the following:](#)

~~\_\_\_\_\_~~ No Flammable Materials. At no time shall Grantor place or store any flammable materials (other than agricultural crops), or light any fires, on or within the boundaries of the ~~right of way~~ Easement. Subject to the foregoing limitations, the surface of the ~~right of way~~ Easement may be used for agricultural crops and other purposes not inconsistent, as reasonably determined by Grantee, with the purposes for which this easement has been granted.

1.

~~1.2.~~ Runs with the Land. The rights and obligations of the parties hereto shall be binding upon and shall benefit their respective heirs, successors, and assigns.

~~\_\_\_\_\_~~ Jury Trial Waiver.

3. To the fullest extent permitted by law, each of the parties hereto waives any right it may have to a trial by jury in respect of litigation directly or indirectly arising out of, under or in connection with this agreement. Each party further waives any right to consolidate any action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived.

4. “As Is” Condition of Easement Parcel. Grantee accepts the Easement Parcel “As Is”, “Where Is”, and “with all faults” in its present condition and state of repair, without representation or warranty of any kind or nature, and assumes all risk of damage to Grantee’s Facilities or injury to Grantee’s employees or contractors in the scope of their work for Grantee in or about the Easement Parcel arising from any cause; and Grantee hereby waives all claims in respect thereof against Grantor, except to the extent caused by Grantor’s gross negligence or willful misconduct.

5. Restoration. Notwithstanding Section 4, after Grantee has completed installation of the Grantee Facilities, Grantee shall restore the Easement Parcel at Grantee’s sole cost and expense in as good of condition as when the same was entered upon by Grantee or its agents within thirty (30) days after completing construction of Grantee’s Facilities or other appurtenances.

6. Grantor’s Right to Use Easement Parcel. Grantor shall have the right to use the Easement Parcel provided such use shall not unreasonably interfere with Grantee’s Facilities. Grantee shall have the right to clear and remove all trees and obstructions within the Easement Parcel which may interfere with the use of the Easement by Grantee.

7. Compliance with Law. Grantee shall comply and shall cause its contractors to comply with all present and future federal, state and local laws, orders, rules, regulations and requirements of every duly constituted government authority, agency or instrumentally, that may be applicable in respect of this Easement and the work contemplated hereunder on the Easement Parcel (collectively, “Laws”), including all applicable environmental

Laws and regulations, including those related to storm water discharge and dust control. Grantee shall be responsible for obtaining any permits required to construct, install, maintain, replace, and operate Grantee's Facilities. Grantee shall at all times keep the Easement Parcel free from mechanics' liens or similar liens arising on account of or resulting from any act by or on behalf of Grantee. If any mechanics' lien or similar lien is recorded against the Easement Parcel on account of any act by or on behalf of Grantee, Grantee shall, within 45 days, cause such mechanics' lien to be removed from the Easement Parcel.

8. Term and Termination. This Easement shall be effective on the date both Grantor and Grantee sign the Easement and shall have a perpetual term, unless Grantee does not use the Easement for the above stated purposes for a continuous period of two (2) years, in which case the Easement shall automatically terminate.
9. Entire Agreement. This Easement, together with all exhibits and attachments, constitutes the entire agreement between the parties and supersedes any prior understandings, agreements, or representations, verbal or written. No change in, addition to, or waiver of any of the provisions of this Easement shall be binding upon Grantor unless in writing signed by an authorized representative of Grantor.
10. Severability. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, but this instrument shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.
11. Waiver. No waiver of any breach by a party of any of the provisions of this Easement shall be construed as a waiver of any subsequent breach, whether of the same or of a different provision in this instrument. The parties do not by this instrument, in any way or for any purpose, become partners or joint venturers of each other in the conduct of their respective businesses or otherwise. Nothing in this Easement is intended to create an enforceable right, claim, or cause of action upon any third party who is not a party hereto.
12. Choice of Law and Venue. This Easement shall be construed in accordance with and governed by the laws in the State of Utah, and venue shall be in the Third Judicial District Court in Salt Lake County, Utah.
13. Counterparts. This Easement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.
14. Grantee's Acceptance. The Easement is accepted by Grantee, subject to all the foregoing terms and conditions, and Grantee agrees to fully comply with, perform, and carry out the same on its part.

15. Governmental Immunity. Grantor is a governmental entity subject to the Utah Governmental Immunity Act, Utah Code §§ 63G-7-101, et seq., and Grantor does not waive any rights, defenses, or limitations available under said Act except as otherwise provided in this Agreement.

16. Notices. All notices and communications required or permitted to be given under this Agreement, shall be in writing and shall be deemed to have been duly given and delivered as of the date the notice is sent, if delivered by mail to the below, which the Parties may update from time to time in writing:

**To Grantor:**

c/o General Manager  
Magna Water District  
8885 West 3500 South  
Magna, Utah 84044

**To Grantee:**

Lisa Louder/Frankie Mansuetto  
1407 West North Temple Ste. 110  
Salt Lake City, UT 84116

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

**GRANTOR:**

MAGNA WATER DISTRICT, a political  
subdivision of the State of Utah

Date: \_\_\_\_\_, 2026

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF UTAH \_\_\_\_\_ )

: ss.

COUNTY OF SALT LAKE \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2026, by \_\_\_\_\_, as \_\_\_\_\_ of MAGNA WATER DISTRICT, a political subdivision of the State of Utah.

\_\_\_\_\_  
NOTARY PUBLIC

Residing at:  
\_\_\_\_\_

My Commission Expires:  
  
\_\_\_\_\_

\_\_\_\_\_  
~~(Insert Grantor Name Here) GRANTOR~~  
\_\_\_\_\_

\_\_\_\_\_  
~~(Insert Grantor Name Here) GRANTOR~~  
\_\_\_\_\_

**Acknowledgment by a Corporation, LLC, or Partnership:**

STATE OF \_\_\_\_\_ )  
\_\_\_\_\_ ) ss.  
County of \_\_\_\_\_ )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, before me, the undersigned Notary Public in and for said State, personally appeared \_\_\_\_\_(name), known or identified to me to be the \_\_\_\_\_ (president / vice-president / secretary / assistant secretary) of the corporation, or the (manager / member) of the limited liability company, or a partner of the partnership that executed the instrument or the person who executed the instrument on behalf of \_\_\_\_\_ (entity name), and acknowledged to me that said entity executed the same.

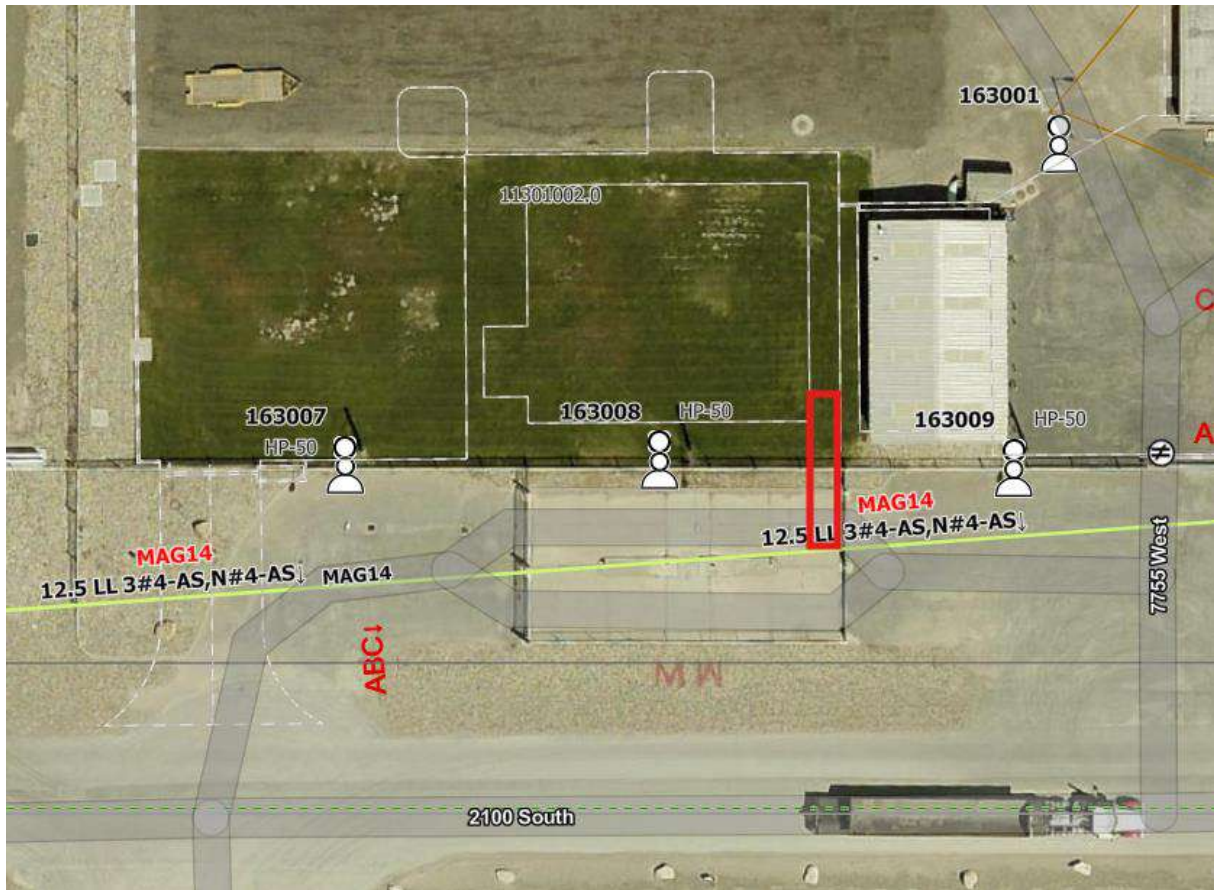
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

\_\_\_\_\_  
(notary signature)

NOTARY PUBLIC FOR \_\_\_\_\_ (state)  
Residing at: \_\_\_\_\_ (city, state)  
My Commission Expires: \_\_\_\_\_ (d/m/y)

## Property Description

Quarter: SW Quarter: SE Section: 18 Township 1 South,  
Range 1 West, Salt Lake Principal Meridian  
County: Salt Lake State: Utah  
Parcel Number: 14-16-376-013-0000



CC#: 11441 WO#: 7533656

Landowner Name: Magna Water District

Drawn by: Frankie Mansuetto

This drawing should be used only as a representation of the location of the easement being conveyed. The exact location of all structures, lines and appurtenances is subject to change within the boundaries of the described easement area.

# EXHIBIT A



SCALE:

# 401(K) PLAN AMENDMENT

**Magna Water District  
FORMAL RECORD OF ACTION**

The following is a formal record of action taken by the governing body of Magna Water District (the "Employer").

With respect to the amendment of the Magna Water District 401(k) Plan (the "Plan"), the following resolutions are hereby adopted:

**RESOLVED:** That the Plan be amended in the form attached hereto, which amendment is hereby adopted and approved;

**RESOLVED FURTHER:** That the appropriate officers of the Employer be, and they hereby are, authorized and directed to execute said amendment on behalf of the Employer;

**RESOLVED FURTHER:** That the officers of the Employer be, and they hereby are, authorized and directed to take any and all actions and execute and deliver such documents as they may deem necessary, appropriate or convenient to effect the foregoing resolutions including, without limitation, causing to be prepared and filed such reports, documents or other information as may be required under applicable law.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SECURE 2.0 Amendment 2025  
Magna Water District 401(k) Plan**

The following changes are made to the Magna Water District 401(k) Plan effective as of the dates listed; however, if no date is listed for a given item, such change will be effective as of the date of execution, or if earlier, the date required by applicable law. This Amendment is intended as a good faith effort to comply with the requirements of Division T of the Consolidated Appropriations Act, 2023, also known as SECURE 2.0. This Amendment is to be construed in accordance with guidance issued by the Internal Revenue Service and Employee Benefits Security Administration. Both this "Amendment" and applicable law will supersede any inconsistent Plan provisions.

**OPTIONAL PROVISIONS**

For each item below, the *italicized* provisions will apply to the extent not overwritten by options selected.

**1. Employer Contributions made on a Roth basis**

*The Plan does not permit Employer Contributions to be made on a Roth basis.*

- a.  Effective \_\_\_\_\_, the Plan allows Participants to direct Matching Contributions to be made on a Roth basis.
- b.  Effective \_\_\_\_\_, the Plan allows Participants to direct Non-elective Contributions to be made on a Roth basis.
- c.  The following terms apply to this subsection: \_\_\_\_\_.

**2. Eligibility, Entry, and Vesting for Military Spouses**

*The Plan's provisions regarding eligibility, entry, and vesting remain unchanged with regard to Military Spouses.*

- a.  Effective \_\_\_\_\_, the Plan allows Military Spouses to enter the Plan and receive Employer Contributions equal to Employer Contributions that a similarly situated Employee Participant who is not a Military Spouse would receive as of the earlier of the date that is two months following the Military Spouse's date of hire or the entry date that would otherwise apply under the Plan's existing terms. Such Employer Contributions made to Military Spouses shall be 100% vested.
- b.  The following terms apply to this subsection: \_\_\_\_\_.

**3. Matching Qualified Student Loan Payments**

*The Plan does not permit matching contributions to be based on Qualified Student Loan Payments.*

- a.  Effective \_\_\_\_\_, Qualified Student Loan Payments are included in the definition of "Matched Employee Contribution".
- b.  The following terms apply to this Section: \_\_\_\_\_.

**4. Emergency Personal Expense Distributions**

*The Plan does not permit Emergency Personal Expense Distributions to be made and does not allow recontribution of said distributions.*

- a.  Effective \_\_\_\_\_, Employees eligible to make Rollover Contributions may recontribute all or a portion of Emergency Personal Expense Distributions to the Plan. Such recontributions shall be subject to the same provisions governing Rollover Contributions and such recontributions may only be made within a three-year period beginning on the day after such distribution is received and shall be treated as Rollover Contributions. In order to be eligible for repayment, the distribution may originate from:
  - i.  Effective \_\_\_\_\_, Participants may receive Emergency Personal Expense Distributions.
  - ii.  this Plan.
  - iii.  any eligible retirement plan (as defined in Code section 402(c)(8)(B)).
- b.  The following terms apply to this Section: \_\_\_\_\_.

**5. Auto-Portability Transactions**

*The Plan does not accept contributions nor allow distributions made via Automatic Portability Transaction.*

- a.  Effective \_\_\_\_\_, the Plan may receive Rollover Contributions via Automatic Portability Transaction.
- b.  Effective \_\_\_\_\_, the Plan may distribute assets via Automatic Portability Transaction.
- c.  The following terms apply to this subsection: \_\_\_\_\_.

**6. Involuntary force-out limit increase**

*The maximum vested account balance subject to involuntary force-out is unchanged.*

- a.  Effective 01/01/2025, the maximum vested account balance subject to involuntary force-out is increased to \$7,000.
- b.  Effective \_\_\_\_\_, the minimum Account balance for the Qualified Joint and Survivor Annuity Consent requirements increases to \$\_\_\_\_.
- c.  The following terms apply to this Section: \_\_\_\_\_.

**7. Top-Heavy Rules applicable to Otherwise Excludable Employees**

*The top-heavy provisions of the Plan (insofar as a top-heavy minimum contribution may be required) apply without regard to status as an Otherwise Excludable Employee.*

- a.  Effective \_\_\_\_\_, Participants who do not meet the age or service requirements under Code section 410(a)(1) (without regard to subparagraph (B) thereof) ("Otherwise Excludable Employees") for a given Plan Year shall not be entitled to a top-heavy minimum contribution otherwise provided for under the terms of the Plan or Code section 416(c)(2)(A) or (B). In any Plan Year on or after the effective date (of this provision) in which the Plan is top-heavy and for which top-heavy minimum contributions would

otherwise be allocated to Otherwise Excludable Employees but for the prior sentence, the Employer may, in its sole discretion, elect to provide a Non-Elective Contribution to any Otherwise Excludable Employee who remains employed as of the last day of the Plan Year. The amount of such non-elective contribution shall not exceed the top-heavy minimum contribution to which the Otherwise Excludable Employee would have otherwise been entitled (but for the application of section 310 of SECURE 2.0 and the first sentence of this Section). Such Non-Elective Contributions shall be subject to the same vesting schedule as would apply to top heavy minimum contributions under the terms of the Plan.

b.  The following terms apply to this subsection: \_\_\_\_\_.

**8. Domestic Abuse Distributions**

*The Plan does not permit distributions to be made on account of Domestic Abuse and does not allow recontribution of said distributions.*

a.  Effective \_\_\_\_\_, Employees eligible to make Rollover Contributions may recontribute all or a portion of distributions received on account of Domestic Abuse to the Plan. Such recontributions shall be subject to the same provisions governing Rollover Contributions and such recontributions may only be made within a three-year period beginning on the day after such distribution is received and shall be treated as Rollover Contributions. In order to be eligible for repayment, the distribution may originate from:

i.  this Plan.

ii.  any eligible retirement plan (as defined in Code section 402(c)(8)(B)).

b.  Effective \_\_\_\_\_, Participants may receive distributions on account of Domestic Abuse.

c.  No Domestic Abuse Distributions to a Participant may exceed \$ \_\_\_\_\_.

d.  No Domestic Abuse Distributions to a Participant may exceed \_\_\_\_\_% of the present value of that Participant's nonforfeitable accrued benefit under the Plan.

e.  The following terms apply to this Section: \_\_\_\_\_.

**9. Recontribution of distributions to Terminally-Ill Participants**

*The Plan does not allow Terminally-Ill Participants to recontribute distributions made on account of terminal illness.*

a.  Effective \_\_\_\_\_, the Plan permits Terminally-Ill Participants who are eligible to make a rollover contribution to the Plan to recontribute to the Plan distributions on account of terminal illness. Such recontributions may only be made within a three-year period beginning on the day after such distribution is received and shall be treated as Rollover Contributions. In order to be eligible for repayment, the distribution may originate from:

i.  this Plan.

ii.  any eligible retirement plan (as defined in Code section 402(c)(8)(B)).

b.  The following terms apply to this Section: \_\_\_\_\_.

**10. Qualified Disaster-Related Loans**

*Loan terms are not modified for Participants who reside within a Qualified Disaster Area.*

a.  Effective \_\_\_\_\_, the dollar-based maximum loan amount that applies to loans that are Qualified Disaster-Related Loans is the lesser of

i. \$ \_\_\_\_\_, reduced by the greater of

A. the outstanding balance on any loan from the Plan to the Participant on the date the loan is made and

B. the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Plan Administrator (not taking into account any payments made during such one-year period), and

ii. \_\_\_\_\_ of the value of the Participant's vested Account (as of the Valuation Date immediately preceding the date on which such loan is approved by the Plan Administrator).

b.  Effective \_\_\_\_\_, if a loan is outstanding on or after the first day of an Incident Period of its Qualified Disaster, the due date for any repayment with respect to such loan that is due during the period beginning on the first day of the Incident Period, and ending on the date which is 180 days after the last day of the Incident Period, will be delayed under the Plan for one year. The period of delay will be disregarded in determining the term of the loan and the level of amortization under Code sections 72(p)(2)(B) and (C). Any payments after the suspension period will be adjusted to reflect the delay and interest accruing during the delay.

c.  The following terms apply to this Section: \_\_\_\_\_.

**11. Qualified Disaster Recovery Distributions and repayment of Qualified Home Purchase Distributions**

*The Plan does not permit Qualified Disaster Recovery Distributions to be made and does not allow recontribution of either Qualified Disaster Recovery Distributions or Qualified Home Purchase Distributions.*

a.  Effective \_\_\_\_\_, Employees eligible to make Rollover Contributions may recontribute all or a portion of Qualified Disaster Recovery Distributions to the Plan. Such recontributions shall be subject to the same provisions governing Rollover Contributions and may only be made within a three-year period beginning on the day after such distribution is received. In order to be eligible for repayment, the distribution may originate from:

i.  this Plan.

ii.  any eligible retirement plan (as defined in Code section 402(c)(8)(B)).

b.  Effective \_\_\_\_\_, Participants may receive Qualified Disaster Recovery Distributions.

c.  Effective \_\_\_\_\_, Participants are permitted to repay Qualified Home Purchase Distributions within a three-year period beginning on the day after such distribution is received that are made from:

- i.  this Plan.
- ii.  any eligible retirement plan (as defined in Code section 402(c)(8)(B)).
- d.  The following terms apply to this Section: \_\_\_\_\_.

**12. Long-Term Part-Time Employees ("LTPT Employees")**

*The default LTPT provisions in Section L of the Standard Provisions will apply to the extent they are not overwritten by options selected in this Section.*

- a.  Effective \_\_\_\_\_, when calculating LTPT Employee status, Eligibility Computation Periods will switch to Plan Year.
- b.  Effective \_\_\_\_\_, Section L of the Standard Provisions is modified so that age 21 is replaced with \_\_\_\_\_.
- c.  Effective \_\_\_\_\_, the following entry dates shall apply to LTPT Employee participation: \_\_\_\_\_.
- d.  Effective \_\_\_\_\_, LTPT Employees who are Participants in the Plan are eligible to make Catch-up Contributions.
- e.  Effective \_\_\_\_\_, LTPT Employees who are Participants in the Plan are eligible to make Roth Elective Deferrals.
- f.  Effective \_\_\_\_\_, LTPT Employees who are Participants in the Plan are eligible to make Rollover Contributions.
- g.  Effective \_\_\_\_\_, LTPT Employees shall be automatically enrolled in the Plan for purposes of making Elective Deferrals according to the provisions selected in the Adoption Agreement and outlined in the Basic Plan Document. The automatic contribution arrangement for LTPT Employees is intended to qualify as:
  - i.  an EACA;
  - ii.  a QACA.
- h.  Effective \_\_\_\_\_, LTPT Employees may apply for a loan from the Plan according to the same terms as other Participants.
- i.  Effective \_\_\_\_\_, LTPT Employees are included for purposes of determining whether the Plan satisfies the vesting and benefit requirements of Code sections 416(b) and (c).
- j.  Effective \_\_\_\_\_, LTPT Employees who have entered the Plan will be included for purposes of determining whether the Plan satisfies the following:
  - i. the nondiscrimination requirements of Code section 401(a)(4);
  - ii. the ADP test of Code section 401(k)(3);
  - iii. the ADP safe harbor provisions of Code sections 401(k)(12) and (13);
  - iv. the ACP test of Code section 401(m)(2);
  - v. the ACP safe harbor provisions of section 401(m)(11) and (12);
  - vi. the minimum coverage requirements of section 410(b); and
- k. Subject to the following as of the effective date listed for each subsection:
  - i.  Effective \_\_\_\_\_, the following terms apply to this Section: \_\_\_\_\_.
  - ii.  effective \_\_\_\_\_, LTPT Employees are eligible to make Voluntary Contributions (after-tax contributions) and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement or Participation Agreement, subject to the following terms: \_\_\_\_\_;
  - iii.  effective \_\_\_\_\_, LTPT Employees are eligible to receive Safe Harbor \_\_\_\_\_ Contributions and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement or Participation Agreement, subject to the following terms: \_\_\_\_\_;
  - iv.  effective \_\_\_\_\_, LTPT Employees are eligible to receive Fixed Employer Matching Contributions and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement or Participation Agreement, subject to the following terms: \_\_\_\_\_;
  - v.  effective \_\_\_\_\_, LTPT Employees are eligible to receive Discretionary Employer Matching Contributions and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement or Participation Agreement, subject to the following terms: \_\_\_\_\_;
  - vi.  effective \_\_\_\_\_, LTPT Employees are eligible to receive Employer Non-Elective Contributions and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement or Participation Agreement, subject to the following restrictions subject to the following terms: \_\_\_\_\_;
  - vii.  effective \_\_\_\_\_, LTPT Employees are eligible to receive prevailing wage contributions and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement, Participation Agreement, or any applicable Prevailing Wage Addendum, subject to the following terms: \_\_\_\_\_.

**13. Pension-Linked Emergency Savings Accounts**

*The Plan does not provide Pension-Linked Emergency Savings Accounts.*

- a.  Effective \_\_\_\_\_,
  - i.  Pension-Linked Emergency Savings Accounts are allowed, and
  - ii.  instead of the minimum listed in the Standard Provisions, Participants may take a minimum of \_\_\_\_\_ distributions from their Pension-Linked Emergency Savings Accounts each month.
- b.  The Account balance limitation for Pension-Linked Emergency Savings Accounts is modified as follows:
  - i.  the overall Account balance limit on Pension-Linked Emergency Savings Accounts is reduced to \$\_\_\_\_\_.
  - ii.  the Account balance limit is adjusted to include earnings on contributions to the Account.
- c.  Effective \_\_\_\_\_, Participants who are Nonhighly Compensated Employees shall automatically defer \_\_\_\_\_% of Plan

Compensation into the Account on a Roth basis.

d.  The following terms apply this Section: \_\_\_\_\_.

**14. Self-certification of hardship criteria**

*In determining whether a distribution is upon the hardship of an employee, a Plan Administrator may rely on Participants' written self-certification that the distribution meets the safe harbor hardship withdrawal requirements under the Plan*

a.  Effective \_\_\_\_\_, a Plan Administrator may not rely on Participants' written self-certification that the distribution meets the safe harbor hardship withdrawal requirements under the Plan.

b.  The following terms apply this Section: \_\_\_\_\_.

**15. Mandatory Roth Catch-Up Contributions**

*When determining Highly-Paid Individual status, only wages paid by a Participant's common-law employer will be counted.*

a.  For purposes of determining Highly-Paid Individual status, in addition to counting wages paid by a Participant's common-law employer, wages will be counted if paid by:

i.  effective \_\_\_\_\_, a common paymaster, as defined under Code section 3121(s), used by the employer;

ii.  effective \_\_\_\_\_, an entity related to the employer under Code sections 414(b), (c), (m), or (o); and

iii.  effective \_\_\_\_\_, if the common-law employer is a successor employer on account of an asset purchase in accordance with Treasury Regulation section 31.3121(a)(1)-(1)(b), the predecessor employer.

iv.  effective \_\_\_\_\_, the following entities: \_\_\_\_\_.

b.  Effective \_\_\_\_\_, the following Participants are prohibited from making Catch-up Contributions:

i.  Highly Compensated Employees;

ii.  Highly Paid Individuals.

c.  The following terms apply this Section: \_\_\_\_\_.

**16. Higher Catch-up Contribution limit for ages 60 - 63**

*To the extent the Plan permits Catch-up Contributions, the Enhanced Catch-up Limit applies to Employees eligible to make Catch-up Contributions as of the later of January 1, 2025, and the date Catch-up Contributions are so permitted.*

a.  Effective \_\_\_\_\_, the Enhanced Catch-up Limit does not apply to the following Participants:

i.  All Employees.

ii.  Union Employees,

iii.  Non-Resident Aliens, and

iv.  LTPT Employees.

b.  The following terms apply to this Section: \_\_\_\_\_.

**17. Higher Elective Deferral Limits for SIMPLE 401(k) Plans**

*If the Plan is a SIMPLE 401(k), the limit on Elective Deferrals provided in the SIMPLE 401(k) provisions of the Basic Plan Document shall not increase by 110%.*

a.  Effective \_\_\_\_\_, the following selected limits applicable to SIMPLE 401(k) plans that are listed in the Basic Plan Document shall increase by 110%.

i.  The limit on Elective Deferrals other than Catch-up Contributions

ii.  The limit on Catch-up Contributions other than Enhanced Catch-up Contributions.

b.  Effective \_\_\_\_\_, the increase shall only apply for any year during which the Employer is a Small Employer.

c.  The following terms apply this Section: \_\_\_\_\_.

**18. Qualified Long-Term Care Distributions**

*Qualified Long-Term Care Distributions are not permitted.*

a.  Effective \_\_\_\_\_, Qualified Long-Term Care Distributions are permitted.

b.  The following terms apply to this Section: \_\_\_\_\_.

**19. Additional effective dates**

*No additional effective dates apply to this Amendment.*

a.  Additional effective dates apply as follows: \_\_\_\_\_.

**STANDARD PROVISIONS**

**A. Qualified Birth or Adoption Distribution Repayment**

If Qualified Birth or Adoption Distributions are permitted, Qualified Birth or Adoption Distributions made after December 29, 2022, may only be recontributed to the Plan within the three years following the day after such a distribution is received, and subject to any future contrary order issued by a court of competent jurisdiction or guidance issued by the Secretary of the Treasury, Qualified Birth or Adoption Distributions made on or before December 29, 2022, may only be recontributed at any time before January 1, 2026.

**B. Employer Contributions made on a Roth basis**

1. All types of compensation (e.g., Plan Compensation) shall be determined without regard to Employer Contributions made on a Roth basis.

2. Amounts that are subject to an in-Plan Roth transfers and in-Plan Roth Rollovers that are associated with Employer Contributions shall

be so moved to designated Roth Accounts of the same type of Employer Contribution instead of to a Roth Elective Deferral Account.

**C. Qualified Student Loan Payments**

"Qualified Student Loan Payment" means a payment made by a Participant on any indebtedness incurred by the taxpayer solely to pay the cost of attendance (as defined in section 472 of the Higher Education Act of 1965, as in effect on the day before the date of the enactment of the Taxpayer Relief Act of 1997) at an eligible educational institution (as defined in Code section 221(d)(2)) if

1. Such costs
  - a. Were incurred on behalf of the Participant, the Participant spouse, or any person who was a dependent of the Participant as of the time the indebtedness was incurred;
  - b. Were paid or incurred within a reasonable period of time before or after the indebtedness was incurred; and
  - c. Are attributable to education furnished during a period where the person on whose behalf the indebtedness occurred was an "Eligible Student" (as defined in Code section 25A(b)(3)); and
2. The Participant certifies at least annually that such payments have been made.

**D. Military Spouses**

"Military Spouse" means any individual other than a Highly Compensated Employee who is married, as defined by Code section 7703, as of the first date that the Employee is employed by the Employer to an individual who is a member of the uniformed services, as defined in 10 U.S. Code section 101(a)(5), serving on active duty. An Employer may rely on an Employee's certification that such Employee's spouse is a member of the uniformed services if such certification provides the name, rank, and service branch of such spouse.

**E. Emergency Personal Expense Distributions**

"Emergency Personal Expense Distribution" means a distribution that is made from this Plan for purposes of meeting unforeseeable or immediate financial needs relating to necessary personal or family emergency expenses. The Plan Administrator may rely on the Participant's written self-certification that the Participant satisfies the prior sentence. A distribution to a Participant may only qualify as an Emergency Personal Expense Distributions once per calendar year. Additionally, if a Participant takes an Emergency Personal Expense Distributions under this Plan, the Participant is prohibited from taking other Emergency Personal Expense Distributions from this Plan during the immediately following three calendar years unless the distribution is fully repaid or the aggregate amount of Elective Deferrals made to the Plan on behalf of the Participant subsequent to the date the distribution is made at least equals the amount of said distribution. No such distribution may exceed \$1,000 minus an individual's total nonforfeitable accrued benefit under the Plan, determined as of the date of such distribution.

**F. Auto-Portability Transactions**

"Automatic Portability Transaction" means a transfer of assets made as follows:

1. From an individual retirement plan which is established on behalf of an individual and to which amounts were transferred under Code section 401(a)(31)(B)(i);
2. To an employer-sponsored retirement plan described in clause (iii), (iv), (v), or (vi) of Code section 402(c)(8)(B) (other than a defined benefit plan) in which such individual is an active participant; and
3. After such individual has been given advance notice of the transfer and has not affirmatively opted out of such transfer.

**G. Distributions made on account of Domestic Abuse**

1. "Domestic Abuse" means physical, psychological, sexual, emotional, or economic abuse, including efforts to control, isolate, humiliate, or intimidate the victim, or to undermine the victim's ability to reason independently, including by means of abuse of the victim's child or another family member living in the household.
2. "Domestic Abuse Distribution" means a distribution made on account of Domestic Abuse.
3. A distribution is considered to have been made on account of Domestic Abuse if made during a 1-year period beginning on any date that the Participant is a victim of Domestic Abuse by a spouse or domestic partner. The Plan Administrator may rely on an individual's self-certification that the individual was a victim of Domestic Abuse on a certain day or during a specified period of time.
4. Unless indicated otherwise in applicable Optional Provisions, no Domestic Abuse Distribution to a Participant may exceed 50% of the present value of that Participant's nonforfeitable accrued benefit under the Plan nor \$10,000, as adjusted for inflation under Code section 72(t)(2)(K)(vii) and associated regulations.

**H. Loans and distributions related to natural disasters**

1. "Qualified Disaster" means any disaster with respect to which a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.
2. "Qualified Disaster Area" means with respect to any Qualified Disaster is the area with respect to which the major disaster was declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.
3. "Incident Period" means the period specified by the Federal Emergency Management Agency as the period during which a Qualified Disaster occurred.
4. "Qualified Disaster-Related Loan" means a loan made to a Participant whose principal place of abode was within a Qualified Disaster Area during the related Qualified Disaster's Incident Period and who sustained an economic loss by reason of such Qualified Disaster.
5. "Applicable Date" means, for any Qualified Disaster, the later of
  - a. The first day of that Qualified Disaster's Incident Period or
  - b. The date that Qualified Disaster was declared to be a major disaster.
6. "Qualified Disaster Recovery Distribution" means a distribution where the following conditions are met:
  - a. the distribution is made

- i. on or after the first day of the Incident Period and
  - ii. before the date that is 180 days after Applicable Date;
  - b. the Participant's principal place of abode was within the Qualified Disaster Area at any time during the period specified in Subsection (2);
  - c. the Participant sustained an economic loss by reason of such disaster; and
  - d. the sum of the distribution and all prior Qualified Disaster Recovery Distributions made to the Participant across all qualified retirement plans does not exceed \$22,000 with respect to the same Qualified Disaster, with no fiduciary having responsibility to determine if the Participant has exceeded this limit by taking such distributions from plans other than plans maintained by the Employer or held responsible for a breach of this limit, if the limit could have been satisfied within all plans maintained by the Employer at the time of the distribution.
7. Unless indicated otherwise in applicable Optional Provisions, if Qualified Disaster-Related Loans are allowed, the limits applicable to such loans are increased from
- a. \$50,000 to \$100,000 and
  - b. one-half of the present value of the non-forfeitable accrued benefit of the Participant under the Plan to the present value of the nonforfeitable accrued benefit of the Participant under the Plan.
8. "Qualified Home Purchase Distribution" means any qualified distribution (as defined in either Code section 72(t)(8)(F) or section 402(c)(13)(B)).

**I. Distributions to Terminally-Ill Participants**

A person is considered to be "Terminally-Ill" if the person is afflicted with a physician-certified illness or physical condition reasonably expected to result in death within 84 months of the date of certification who has furnished evidence of such affliction to the Plan Administrator.

**J. Pension-Linked Emergency Savings Accounts**

1. "Pension-Linked Emergency Savings Account" means an individual, short-term savings account maintained as part of the Plan that is a Roth Account. Such Account shall
- a. not have a minimum contribution or balance requirement and either be held as cash, held in an interest-bearing deposit account, or held in an investment product designed to maintain over the term of the investment, the dollar value that is equal to the amount invested in the product, preserve principal, and provide a reasonable rate of return (whether or not such return is guaranteed, consistent with the need for liquidity), and offered by a State or federally-regulated financial institution;
  - b. separately accounts for contributions and applicable earnings made to such Account;
  - c. only accept contributions from Participants who are not Highly Compensated Employees; and
  - d. unless indicated otherwise in applicable Optional Provisions, not accept a contribution to the extent such contribution would cause the portion of the Account's balance attributable to Participant contributions without accounting for earnings to exceed \$2,500, as modified by the cost-of-living adjustment provided under ERISA section 801(d) and associated regulations.
2. Participants may take at least one withdrawal from their Pension-Linked Emergency Savings Account each month.
3. No charge or fee may be applied to the first four withdrawals made each Plan Year by a Participant from the Participant's Pension-Linked Emergency Savings Account solely on the basis of withdrawal itself.
4. Distributions may be made from Pension-Linked Emergency Savings Accounts at any time and for any reason.
5. Participants with a balance in a Pension-Linked Emergency Savings Account may direct all or a portion of their balances to be transferred to one of their other, if any, Roth Accounts under the Plan, upon removal of Pension-Linked Emergency Savings Accounts from the Plan or termination of employment. Amounts that are not transferred according to this section shall be made available to the Participants and may be classified as Rollover Distributions.
6. Upon Plan Termination, balances associated with a Pension-Linked Emergency Savings Account shall be made available to the Participants and may be classified as Rollover Distributions.
7. The definition of "Matched Employee Contribution" shall include Elective Deferrals contributed to a Pension-Linked Emergency Savings Account to the extent Matching Contributions made on account of contributions to the Pension-Linked Emergency Savings Account in a Plan Year do not exceed the Pension-Linked Emergency Savings Account balance limitation for that Plan Year.

**K. Mandatory Eligible Automatic Contribution Arrangements**

1. Regardless of selections made in the Optional Provisions, Covered Employees must be automatically enrolled according to the Eligible Automatic Contribution Arrangement rules laid out in the Basic Plan Document as modified by the Adoption Agreement or Participation Agreement, at a rate of least 3% of Plan Compensation during their Initial Periods, with such rate increasing by at least one full point each period until reaching a rate of at least 10% but not more than 15% of Plan Compensation unless one of the following exceptions applies.
- a. An Employee has affirmatively elected to contribute a set amount of Plan Compensation as Elective Deferrals, including elections to defer 0% of Plan Compensation.
  - b. The Plan
    - i. is subject to the Simple 401(k) provisions listed in the Basic Plan Document;
    - ii. qualifies as a church plan under Code section 414(e); or
    - iii. qualifies as a governmental plan under Code section 414(d).
  - c. The Employee's employer:

- i. adopted the cash or deferral arrangement before December 29th, 2022;
  - ii. has existed for less than 3 years;
  - iii. normally employees no more than 10 Employees; or
  - iv. ceased employing less than 11 Employees during a tax year that closed within the last year.
2. "Covered Employees" has the meaning selected in the Adoption Agreement. If no selection is made, "Covered Employees" means only Eligible Employees who have not made an Elective Deferral election.

**L. Long-Term Part-Time Employees**

1. Effective for Plan Years beginning after December 31, 2024, the definition of "LTPT Employee" is changed to mean any Employee who meets all the following requirements.
- a. The Eligible Employee has not entered the Plan for Elective Deferral purposes other than through meeting the requirements of (b) and (c) below, as modified by the Optional Provisions.
  - b. The Eligible Employee has attained the lesser of age 21 or the age requirement specified in the Optional Provisions of the Adoption Agreement.
  - c. Beginning with Eligibility Computation Periods starting after December 31, 2020, the Eligible Employee has completed 500 Hours of Service in each of either three consecutive Eligibility Computation Periods or, for a series of Eligibility Computation Periods concluding before the start of the 2025 Plan Year, two consecutive Eligibility Computation Periods. A series of Eligibility Computation Periods shall not qualify under this Subsection unless the age requirement of (b) is met before the close of the final ECP.
2. Effective for Plan Years beginning after December 31, 2020, unless otherwise specified in the Optional Provisions, LTPT Employees who have not subsequently satisfied non-LTPT Employee Elective Deferral participation requirements are excluded from the following:
- a. Nondiscrimination requirements of Code section 401(a)(4);
  - b. ADP test of Code section 401(k)(3);
  - c. ADP safe harbor provisions of Code sections 401(k)(12) and (13);
  - d. The ACP test of Code section 401(m)(2);
  - e. The ACP safe harbor provisions of section 401(m)(11) and (12);
  - f. The minimum coverage requirements of section 410(b);
  - g. The application of the vesting and benefit requirements of Code section 416(b) and (c); and
  - h. If the exclusions listed in Subsections (a)-(g) apply, then receiving a Top-Heavy minimum allocation.
3. Subject to the selections made in the Optional Provisions:
- a. the only contributions LTPT Employees are permitted to make to the Plan are Pre-Tax Elective Deferrals that are not Catch-up Contributions;
  - b. when calculating LTPT Employee status, Eligibility Computation Periods do not switch to Plan Year after the first Eligibility Computation Period;
  - c. The entry date for LTPT Employees shall be the first day of the first and seventh months of the Plan Year; and
  - d. If LTPT Employees are exempt from the mandatory automatic enrollment provisions that apply to non-LTPT Employees, LTPT Employees shall not be automatically enrolled.

**M. Qualified Long-Term Care Distributions**

1. "Qualified Long-Term Care Distribution" means so much of a distribution that
- a. is associated with a Long-Term Care Premium Statement (as defined in Code Section 401(a)(38)(E)(ii)) that has been filed with the Plan and
  - b. does not exceed the lesser of the following, as modified by the cost-of-living adjustment provided under Code section 401(a)(39)(B)(ii):
    - i. the amount paid by or assessed to the Employee during the year for or with respect to Certified Long-Term Care Insurance for the Employee, Employee's spouse, or other persons included by the Secretary of the Treasury now or at a later date;
    - ii. \$2,500; and
    - iii. 10% of the present value of the Employee's nonforfeitable accrued benefit under the Plan.
2. "Certified Long-Term Care Insurance" means any of the following that provide meaningful financial assistance in the event the insured needs home-based or nursing home care, as required under Code section 401(a)(38)(C):
- a. a qualified long-term care insurance contract (as defined in Code section 7702B(b)) covering qualified long-term care services (as defined in Code section 7702B(c));
  - b. coverage of the risk that an insured individual would become a chronically ill individual (within the meaning of Code section 101(g)(4)(B)) under a rider or other provision of a life insurance contract which satisfies the requirements of Code section 101(g)(3) (determined without regard to subparagraph (D) thereof); or
  - c. coverage of qualified long-term care services (as defined in Code section 7702B(c)) under a rider or other provision of an insurance or annuity contract which is treated as a separate contract under Code section 7702B(e) and satisfies the requirements of Code section 7702B(g).

**N. Mandatory Roth Catch-up Contributions**

1. "Highly-Paid Individual" means an individual who received FICA wages for purposes of Code sections 3101(a) and 3111(a) from an employer that is an Adopting Entity that exceed \$145,000, as modified by the cost-of-living adjustment provided under Code section 414(v)(7)(E), in the prior calendar year.
2. Effective as of the taxable year beginning on or after December 31, 2025, pre-tax Elective Deferrals made by Highly-Paid Individuals may be recharacterized as Roth Catch-up Contributions, and each Highly-Paid Individual shall be deemed to have consented to such a recharacterization. Catch-up Contributions made by Highly-Paid Individuals must be either:
  - a. made on a Roth basis,
  - b. recharacterized as having been made on a Roth basis through any method allowed under applicable IRS regulations, including but not limited to allowing In-Plan Roth Rollovers and In-Plan Roth Transfers for such Participants even if not otherwise allowed under the Plan, provided such method is consistent among similarly situated Participants in any given Plan Year, or
  - c. treated as a failure under Code section 414(v)(1) and distributed to the applicable Highly-Paid Individuals or corrected in another manner specified by Treasury regulations.

**O. Enhanced Catch-up Contributions**

1. "Enhanced Catch-up Limit" means 150% of allowable Catch-up Contributions listed in the Basic Plan Document, excluding any modifications made under Section 17 of the Optional Provisions, as described in Code section 414(v)(2)(B) and modified by the cost-of-living adjustments provided under Code section 414(v)(2)(C).
2. Subject to modifications made in the Optional Provisions, for any taxable year, the amount of allowable Catch-up Contributions for any Participant who has attained at least age 60 but not age 64 by the end of said year shall increase to the Enhanced Catch-up Limit.

**P. Required minimum distributions**

1. The definition of "Required Beginning Date" is changed to mean April 1 of the calendar year following the later of the calendar year in which the Participant attains the Applicable Age or the calendar year in which the Participant retires, except that benefit distributions to a More Than 5% Owner must commence by April 1 of the calendar year following the calendar year in which the Participant attains the Applicable Age. The Adoption Agreement may provide that for a Participant other than a More Than 5% Owner the Required Beginning Date is April 1 of the calendar year following the calendar year in which the Participant attains the Applicable Age or the Participant may elect to begin receiving distributions by April 1 of the calendar year following the calendar year in which the Participant either attains the Applicable Age or retires.
2. "Applicable Age" means
  - a. Age 70-1/2 for people born before July 1, 1949;
  - b. Age 72 for people born after June 30, 1949; and
  - c. Effective January 1, 2023, age 73 for people born after the year 1950.
3. As stated in Code section 402A(d)(5), which is hereby incorporated by reference, the required distribution rules associated with Code section 401(a)(9) do not apply to designated Roth Accounts.

**Q. Starter 401(k)**

1. Subsections (2) and (3) apply to the Plan for any Plan Year beginning after December 31, 2023 during which all of the following are true:
  - a. only Elective Deferrals, Rollover Contributions, recontributed distributions treated as Rollover Contributions, contributions made pursuant to a governmental correction program, and amounts credited to such Accounts as contributions are allowed;
  - b. excluding Catch-up Contributions, no Participant makes Elective Deferrals that exceed the calendar year limit of \$6,000 as modified by the cost-of-living adjustment provided under Code section 401(k)(16)(D)(ii);
  - c. no Participant makes Catch-up Contributions that exceed the calendar year limit of \$1,000 as modified by the cost-of-living adjustment provided under Code section 219(b)(5)(C)(iii);
  - d. automatic enrollment provisions in the Adoption Agreement apply uniformly to all Eligible Employees who have satisfied the age and service requirements for Elective Deferrals;
  - e. an automatic enrollment rate is provided in the Adoption Agreement for all Employees who are Participants in the Plan for Elective Deferral purposes that is
    - i. at least 3% of Plan Compensation and
    - ii. does not exceed 15% of Plan Compensation;
  - f. excluding contributions made to the Plan, contributions made pursuant to the terms of this Plan, and benefits accrued pursuant to the terms of this Plan, no Eligible Employee receives a contribution or accrues a benefit under a contract, pension, or trust described in Code section 219(g)(5)(A) that is maintained by an Employer unless such other arrangement only covers Union Employees; and
  - g. the definition of Eligible Employee selected in the Adoption Agreement does not exclude any class of Employees of the Employer other than Union Employees.
2. The ADP and ACP tests described in the Basic Plan Document are treated as satisfied.
3. The Plan shall not be considered Top-Heavy.

**R. Contribution Limit for SIMPLE 401(k) Plans**

1. "SIMPLE Employer" means, with respect to any calendar year, an Employer that either
  - a. had no more than 100 Employees who received at least the amount of Compensation, as defined in the SIMPLE 401(k)

provisions of the Basic Plan Document, from the Employer specified in the Adoption Agreement for the preceding year where all Employees of controlled groups of corporations under Code section 414(b), of trades or businesses (whether incorporated or not) under common control under Code section 414(c), of affiliated service groups under Code section 414(m), and leased employees required to be treated as the Employer's Employees under Code section 414(n), are taken into account elected to offer a SIMPLE 401(k) Plan for the calendar year; or

b. had more than 100 such Employees in the preceding year, elected to offer a SIMPLE 401(k) Plan for the calendar year, and satisfied the requirements of (a) within the prior two (2) years, provided that if the reason for having more than 100 such Employees during the preceding year was due to any acquisition, disposition, or similar transaction involving the Employer, the provisions of Code section 410(b)(6)(C)(i) are satisfied.

2. "Small Employer" means a SIMPLE Employer with no more than 25 Employees who received at least the amount of Compensation from the Employer specified in the Adoption Agreement during the preceding year. In applying the preceding sentence, all Employees of controlled groups of corporations under Code section 414(b), all Employees of trades or businesses (whether incorporated or not) under common control under Code section 414(c), all Employees of affiliated service groups under Code section 414(m), and leased employees required to be treated as the Employer's Employees under Code section 414(n), are taken into account.

3. Contributions may be made to another plan on behalf of Eligible Employees during the same year contributions are made to this Plan if, during such transition year:

a. the Plan is terminated;

b. the Plan is replaced with another plan meeting the requirements of Code section 401(k)(11), (12), (13), or (16) the day after the Plan is terminated; and

c. Employees combined Elective Deferrals across both the Plan and replacement plan do not exceed the average statutory limit on Elective Deferrals applicable to each plan, with such average being weighted according to how many days each plan was effective during such transition year.

4. Sections 4.11(c)(2)(A) and (B) of the Basic Plan Document are replaced with the following:

a. Matching Contributions. Each year, the Employer will contribute a Matching Contribution to the Plan on behalf of each Employee who makes a salary reduction election under Subsection (1) above. The amount of the Matching Contribution for a year will be equal to the Employee's salary reduction contribution up to a limit of

i. 3% of the Employee's Compensation for the full year for Small Employers or Employers other than Small Employers who elect in the Optional Provisions to not increase the Elective Deferral limit by 110% or

ii. 4% of the Employee's Compensation for the full year for all other Employers.

b. Non-Elective Contributions.

i. For any year, instead of a Matching Contribution, the Employer may elect to contribute a Non-Elective Contribution for each Eligible Employee who received at least the amount of Compensation from the Employer specified in the Adoption Agreement for the year in an amount equal to

A. 2% of Compensation for the full year for Small Employers or Employers other than Small Employers who elect in the Optional Provisions to not increase the Elective Deferral limit by 110% or

B. 3% of Compensation for the full year for all other Employers.

ii. For Plan Years beginning on or after January 1, 2024, an additional Non-Elective Contribution may be made to each Employee of the Plan in a uniform percentage of Compensation that may not exceed the lesser of 10 percent of Compensation or \$5,000, as adjusted for inflation under Code section 408(p)(2)(G).

**S. Difficulty of Care Payments**

Earned Income and Section 415 Compensation shall include difficulty of care payments as defined under Code section 131(c)(1)(A) that are otherwise excludable from income.

**IN WITNESS WHEREOF**, the Employer has caused this Amendment to be executed this \_\_\_\_ day of \_\_\_\_\_, 2026.

MAGNA WATER DISTRICT:

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title/Position: \_\_\_\_\_

**SUMMARY OF MATERIAL MODIFICATIONS**  
**Magna Water District 401(k) Plan**

The purpose of this Summary of Material Modifications is to inform you of changes that have been made to the Magna Water District 401(k) Plan. These changes affect the information previously provided to you in the Plan's Summary Plan Description. The Summary Plan Description is modified as described below.

**ELIGIBILITY**

**ELIGIBLE EMPLOYEE**

The definition of "Eligible Employee" is expanded to include Long-term Part-Time Employees for Pre-Tax Elective Deferrals.

"Long-Term Part-Time Employee" status provides back-up Elective Deferral eligibility. This back-up eligibility only applies to Employees who have not entered the Plan for Elective Deferral purposes. The law requires unique age and service requirements for this back-up eligibility.

To qualify as a Long-Term Part-Time Employee, an Employee must

- (1) complete consecutive Years of Eligibility Service (earned by completing 500 Hours of Service, with each 12-month period beginning on either the Employee's employment commencement date or the anniversary of such date) and
- (2) attain at least age 21 before the end of the final year.

Long-Term Part-Time Employee status started with the 2021 Plan Year. Beginning with the 2025 Plan Year, the requirement is two consecutive Years of Eligibility Service. Before 2025, the requirement was three consecutive Years of Eligibility Service.

**ENTRY**

Long-Term Part-Time Employees become Participants eligible to receive contributions on the first day of the first month or seventh month of the Plan Year upon satisfaction of the age and service requirements.

**CONTRIBUTIONS**

**CATCH-UP CONTRIBUTIONS**

If wages reported in box 3 of an Employee's W-2 exceed \$145,000 (as adjusted for cost-of-living by the IRS each year) for the prior calendar year, then that Employee is considered a Highly Paid Individual ("HPI") for purposes of this SMM and may make Catch-up Contributions only on a Roth basis.

**COMPENSATION**

Earned Income and Section 415 Compensation now include difficulty of care payments as defined in Code section 131(c)(1)(A) that are otherwise excludable from income.

## **DISTRIBUTIONS**

### **REQUIRED BEGINNING DATE FOR REQUIRED MINIMUM DISTRIBUTIONS**

"Required Beginning Date" means April 1 of the calendar year following the later of the calendar year in which the Participant attains the Applicable Age or the calendar year in which the Participant retires, except that benefit distributions to a More Than 5% Owner must commence by April 1 of the calendar year following the calendar year in which the Participant attains the Applicable Age. "Applicable Age" means age 70-1/2 for people born before July 1, 1949; age 72 for people born after June 30, 1949; and effective January 1, 2023, age 73 for people born after the year 1950.

Roth Accounts are no longer subject to the required minimum distribution rules.

### **FORCE-OUT**

The maximum vested account balance subject to involuntary force-out is increased to \$7,000.

## **IN-SERVICE DISTRIBUTIONS AND LOANS**

### **HARDSHIP DISTRIBUTIONS**

In determining whether a distribution is upon the hardship of an employee, a Plan Administrator may rely on Participants' written self-certification that the distribution meets the safe harbor hardship withdrawal requirements.

# 2025 AUDIT

**MAGNA WATER DISTRICT**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2025**

**MAGNA WATER DISTRICT  
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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Magna Water District  
Magna, Utah

### **Opinion**

We have audited the accompanying financial statements of Magna Water District (the District), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Magna Water District as of December 31, 2025, and the respective changes in financial position, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management discussion and analysis, schedule of changes in net pension liability and related ratios, and schedule of required employer contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Magna Water District's basic financial statements. The schedule of revenues, expenses, and changes in net position and the schedule of revenues, expenses, and changes in net position – compared with budget, listed in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of revenues, expenses, and changes in net position and the schedule of revenues, expenses, and changes in net position – compared with budget are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Gilbert & Stewart*

Gilbert & Stewart, CPA, PC  
Provo, Utah  
June 2, 2026

**MAGNA WATER DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Team of Magna Water District offers readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2025.

**Financial Highlights**

The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$149,166,260 (net position). Of this amount, \$16,156,426 (unrestricted net position) may be used to meet the District's ongoing obligations to citizens and creditors.

The District's total net position increased by \$9,621,707. This increase is reflective of the increased capital assets of \$12,621,821, or 9.4% from 2024, totaling approximately \$146 million, and an increase in the District's inventories of \$656,528, a 46% increase from 2024. The District continues its annual repair and replacement program on culinary water lines and sewer collection lines, along with the meter replacement program. The meter replacement program is designed to have all meters in the system be 10 years and younger.

The District completed the water reuse project taking effluent wastewater from the wastewater plant, and feeds the secondary water system. This results in a much cleaner secondary water source.

There was over \$6 million of assets contributed to the District from developers. New development within the District installs water, secondary and sewer lines. Those lines are then contributed to the District when the development has been accepted.

The District's operating revenue increased by \$965,427 an increase of 7.86% from 2024 to 2025. This increase is attributable to a user fee increase in January of 2025, and some attributable to growth in the District.

The District's total overall expenses increased by 1.99% from 2024, this increase is seen in an increase in utilities, in depreciation of fixed assets, and other operating expenses. These expenses increased by a total of \$319,278. This increase can be attributable to an increase in the economy, but it also shows that with additional maintenance staff, the District is being able to perform more maintenance to our facilities than in the past. This maintenance schedule shows the proactive approach the District has developed in the last few years. The District's Management and Staff are very mindful of maintaining costs and make every effort to control costs. Other non-operating expenses decreased by 1.23% and most of this decrease is reflected in the interest paid on the District's debt.

The District's total long-term debt decreased by \$2,423,886 during the current fiscal year, as represented in Note 4 to the financial statements. The decrease is primarily a result of the District making their annual payments for outstanding GO bonds, revenue bonds, loans, leases, and notes.

**MAGNA WATER DISTRICT**  
**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of revenues and expenses and changes in net position presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, some revenues and expenses reported in this statement, may result in cash flows in future fiscal periods (e.g., uncollected taxes earned and not received and unused sick leave for employees).

The District maintains one type of proprietary fund, an enterprise fund. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the District's budget and actual amounts.

**Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$149,166,260 at the close of the most recent fiscal year.

By far the largest portion of the District's net position (83%) reflects its investment in capital assets (e.g., land, buildings, pipelines, machinery, and equipment); net of any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**MAGNA WATER DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

	<u>2025</u>	<u>2024</u>
Current and other assets	\$ 31,482,799	\$ 35,555,670
Capital Assets	<u>146,872,920</u>	<u>134,251,099</u>
 Total Assets	 <u>178,355,719</u>	 <u>169,806,769</u>
 Deferred outflow of resources	 <u>665,410</u>	 <u>1,160,014</u>
Long-term liabilities outstanding	25,980,122	28,148,163
Other Liabilities	<u>3,118,324</u>	<u>2,499,617</u>
 Total Liabilities	 <u>29,098,446</u>	 <u>30,647,780</u>
 Deferred inflow of resources	 <u>756,423</u>	 <u>774,450</u>
Net investment in capital assets	123,525,601	108,783,356
Restricted	9,484,233	12,185,692
Unrestricted	<u>16,156,426</u>	<u>18,575,505</u>
 Total Net Position	 <u>\$ 149,166,260</u>	 <u>\$ 139,544,553</u>

The restricted portion of the District's net position of \$9,484,233 represents resources that are subject to external restrictions on how they may be used, such as bonding requirements, Impact Fee regulations, and property tax levy regulations. There is an unrestricted fund balance amount of \$16,156,426. The unrestricted fund balance amount consists of cash and receivables to be collected less debt to be paid that is not affiliated with any of the capital assets (operation and maintenance).

There was an decrease of \$2,701,459 in restricted net position reported by the District. This resulted primarily from spending impact fees for capital improvements outlined in the District's Impact Fee Facilities Plan.

The District's net position increased by \$9,621,707 during the current fiscal year, as the District's operating and non-operating revenues exceeded all expenses for the year. As noted earlier, factors contributing to the increase in net position include investment in capital assets, increase in operating revenues and impact fees collected by new subdivisions, and contributed water and sewer lines by contractors.

**MAGNA WATER DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

	<b>2025</b>	<b>2024</b>
Operating revenues	\$ 13,246,461	\$ 12,281,034
Non-operating revenues	8,633,993	15,329,145
<b>Total Revenues</b>	<b>21,880,454</b>	<b>27,610,179</b>
Depreciation and amortization expense	5,938,078	5,606,009
Other operating expenses	10,418,085	10,430,876
Non-operating expenses	2,118,981	2,145,130
<b>Total Expenses</b>	<b>18,475,144</b>	<b>18,182,015</b>
Income before capital contributions	3,405,310	9,428,164
Capital contributions	6,216,397	2,139,437
<b>Change in Net Position</b>	<b>9,621,707</b>	<b>11,567,601</b>
<b>Total Net Position, Beginning of Year</b>	<b>139,544,553</b>	<b>127,976,952</b>
<b>Total Net Position, End of Year</b>	<b>\$ 149,166,260</b>	<b>\$ 139,544,553</b>

Major sources of revenue for the District consist of charges for services, property taxes, impact fees collected from new subdivisions, and other non-operating revenues. These sources account for approximately 87% of the Districts revenues before capital contributions.

Total revenues decreased by approximately 20.75% from the prior year, total expenses increased by approximately 1.61%, leading to a net income before capital contributions of \$3,405,310. The capital contributions increased 190.56% from 2024 due to a new development accepted and closed out. The District recognizes new developments when the projects are complete and out of warranty periods. Although 2025 appears to be recognizing substantial contributions, the developments could have been in process for years before the contribution is recognized.

The decrease in total revenues is primarily due to the decrease in impact fees that were paid to the District for new development and decrease of connection fees from development. Although development is still ongoing in the District. The District implemented a user fee increase beginning January 2025. The additional growth and new connections to the District results in higher utilization of the sewer collection and treatment systems, along with the culinary and secondary water systems. The District continues to add connections to the secondary water system so the demand on the culinary system remains sustainable and prevents large costly upgrades to the culinary water system.

The increase in expenses is primarily due to the increase in the cost of utilities for the District.

**MAGNA WATER DISTRICT**  
**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

Management of the District is focused on a proactive repair and replacement program versus a reactive program and continues to develop maintenance and replacement projects in order to keep the system in good working condition. The maintenance and replacement projects include replacement of valves, meters, and water and sewer pipelines on a timely basis and not on a “when it breaks” approach. Although every year we do have situations where breaks happen, the District evaluates and prioritizes distribution line replacements. Usually, this type of program will save the District money in future years down the road.

**Capital Asset and Debt Administration**

**Capital Assets.** The District’s investment in capital assets as of December 31, 2025, amounts to \$146,872,920 (net of accumulated depreciation). This investment in capital assets includes land, structures and improvements, wells and springs, supply and transmission mains for water distribution and sewer collection, construction in progress, plant and sewer systems, and machinery and equipment. The total increase in the District’s investment in capital assets for the current fiscal year was approximately 9.40%, and amount of \$12,621,821.

	<b>2025</b>	<b>2024</b>
Land	\$ 15,040,203	\$ 15,040,203
Buildings and Improvements	4,260,988	4,242,143
Water System	87,178,576	82,918,030
Secondary System	32,932,023	20,909,686
Sewer Treatment Plant	38,383,694	38,343,956
Sewage collection lines	26,296,280	23,738,555
Machinery and equipment	5,025,096	4,947,470
Water Rights and easements	2,458,202	2,458,202
Construction in progress	12,671,668	13,581,288
 Total Capital Assets	 224,246,730	 206,179,533
 Less accumulated depreciation	 (77,373,810)	 (71,928,434)
 Total Capital Assets, net of depreciation	 \$ 146,872,920	 \$ 134,251,099

Additional information on the District’s capital assets can be found in Note 3 to the financial statements.

**Long-term debt.** At the end of the current fiscal year, the District had total long-term debt outstanding of \$24,923,886. Of this amount, \$3,708,000 is outstanding as revenue bond debt, \$147,321 relates to amounts outstanding on a water resource loan, \$17,375,000 is outstanding as general obligation bond debt, and \$557,580 relates to amounts outstanding on leases. Pursuant to a new GASB Ruling, the District also now recognizes a long-term debt for OPEB Obligations in the amount of \$2,117,540, and a debt for pension liability in the amount of \$1,018,445.

**MAGNA WATER DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

	<b>2025</b>	<b>2024</b>
General obligation bonds	\$ 17,375,000	\$ 20,136,941
Revenue bonds	3,708,000	3,944,000
Water resource loan	147,321	198,733
Capital lease	557,477	674,651
Net OPEB obligations	2,117,540	2,081,990
Net Pension Liability	1,018,445	1,111,846
 Total	 \$ 24,923,783	 \$ 28,148,161

Additional information of the District’s long-term debt can be found in Note 4 to the financial statements.

**Reserve Funds**

The District held \$694,357 in reserve and replacement funds at the end of the current fiscal year, which are mandated by the District’s revenue bonds.

**Reserve and Fee Structure**

In 2021 the District adopted a new Master Plan, Impact Fee Facilities Plan (the Plan), and performed a rate study to evaluate the capital facility and revenue needs of the water, sewer, and secondary systems to continue to service the District’s residences. The Plan looks at the condition of the District through the projected year of 2030. The District adopted the Impact Fee Facility Plan, an Impact Fee Analysis, and an Impact Fee Enactment in January of 2021, and adopted the new rates and fees structure in April 2021. The District adopted a small annual increase in rates that began January 1, 2022. The small annual increases will happen at the beginning of each year continuing through 2025. Before 2022, the District had not had an increase in user rates since 2019. The District is currently revisiting the Master Plan, and Impact Fee Facilities Plan. In February 2026 the District adopted and passed new Amended Impact Fe Facility Plan and Impact Fee Analysis. The new impact fee will go into effect May 19, 2026. The District is currently revisiting their user rates and fee structure.

**Planned Future Capital Improvements**

The District completed the water reuse system to utilize the effluent water from the wastewater treatment facility as a secondary source to its secondary water distribution system. The reuse water was available to users in 2025. In the upcoming year, the District has many construction plans for their facilities. Those Construction plans include continuing the installation of a new sewer collection pipeline to increase the capacity to collect additional sewer along the west side of the District, expansion to their meter replacement project, culinary and secondary water line and sewer collection line repair and replacement schedule, a Zone 3 secondary water reservoir, wastewater influent facility upgrade, screw press building expansion, and maintenance and upgrade to various District’s culinary water well sources.

**MAGNA WATER DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

As always, the Board of Trustees, the Management Team, and Staff do their best to satisfy our customers and to improve our system. The District follows a master plan that is reviewed each year.

**Requests for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Magna Water District, Attention: District Manager, PO Box 303, Magna, Utah 84044.

# **BASIC FINANCIAL STATEMENTS**

**MAGNA WATER DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2025**

**Assets**

**Current Assets**

Cash and cash equivalents	\$	17,500,371
Receivables:		
Property Tax		770,300
Customers, net		1,066,111
Other		478,793
Prepaid expenses		93,690
Inventories		2,085,741
		21,995,006
<b>Total Current Assets</b>		<b>21,995,006</b>

**Noncurrent Assets:**

Restricted cash and cash equivalents		9,484,233
Capital Assets		
Capital assets not being depreciated		30,170,073
Capital assets being depreciated, net of accumulated depreciation		116,702,847
		146,872,920
Total Capital Assets, net of accumulated depreciation		146,872,920
Water rights and shares held for sale		3,560
		156,360,713
<b>Total Noncurrent Assets</b>		<b>156,360,713</b>
<b>Total Assets</b>	<b>\$</b>	<b>178,355,719</b>

**Deferred Outflow of Resources**

Assumption changes related to Pensions		665,410
		665,410
<b>Total Deferred Outflow of Resources</b>	<b>\$</b>	<b>665,410</b>

**MAGNA WATER DISTRICT**  
**STATEMENT OF NET POSITION (Continued)**  
**DECEMBER 31, 2025**

**Liabilities**

**Current Liabilities:**

Accounts payable	\$ 1,546,983
Accrued liabilities	656,376
Compensated absences	184,403
Retainage payable	503,182
Deferred revenue	120,080
Accrued interest payable	107,300
Capital lease obligations - current	284,642
General obligation bonds payable - current	1,670,000
Revenue bonds payable - current	240,000
Notes payable - current	51,927

<b>Total Current Liabilities</b>	5,364,893
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**Noncurrent Liabilities**

Net other postemployment benefits obligation	2,117,540
Capital lease obligations, net of current portion	272,835
General obligation bonds payable, net of current portion	16,761,339
Revenue bonds payable, net of current portion	3,468,000
Notes payable, net of current portion	95,394
Net pension liability	1,018,445

<b>Total Noncurrent Liabilities</b>	23,733,553
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<b>Total Liabilities</b>	\$ 29,098,446
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**Deferred Inflow of Resources**

Changes to earnings on pension plan investments	756,423
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<b>Total Deferred Inflow of Resources</b>	\$ 756,423
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**Net Position**

Net investment in capital assets	123,525,601
Restricted:	
Debt Service	2,340,116
Impact fees	6,772,707
Capital projects	371,410
Unrestricted	16,156,426

<b>Total Net Position</b>	\$ 149,166,260
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**MAGNA WATER DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

**Operating Revenues:**

Water Sales	\$ 6,431,595
Sewer service charges	5,690,233
Connection fees and other income	1,124,633

<b>Total Operating Revenues</b>	13,246,461
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**Operating Expenses**

Salaries & Benefits	5,298,469
Contractual services	611,633
Materials and supplies	2,492,871
Utilities	1,285,599
Depreciation and amortization	5,938,078
Lease expense	40,895
Other operating expense	688,618

<b>Total Operating Expenses</b>	16,356,163
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<b>Operating Income (Loss)</b>	(3,109,702)
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**Nonoperating Revenues (Expenses):**

Property tax revenue	5,890,187
Intergovernmental Grants	99,012
Non-resident fee in lieu of property tax	177,619
Impact fees	1,184,966
Gain (loss) on sale of assets	(211,531)
Other non-operating income	380,030
Interest income	1,113,710
Interest expense	(544,844)
Payments to RDA's	(1,574,137)

<b>Total Nonoperating Revenues (Expenses)</b>	6,515,012
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<b>Income Before Capital Contributions</b>	3,405,310
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<b>Capital Contributions</b>	6,216,397
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<b>Change in Net Position</b>	9,621,707
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<b>Total Net Position, Beginning of Year</b>	139,544,553
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<b>Total Net Position, End of Year</b>	\$ 149,166,260
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**MAGNA WATER DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**Cash Flows From Operating Activities**

Receipts from customers and users	\$ 13,004,218
Payments to suppliers	(5,088,157)
Payments to employees	(4,570,102)
	3,345,959
<b>Net Cash From Operating Activities</b>	<b>3,345,959</b>

**Cash Flows From Noncapital Financing Activities**

Property tax collected for maintenance and operations	3,566,308
Property tax paid to RDA's	(1,491,961)
	2,074,347
<b>Net Cash From Noncapital Financing Activities</b>	<b>2,074,347</b>

**Cash Flows From Capital and Related Financing Activities**

Receipts from impact fees	1,184,966
Property tax collected for debt service	2,267,239
Fee in lieu of property tax	177,619
Receipts of non-operating revenues	380,030
Principal paid on capital debt	(1,897,412)
Principal paid on lease	(117,071)
Interest paid on capital debt	(653,935)
Purchases and construction of capital assets	(12,578,470)
Intergovernmental Grants	99,012
Proceeds from sale of capital assets	23,435
	(11,114,587)
<b>Net Cash From Capital and Related Financing Activities</b>	<b>(11,114,587)</b>

**Cash Flows From Investing Activities**

Interest income	1,113,710
	1,113,710
<b>Net Cash From Investing Activities</b>	<b>1,113,710</b>

**Net Increase (Decrease) in Cash and Cash Equivalents** (4,580,571)

**Cash and Cash Equivalents, Beginning of Year** 31,848,714

**Cash and Cash Equivalents, End of Year** \$ 26,984,604

**MAGNA WATER DISTRICT  
STATEMENT OF CASH FLOWS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2025**

<b>Reconciliation of Operating Income to Net Cash From Operating Activities:</b>	
Operating Income (Loss)	\$ (2,851,699)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation and amortization	5,938,078
Changes in operating assets and liabilities:	
(Increase) Decrease in Current Assets :	
Receivables	(106,660)
Prepaid expenses	(28,052)
Inventories	(656,528)
Increase (Decrease) in Current Liabilities and Other Operating effects:	
Accounts payable	726,274
Accrued liabilities	10,468
Compensated absences	15,634
Retainage payable	(10,236)
Deferred revenue	(110,047)
Deferred outflows	494,604
Deferred inflows	(18,026)
Net pension liability	(93,401)
Net other postemployment benefits obligation	35,550
	<hr/>
<b>Net Cash From Operating Activities</b>	<b>\$ 3,345,959</b>
	<hr/> <hr/>
<b>Noncash Investing, Capital, and Financing Activities</b>	
Capital assets donated by developers	6,216,397
	<hr/>
	<b>\$ 6,216,397</b>
	<hr/> <hr/>

# MAGNA WATER DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 SUMMARY OF ACCOUNTING POLICIES

#### Reporting Entity

Magna Water District, Utah (the District) is a local district governed by an elected three member board. Generally accepted accounting principles require that these financial statements present the government and its component units, entities for the government is considered to be financially accountable. The District was created July 7, 1949 by a resolution of the Board of County Commissioners of Salt Lake County. Salt Lake County has no oversight responsibility over the District and the District is not reported as a component unit of Salt Lake County. The District has no blended or discretely presented component units.

#### Measurement Focus and Basis of Accounting

The District is an enterprise fund, which is reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District are charges to customers for water and sewer services. Operating expenses include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

#### Budgetary Procedures and Budgetary Accounting

Budgetary procedures for the District have been established by the Uniform Fiscal Procedures Act adopted by the State of Utah, which requires the legal adoption of a budget for all funds. Furthermore, in accordance with state law, all appropriations lapse at the end of the budget year; accordingly, no encumbrances are recorded. The basis of accounting to the budget is the same basis as the financial statements.

A formal budget has been adopted and used as a control device during the year ended December 31, 2025.

The District follows the following procedures in its budgetary process:

1. During November of each year the District adopts a tentative annual budget for the upcoming calendar year.
2. The tentative budget is a public record and is available for public inspection.
3. At least ten (10) days prior to the second Thursday in December of each year, the District publishes a notice of public hearing for the purpose of adopting a budget on the District's website and on the State's public notice website [publicnotice.utah.gov](http://publicnotice.utah.gov).
4. On the second Thursday in December, the budget is formally adopted after consideration of public comment.

No budget is required to be presented with these financial statements. State law allows the District to amend the proprietary fund budget without public hearing or public notice.

# MAGNA WATER DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

#### Statement of Cash Flows

The District considers all highly liquid investments with a maturity of three months or less when purchased to be “cash equivalents”. All restricted and non-restricted cash amounts are considered to be cash and cash equivalents for statement of cash flow purposes.

#### Allowance for Doubtful Accounts

Accounts receivable are stated net of allowance for doubtful accounts of \$9,211. The allowance for doubtful accounts is based on the District’s prior collection experience.

#### Inventories

The District maintains inventories of pipe, repair parts, hydrants, and water meters. Inventories are stated at the lower of cost or market using the first in/first out (FIFO) method.

#### Property and Equipment

Property and equipment include land, buildings and improvements, water and sewer systems, water shares, and machinery and equipment. Property and equipment are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. No interest was capitalized during the current year.

Property, plant, and equipment of the District is depreciated using the straight-line method over the following useful lives:

Water utility plant	20 to 50 years
Sewer utility plant	30 to 50 years
Buildings and structures	30 to 40 years
Equipment	3 to 15 years
Furniture and fixtures	5 to 10 years

#### Employee Benefits and Compensated Absences

The District provides pension, medical, dental, vision, and life insurance to its employees, most of which are negotiated by contract with the Teamsters Union. Employees are also provided paid holidays and vacation pay, which does not accumulate from year to year, but a maximum of 80 hours can be cashed out at the end of each year. Sick leave accumulates at a rate of two hours per pay period, can be carried over from year to year without limitation, and is paid out in full upon termination of employment to the extent that an employee is not terminated for cause.

#### Property Tax Revenues

Property taxes are assessed and become a lien against the property on January 1<sup>st</sup>. Property taxes become delinquent after November 30<sup>th</sup>. The District’s tax rate for 2025 was .001320 which is comprised of .000517 for operations and maintenance, and .000803 for debt service. The statutory maximum set by the state for operations and maintenance is 0.000800. There is no statutory maximum for the reduction of general obligation bonds.

# MAGNA WATER DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

#### Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the District to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

#### Leases

The financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The lease liability or receivable is the present value of the payments that will be made to the lessor over the lease term.

### NOTE 2 CASH AND CASH EQUIVALENTS

Following are the components of the District's cash and Investments at December 31, 2025:

Cash, cash equivalents, and investments	\$	17,500,371
Restricted cash and cash equivalents		9,484,233
Investments		-
	\$	26,984,604

The District follows the requirements of the Utah Money Management Act (Utah Code Annotated 1953, Section 51, Chapter 7) (the Act) in handling its depository and temporary investment transactions. This law requires the deposit of District funds in a “qualified depository.” The Act defined a “qualified depository” as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. However, the District does not have a separate deposit and investment policy that addresses the specific types of deposit and investment risk to which the District is exposed.

*Custodial credit risk – deposits* is the risk that in event of a bank failure, the District's deposits may not be returned to it. At December 31, 2025, the carrying amount of the District's deposits was \$2,233,322, and the bank balance was \$2,470,075. Deposits are not collateralized nor are they required to be by state statute. However, the State Commissioner of Financial Institutions monitors financial institutions and establishes limits for deposits of public money at individual financial institutions, and the District follows these recommendations. Of the amounts held in deposit at December 31, 2025, \$2,220,075 was uninsured and uncollateralized.

*Custodial credit risk – investments* is the risk that in the event of the failure of a counterparty, the District will not be able to recover the value of its investments that are in the possession of an outside party. The District's investment in the Utah Public Treasurer's Investment Fund (PTIF) has no custodial credit risk.

*Interest Rate Risk* is the risk that changes in the interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District invests in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity may not exceed the period of availability of the funds to be invested.

# MAGNA WATER DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2 CASH AND CASH EQUIVALENTS (CONTINUED)

*Credit Risk* is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy for limiting the credit risks of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investment Services or Standard and Poor; banker acceptance obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations as defined by the Act.

*Concentration of Credit Risk* is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's investment in the PTIF has no concentration of credit risk.

The District invests in the Utah Public Treasurer's Investment Pool (PTIF) which is a voluntary external Local Governmental Investment Pool managed by the Utah State Treasurer's Office and is audited by the Utah State Auditor. No separate report as an external investment pool has been issued for the PTIF. The PTIF is not registered with the SEC as an investment company and is not rated. The PTIF is authorized and regulated by the Utah Money Management Act, (Utah Code Title 51, Chapter 7). The PTIF invests in high-grade securities which are delivered to the custody of the Utah State Treasurer, assuring a perfected interest in the securities, and therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. The maximum weighted average life of the portfolio does not exceed 90 days. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments. The PTIF operates and reports to participants on an amortized costs basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated to participants on the ratio of the participants' share to the total funds in the PTIF based on the participants' average daily balance. The PTIF allocates income and issues statements on a monthly basis. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value and participants are informed of the fair value valuation factor. Additional information is available from the Utah State Treasurer's Office.

The District measures its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets.
- Level 2: Observable inputs other than quoted market prices; and
- Level 3: Unobservable inputs

**MAGNA WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 CASH AND CASH EQUIVALENTS (CONTINUED)**

	<u>Carrying Amounts</u>	<u>Fair Value</u>	<u>Fair Value Level</u>	<u>Weighted Average Maturity (years)</u>	<u>Credit Rating (1)</u>
Cash on hand and on deposit:					
Cash on Hand	\$ 1,300	\$ 1,300	n/a	n/a	n/a
Cash on Deposit	2,233,322	2,233,322	n/a	n/a	n/a
Total Cash on hand and deposit	<u>\$ 2,234,622</u>	<u>\$ 2,234,622</u>			
Investments:					
State of Utah Public Treasurer's					
Investment Fund	\$ 23,833,857	\$ 23,888,395	2	n/a	n/a
Money Market Funds	916,125	916,125	1		n/a
Zions liquidity Management	-	-			n/a
U.S. Obligations	-	-	1	1	AAA
Total Investments	<u>\$ 24,749,982</u>	<u>\$ 24,804,520</u>			

(1) Ratings are provided where applicable to indicate associated Credit Risk. N/A indicates not applicable.

**MAGNA WATER DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 3 CAPITAL ASSETS**

The District depreciates its capital assets using the straight-line method. A summary of the capital asset activity for the year ended December 31, 2025 is as follows:

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Capital Assets, not being depreciated:				
Land	\$ 15,040,203	\$ -	\$ -	\$ 15,040,203
Water rights, water shares, and easements	2,458,202	-	-	2,458,202
Construction in progress	13,581,288	11,867,141	(12,776,761)	12,671,668
<b>Total Capital Assets, not being depreciated</b>	<b>31,079,693</b>	<b>11,867,141</b>	<b>(12,776,761)</b>	<b>30,170,073</b>
Capital Assets, being depreciated:				
Buildings and improvements	4,242,143	18,845	-	4,260,988
Water system	82,918,030	4,947,426	(686,880)	87,178,576
Secondary water system	20,909,686	12,031,337	(9,000)	32,932,023
Sewer treatment plant	38,343,956	39,738	-	38,383,694
Sewage collection lines	23,738,555	2,557,725	-	26,296,280
Machinery and equipment	4,947,470	109,416	(31,790)	5,025,096
<b>Total Capital Assets, being depreciated</b>	<b>175,099,840</b>	<b>19,704,487</b>	<b>(727,670)</b>	<b>194,076,657</b>
<b>Total Capital Assets</b>	<b>206,179,533</b>	<b>31,571,628</b>	<b>(13,504,431)</b>	<b>224,246,730</b>
Less Accumulated Depreciation:				
Buildings and improvements	(1,041,710)	(145,961)	-	(1,187,671)
Water system	(35,565,734)	(2,944,377)	475,135	(38,034,976)
Secondary water system	(4,490,184)	(798,033)	9,000	(5,279,217)
Sewer treatment plant	(18,918,184)	(846,766)	-	(19,764,950)
Sewage collection lines	(9,471,571)	(829,244)	-	(10,300,815)
Machinery and equipment	(2,441,051)	(373,698)	8,568	(2,806,181)
<b>Total Accumulated Depreciation</b>	<b>(71,928,434)</b>	<b>(5,938,079)</b>	<b>492,703</b>	<b>(77,373,810)</b>
<b>Capital Assets, net</b>	<b>\$ 134,251,099</b>	<b>\$ 25,633,549</b>	<b>\$ (13,011,728)</b>	<b>\$ 146,872,920</b>

**MAGNA WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 LONG-TERM OBLIGATIONS**

The following is a summary of long-term debt obligations of the District for the year ended December 31, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Bonds Payable</b>					
General Obligation Bonds - Direct Placements	\$ 10,175,000	\$ -	\$ (635,000)	\$ 9,540,000	660,000
General Obligation bonds - Other	8,810,000	-	(975,000)	7,835,000	1,010,000
Premiums	1,151,941	-	(95,602)	1,056,339	-
Revenue Bonds - Direct Placements	3,944,000	-	(236,000)	3,708,000	240,000
<b>Total Bonds Payable</b>	<b>24,080,941</b>	<b>-</b>	<b>(1,941,602)</b>	<b>22,139,339</b>	<b>1,910,000</b>
<b>Notes and leases payable</b>					
Notes Payable - Direct Placements	198,733	-	(51,412)	147,321	51,927
Leases Payable	674,651	-	(117,174)	557,477	284,642
<b>Total Notes and leases payable</b>	<b>873,384</b>	<b>-</b>	<b>(168,586)</b>	<b>704,798</b>	<b>336,569</b>
<b>Total Long-Term Liabilities</b>	<b>\$ 24,954,325</b>	<b>\$ -</b>	<b>\$ (2,110,188)</b>	<b>\$ 22,844,137</b>	<b>2,246,569</b>
<b>Other Long-term liabilities</b>					
Compensated absences	168,769	15,634	-	184,403	184,403
Post employment Benefit Liability	2,081,990	35,550	-	2,117,540	-
Net Pension Liability	1,111,846	-	(93,401)	1,018,445	-
<b>Total Other Long-term liabilities</b>	<b>3,362,605</b>	<b>51,184</b>	<b>(93,401)</b>	<b>3,320,388</b>	<b>184,403</b>
<b>Total Long-Term Liabilities</b>	<b>\$ 28,316,930</b>	<b>\$ 51,184</b>	<b>\$ (2,203,589)</b>	<b>\$ 26,164,525</b>	<b>2,430,972</b>

**MAGNA WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The original amount of general obligation bonds that were issued in prior years with amounts still outstanding as of December 31, 2025 was \$30,245,000.

General Obligation bonds are direct obligation and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Purpose	Issue Date	Original Borrowing	Interest Rates	Final Maturity	Amount
Refunding	2013	\$ 8,245,000	2.00 - 3.00%	2029	\$ 1,585,000
Water Treatment Facilities	2017	13,975,000	2.00 - 3.00%	2037	9,540,000
Various Capital Projects	2019	8,025,000	2.00 - 5.00%	2039	6,250,000
					\$ 17,375,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31,	GO Bonds - Direct Placement			GO Bonds - Other		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 660,000	\$ 285,463	\$ 945,463	\$ 1,010,000	\$ 212,550	\$ 1,222,550
2027	690,000	258,462	948,462	670,000	180,150	850,150
2028	715,000	244,662	959,662	700,000	152,000	852,000
2029	735,000	212,188	947,188	725,000	122,625	847,625
2030	755,000	189,838	944,838	425,000	101,275	526,275
2031-2035	4,145,000	591,631	4,736,631	2,290,000	341,603	2,631,603
2036-2039	1,840,000	55,650	1,895,650	2,015,000	90,725	2,105,725
Total	\$ 9,540,000	\$ 1,837,894	\$ 11,377,894	\$ 7,835,000	\$ 1,200,928	\$ 9,035,928

**Covenant Requirements**

The 2013, 2017 and the 2019 bond agreements require the District to levy all taxable property, in addition to all other taxes, a direct annual tax sufficient to pay the principal and interest on these bonds.

**MAGNA WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Revenue Bonds**

The District also issues bonds where the District pledges income derived from the acquired or constructed assets to pay debt service. The original amount of revenue bonds issued in prior years with amounts still outstanding as of December 31, 2025 was \$7,100,000. Revenue bonds outstanding at year end are as follows:

<u>Purpose</u>	<u>Issue Date</u>	<u>Original Borrowing</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Amount</u>
Water Treatment Plant	2007	\$ 7,100,000	1.50%	2039	\$ 3,708,000
					<u>\$ 3,708,000</u>

Annual debt service requirements to maturity for revenue bonds are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 240,000	\$ 55,620	\$ 295,620
2027	244,000	52,020	296,020
2028	247,000	48,360	295,360
2029	251,000	44,655	295,655
2030	255,000	40,890	295,890
2031 - 2035	1,331,000	145,965	1,476,965
2036 - 2039	1,140,000	43,050	1,183,050
Total	<u>\$ 3,708,000</u>	<u>\$ 430,560</u>	<u>\$ 4,138,560</u>

**Reserve requirements**

The District is required to establish reserve accounts to provide proper service of the 2007 Water Revenue Bonds. The following is a description of these reserve accounts.

The District is required to make monthly contributions to a Reserve Account to be used to pay principal due on the 2007 Bonds at any time when there are not sufficient funds to pay the same. Required monthly contributions to this Reserve Account are \$4,935 until the account balance reaches \$296,105. As of December 31, 2025, required reserve fund balances were fully funded.

# MAGNA WATER DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)

The District is also required to set aside funds sufficient to cover debt service principal and interest payments for the succeeding year. As of December 31, 2025, required reserve fund balances were fully funded.

Required reserve fund balances as of December 31, 2025 are as follows:

	2007 Series	
	Amount Required	Amount On Deposit
Reserve accounts	\$ 296,105	\$ 296,105
Debt Service Accounts	295,620	398,252
<b>Total Reserve Requireme</b>	<b>\$ 591,725</b>	<b>\$ 694,357</b>

#### Notes Payable

The District entered into an agreement with the State of Utah Division of Water Resources (State) for the construction of a secondary water system. The State agreed to advance the District \$1,175,000 at an annual interest rate of 1.00% to fund construction on the project.

Annual debt service requirements to maturity for Notes Payable are as follows:

Year Ending December 31,	Principal	Interest	Total
2026	\$ 51,927	\$ 1,473	\$ 53,400
2027	52,446	954	53,400
2028	42,948	429	43,377
Total	\$ 147,321	\$ 2,856	\$ 150,177

#### Leases Payable

In 2023 the District entered into lease agreements as lessee for financing the acquisition of various vehicles. The leases carry an interest rate of 1.30% and maturity dates in 2027 with a present value at December 31, 2025 of \$557,477. The District has recorded these as a financed purchase and the assets will be depreciated over their useful lives. There are no residual value guarantees in the lease provisions.

**MAGNA WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

A summary of the principal and interest amounts for remaining lease is as follows:

Year Ending December 31,	Principal	Interest	Total
2026	\$ 284,642	\$ 24,360	\$ 309,002
2027	272,835	9,950	282,785
Total	\$ 557,477	\$ 34,310	\$ 591,787

**NOTE 5 UNION EMPLOYEES PENSION PLAN**

Most full-time District employees are members of the Western Conference Teamsters Pension Plan (the Plan, or WCTPP). The Plan is a multiple-employer defined benefit pension plan. The Plan is administered by the Board of Trustees of the Plan, who have authority to amend the benefits provided by the Plan. The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. As of December 31, 2025 there were 27 employees participating in the Plan. Participants in the Plan normally must be vested over a five-year period prior to receiving benefits.

The District makes pension contributions to the Plan, on behalf of covered employees at the rate of \$5.65, \$5.80, an hour for the years ended December 31, 2023, 2024 and \$5.95 for 2025. The contribution rates of the district are determined pursuant to a collective-bargaining agreement, covering the period June 1, 2024 through May 31, 2027. The Plan has no minimum contribution requirements. If the District withdraws from the Plan, they will be liable to the Plan in the amount determined under the Plan's Agreement & Declaration of Trust: Employer Withdrawal Liability Rules and Procedures of the Western Conference of Teamsters Pension Trust Fund – A Supplement to the Western Conference of Teamsters Pension Plan, section 10 which can be found at <http://www.wctppension.org/forms-documents-webcasts/plan-documents>.

The WCTPP issues a publicly available financial report which can be obtained at <http://www.wctppension.org/forms-documents-webcasts/plan-documents>. Additional information regarding the Plan may be obtained by accessing the aforementioned audited financial report.

District contributions to the Plan were \$338,248, \$343,201, \$321,896, for 2025, 2024, and 2023, respectively.

**NOTE 6 NON-UNION EMPLOYEES PENSION PLAN**

*Plan Description:* The Magna Water District Defined Benefit Plan (the Plan) is a single-employer defined benefit plan. The Plan's provisions were adopted by a resolution of the Water District's Board of Trustees, which appoints those who serve as trustees of the Plan. Any amendments to the plan are adopted by a resolution of the Water District's Board of Trustees.

# MAGNA WATER DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6 NON-UNION EMPLOYEES PENSION PLAN (CONTINUED)

*Benefits provided.* The Plan covers all eligible employees and provides retirement benefits to plan members and their beneficiaries. Eligible employees are the executive employees who do not qualify to participate in the Union Employees Pension Plan described in the previous note. Retirement benefits are as follows:

<u>Years of Service required</u>	<u>Age eligibility for benefit</u>	<u>Monthly Benefit amount per year</u>
5 years	Must be age 55 or older	\$204.38 per year of credited service before 01/01/2023 and \$250.00 per year of credited service for subsequent years

*Participation.* As of December 31, 2025, there were 6 active participants, 0 inactive participants, and 0 retirees and beneficiaries.

*Contributions.* Through December 31, 2025, contributions to the Plan were recommended by the annual actuarial report and are approved by the Water District’s Board of Trustees. As of January 1, 2023 a contribution bases on a fixed dollar amount was approved by the Water District’s Board of Trustees. The dollar amount will be reviewed by the Board of Trustees annually as updated actuarial valuation reports become available. The Board of Trustees approved a contribution of, \$132,972 for 2022, \$134,062 for 2023, \$156,604 for 2024, \$156,013 for 2025, and \$183,113 for 2026 through 2038. This contribution rate is consistent with the Water District’s adopted Plan funding policy which is focused on keeping the Plan’s funding at 100% within 7 years. Post 2036 contributions are assumed equal to the \$183,113 from the January 1, 2026 plan funding valuation. The actual amount contributed by the employer during the 2025 fiscal year was \$156,013.

*Reporting.* The Plan issues a publicly available financial report that includes statements and required supplementary information of that plan. This report may be requested for the Water District’s Controller’s office.

By Mail:	Magna Water District District Controller’s Office PO Box 303 Magna, UT 84044
By email:	<a href="mailto:leisle@magnawaterut.gov">leisle@magnawaterut.gov</a>
By phone:	801-250-2118 ext 107

*Pension Assets, Liabilities, Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension*

*Net Pension Liability:* At December 31, 2025, the Authority reported a net pension liability of \$1,018,445. The net pension liability was measured as of December 31, 2025, and was determined by an actuarial valuation as of January 1, 2025 and rolled-forward using generally accepted actuarial procedures

**MAGNA WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 NON-UNION EMPLOYEES PENSION PLAN (CONTINUED)**

*Deferred outflows of resources and deferred inflows of resources:* At December 31, 2025, the District reported deferred outflows of resources and deferred inflows related to pensions from the following sources:

	Deferred inflows of Resources	Deferred outflows of Resources
Differences between expected and actual experience	\$ (85,971)	\$ -
Changes in assumptions	-	158,458
Net difference between projected and actual earnings	-	14,490
Contributions made subsequent to measurement date	-	-
Total	\$ (85,971)	\$ 172,948

Average remaining service as of the beginning of the year is: 19

Year ended December 31,	Deferred outflows (inflows of resources)
2025	\$ 53,142
2026	53,142
2027	53,142
Thereafter	46,352

*Actuarial assumptions.* The total pension liability in the December 31, 2025, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	0%
Salary increases	0%
investment rate of return	5%
Mortality	1994 Group annuity mortality table using blended rate No pre-retirement mortality was used.

## MAGNA WATER DISTRICT NOTES TO FINANCIAL STATEMENTS

### NOTE 6 NON-UNION EMPLOYEES PENSION PLAN (CONTINUED)

*Long-term rate of return.* The long-term rate of return is selected by the Plan's Pension Committee after a review of expected inflation and long-term real returns, reflecting volatility and correlation. Best estimates of arithmetic real rates of return for major asset class included in the Plan's target asset allocations as of December 31, 2025, is summarized in the table below.

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Return
Cash & Fixed Income	100%	3.00%	3.00%
Mutual Funds	0%	6.00%	0.00%
			3.00%
		Inflation	2.00%
		Expected arithmetic nominal return	5.00%

The 5% assumed investment rate of return is comprised of an inflation rate of 2% and a real return of 3%.

*Discount rate.* The discount rate used to measure the total pension liability was 5%. The projection of cash flows used to determine the discount rate assumed contributions rates as recommended by the District's Pension Committee and approved by the Board of Trustees. Based on the assumptions, the pension plan fiduciary net position was projected to be available to make all projected future benefit payments on current active and inactive participants. Therefore, the Long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following sensitivity analysis assumes rate volatility of plus and minus one percent of the discount rate of 5%.

	1% Decrease	Discount Rate	1% Increase
	4%	5%	6%
Total pension liability	\$ 2,954,567	\$ 2,324,148	\$ 1,861,006
Fiduciary net position	1,305,703	1,305,703	1,305,703
Net Pension Liability	1,648,864	1,018,445	555,303

*Schedule of funding progress.* The following tables show the pension plan's funding progress as of December 31, 2025 and over the preceding 10 years.

**MAGNA WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 NON-UNION EMPLOYEES PENSION PLAN (CONTINUED)**

Year ended	Actuarial determined contribution	Actual employer contribution	% of actual to actuarial contribution	Balance net pension obligation/ prepaid
12/31/2025	\$ 140,775	\$ 156,014	110.82%	\$ 15,239
12/31/2024	158,728	156,603	98.66%	(2,125)
12/31/2023	142,330	134,062	94.19%	(8,268)
12/31/2022	116,693	132,972	113.95%	16,279
12/31/2021	111,890	110,259	98.54%	(1,631)
12/31/2020	135,460	100,408	74.12%	(35,052)
12/31/2019	108,487	118,000	108.77%	9,513
12/31/2018	110,308	143,000	129.64%	32,692
12/31/2017	130,018	120,419	92.62%	(9,599)
12/31/2016	92,570	188,030	203.12%	95,460

Actuarial valuation date	Actuarial value of assets	Actuarial accrued liability	Unfunded AAL (UAAL)	Funded ratio	Approximate covered Payroll	UAAL as a % of covered payroll
12/31/2025	\$ 1,305,703	\$ 2,324,148	\$ 1,018,445	56.18%	\$ 1,086,134	93.77%
12/31/2024	1,316,237	2,428,083	1,111,846	54.21%	991,702	112.11%
12/31/2023	1,108,951	1,956,917	847,965	56.67%	837,411	101.26%
12/31/2022	933,280	1,425,835	492,555	65.45%	627,946	78.44%
12/31/2021	1,199,319	1,495,746	296,427	80.18%	633,687	46.78%
12/31/2020	1,064,594	1,552,470	487,876	68.57%	463,429	105.28%
12/31/2019	1,178,101	1,427,016	248,915	82.56%	591,171	42.11%
12/31/2018	1,037,450	1,449,224	411,774	71.59%	537,984	76.54%
12/31/2017	951,912	1,337,682	385,770	71.16%	544,150	70.89%
12/31/2016	814,575	1,017,441	202,866	80.06%	404,799	50.12%

**NOTE 7 UNION EMPLOYEES OTHER POST EMPLOYMENT BENEFITS**

In accordance with the Union contract, the District contributes at the rate of \$111.66 per active employee per month to the Utah-Idaho Teamsters Security Fund, which in turn provides post-retirement healthcare benefits to all eligible retired employees. Contributions to the fund amounted to \$36,178 for 2025.

**MAGNA WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 NON-UNION EMPLOYEES OTHER POST EMPLOYMENT BENEFITS**

*Plan Description.* The District administers a single-employer defined benefit healthcare plan (the “OPEB Plan”). The plan provides lifetime healthcare insurance for eligible retirees and their spouses by purchasing health insurance. It also provides life and long-term care insurance for eligible retirees through age 75. Benefit provisions are established by the Board of Trustees and are defined in the District’s Administrative Rules and Regulations. No assets are accumulated in a trust that meets the criteria of paragraph 4 of Statement 75. The OPEB Plan does not issue a publicly available financial report.

*Funding Policy.* The District contributes 100 percent of the cost of current-year premiums for eligible retired plan members and their spouses. For fiscal year 2025, the District contributed \$57,533 to the OPEB Plan. The OPEB Plan is financed on a pay-as-you-go basis. It is the current policy of the District to set aside funds in a separate interest-bearing account, which is held by the District, in order to help meet, at least partially, the anticipated obligations of the OPEB Plan. As of December 31, 2025, the District had set aside \$2,975,642 for the purpose of funding current and future OPEB obligations. However, as these funds are not held in trust and are unrestricted assets of the District, as no external restriction has been placed upon them, they are not considered assets of the OPEB Plan.

Schedule of Changes in Total OPEB Liability for the Year Ended December 31, 2025

The components of the Magna Water District’s Total OPEB Liability as of December 31, 2025 were as follows:

Total OPEB Liability (TOL)

Service cost	\$	53,922
Interest Cost		94,621
Benefit payments		57,533
Increase (decrease) due to actual experience being greater than expected		1,253
Increase (decrease) due to changes in benefit terms		-
Increase (decrease) due to changes in assumptions		(56,713)
Net Change in Total OPEB Liability		35,550
Total OPEB Liability - beginning		2,081,990
Total OPEB Liability - ending	\$	2,117,540
Annual Covered employee payroll	\$	941,456
Total OPEB Liability as a percent of annual covered employee payroll		224.90%

**MAGNA WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 NON-UNION EMPLOYEES OTHER POST EMPLOYMENT BENEFITS (CONTINUED)**

Schedule of Collective Deferred Inflows and Deferred Outflows for the Year Ended December 31, 2025

The current balances of collective deferred outflows and deferred inflows of resources as of December 31, 2025 were as follows:

	Deferred Outflows of resources	Deferred Inflows of resources
Balance as of 12/31/2024	\$ 688,731	\$ 774,450
Difference between expected and actual experience	(98,112)	(5,762)
Changes in assumptions	(98,157)	(98,236)
Net difference between projected and actual earnings on OPEB plan investments	-	-
Balance as of 12/31/2025	\$ 492,462	\$ 670,452

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year ended December 31:</u>	Deferred Outflows of resources	Deferred Inflows of resources
2026	\$ 197,525	\$ 160,710
2027	88,864	159,851
2028	86,980	150,047
2029	58,179	149,638
2030	36,410	22,352
2031	24,350	20,764
2032+	154	7,090

The average of expected remaining service lives was 10.1079 as of December 31, 2022 the measurement date. This was rounded to 10.0 for purposes of determining annual expense and deferral amounts.

A detailed schedule of the components of the deferrals, including date of creation, initial balance, and outstanding balance for each base is given below:

# MAGNA WATER DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8 NON-UNION EMPLOYEES OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Outflows/ Inflows Base Type	Description	Base		Amortization Period (years)	Fiscal year end of last	Annual amortization amounts			Balance amounts:	
		Amount	Date Established		Amortization Amount	Regular	Last year	Current Year	As of 12/31/2024	As of 12/31/2025
Outflows	Change in assumptions	287,980	12/31/2019	10	2028	28,798	28,798	28,798	115,192	86,394
Outflows	Expected vs actual experience (2)	359,515	1/1/2020	7	2026	51,359	51,359	51,359	102,720	51,361
Outflows	Change in assumptions	129,425	1/1/2020	7	2026	18,489	18,489	18,489	36,980	18,491
Outflows	Change in assumptions	271,669	12/31/2020	7	2026	38,810	38,809	38,810	77,619	38,809
Outflows	Expected vs actual experience (1)	13,188	12/31/2021	7	2027	1,884	1,884	1,884	5,652	3,768
Outflows	Expected vs actual experience (2)	174,157	1/1/2022	8	2029	21,770	21,767	21,770	108,847	87,077
Outflows	Change in assumptions	96,478	12/31/2023	8	2030	12,060	12,058	12,060	72,358	60,298
Outflows	Expected vs actual experience (2)	193,558	1/1/2024	8	2031	24,195	24,193	24,195	169,363	145,168
Outflows	Expected vs actual experience (1)	1,253	12/31/2025	8	2032	157	154	157	-	1,096
<b>Totals for Outflows</b>								197,522	688,731	492,462
Inflows	Expected vs actual experience (1)	4,100	12/31/2019	10	2028	410	410	410	1,640	1,230
Inflows	Expected vs actual experience (1)	6,019	12/31/2020	7	2026	860	859	860	1,719	859
Inflows	Change in assumptions	68,628	12/31/2021	7	2027	9,804	9,804	9,804	29,412	19,608
Inflows	Expected vs actual experience (1)	21,355	12/31/2022	8	2029	2,669	2,672	2,669	13,348	10,679
Inflows	Change in assumptions	996,910	12/31/2022	8	2029	124,614	124,612	124,614	623,068	498,454
Inflows	Expected vs actual experience (1)	12,694	12/31/2023	8	2030	1,587	1,585	1,587	9,520	7,933
Inflows	Expected vs actual experience (1)	1,885	12/31/2024	8	2031	236	233	236	1,649	1,413
Inflows	Change in assumptions	107,536	12/31/2024	8	2031	13,442	13,442	13,442	94,094	80,652
Inflows	Change in assumptions	56,713	12/31/2025	8	2032	7,089	7,090	7,089	-	49,624
<b>Totals for Inflows</b>								160,711	774,450	670,452

Note 1 – This type of base results from actual benefits being different from expected benefits.

Note 2 – This type of base results in the OPEB liability produced by the valuation as of the first day of the year being different from the liability reported as of the end of the prior.

# MAGNA WATER DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8 NON-UNION EMPLOYEES OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

#### Annual OPEB Expense For the Year Ended December 31, 2025

The annual OPEB Expense recognized by the District can be calculated as the changes in the amounts reported on the Statement of Net Position that are not attributable to employer contributions. It is the change in Total OPEB Liability minus the changes in deferred outflows plus the changes in deferred inflows plus employer contributions.

Total OPEB Liability as of December 31, 2024	\$	2,081,990
Total OPEB Liability as of December 31, 2025		2,117,540
Change in Total OPEB Liability	\$	35,550
(Increase) decrease in Deferred Outflows		196,269
Increase (decrease) in Deferred Inflows		(103,998)
Employer contributions*		57,533
Annual OPEB Expense	\$	185,354

\* Actual pay-as-you-go.

Annual covered employee payroll	\$	941,456
Annual OPEB expense as a percent of annual covered employee payroll		19.7%

#### Total OPEB Liability

The district's Total OPEB Liability of \$2,117,540 was based on the actuarial valuation as of January 1, 2025 and a measurement date of December 31, 2025 and a discount rate of 4.43%.

Actuarial Assumptions. The Total OPEB Liability was determine using the following actuarial assumptions:

Inflation	3.08%
Salary increases	3.00%, average, including inflation
Discount rate	4.43%, net of investment expense, including inflation
Healthcare cost trend rates	8.00% for 2018, decreasing to 5.00 % for 2021 and after
Retirees' share of cost	Retirees pay the balance of the premium after District percentage that depends on classification, year of hire, and years of service at retirement

## MAGNA WATER DISTRICT NOTES TO FINANCIAL STATEMENTS

### NOTE 8 NON-UNION EMPLOYEES OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

The discount rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index.

Mortality rates were based on the RP-2014 Employee and Healthy Annuitant Mortality Tables for Males or females, as appropriate, projected using a generational projection based on 100% of scale MP-2016 for years 2014 through 2029, 50% of MP-2016 for years 2030 through 2049. And 20% of MP-2016 for 2050 and thereafter.

All actuarial assumptions used in measuring the Total OPEB Liability are described in the December 31, 2025 actuarial valuation performed by J. Richard Hogue, F.S.A. The assumptions were based on plan experience through December 31, 2025. The actuarial cost method used for measuring the Total OPEB Liability for purposes of GASB 75 was Entry Age, Level Percent of Pay.

Sensitivity of Total OPEB Liability to changes in the discount rate. The following presents the District's Total OPEB Liability as of December 31, 2025 calculated using the discount rate of 4.43%, as well as what the District's Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.43%) or 1 percentage point higher (5.43%) than the current rate:

	1% Decrease (3.43%)	Current Rate (4.43%)	1% Increase (5.43%)
Total OPEB Liability \$	2,502,085	\$ 2,117,540	\$ 1,813,250

Sensitivity of the Total OPEB Liability to changes in the healthcare trend rates. The following presents the District's Total OPEB Liability as of December 31, 2025, as well as what the District's Total OPEB Liability would be if it were calculated using healthcare trend rates that are 1 percentage point lower (4.0%) or 1 percentage point higher (6.0%) than the current healthcare cost trend rates:

	1% Decrease (4.0%)	Current Rate (5.0%)	1% Increase (6.0%)
Total OPEB Liability \$	1,840,354	\$ 2,117,540	\$ 2,467,569

#### Other Required Information

As of December 31, 2025 there were fifteen covered employees, eight of which are active, seven are inactive currently receiving benefits, there are no inactive employees which are not receiving benefits.

Please see the December 31, 2025 actuarial report prepared by PCA, meant to be used as a companion document for these disclosures, for the following additional information:

- A) Detail of number of covered members, active and inactive. This data is given as of the valuation date and has not changed sufficiently to warrant a revision of the Total OPEB liability.
- B) Summary of plan provisions.
- C) Detail of actuarial assumptions, subject to the following changes:
  - a. Discount rate as of December 31, 2025 is 4.43%
- D) Actuarial Certification.

# **MAGNA WATER DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

### **NOTE 9 DEFINED CONTRIBUTION PLAN**

Eligible (non-union) employees of the District may participate in the Magna Water District 401(k) Plan. The 401(k) Plan permits additional matching contributions up to three percent of eligible employee compensation. The District contributed \$32,243, \$28,170, \$26,814, \$18,190, \$18,169, and \$15,500, for the years ended December 31, 2025, 2024, 2023, 2022, 2021, and 2020 respectively.

### **NOTE 10 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omission; and natural disasters for which the District purchased insurance through commercial policies. There were no significant reductions in coverage from the prior year, and there have not been any claims settled in excess of coverage for the past three years.

### **NOTE 11 COMMITMENTS**

The District has entered into an agreement with the Jordan Valley Water Conservancy District to purchase a minimum of 800-acre feet of water annually. During the year ended December 31, 2025 the District purchased 806.589-acre feet, at a cost of \$379,281.

As of December 31, 2025, the District had approximately \$9,055,347 remaining to pay on contracts, for which no liability has been recorded because the contractor(s) have not yet performed the contract(s).

### **NOTE 12 CONTINGENCIES**

Contamination of the groundwater aquifer by perchlorate, a potentially hazardous substance leaked into the groundwater by private industry and the federal government, has been studied and closely monitored by the District and the private industry firm currently involved. The private firm has been paying a portion of the District's costs of these efforts. The District and the firm entered into an agreement in December 2005 concerning the removal of perchlorate from water produced by three of the District's wells. Under the agreement, the firm agreed to pay for a substantial portion of the new treatment facility constructed by the District and for a portion of the operation and maintenance of that facility. The District receives funds from the private industrial firm for part of the maintenance costs of the facility each year, which is reflected as other non-operating income on the statement of revenues, expenses, and changes in net position. The agreement that was signed in 2005 has been renewed; The new agreement still states that the private industrial firm involved will make operation and maintenance contributions to assist on the ongoing maintenance of the treatment plant. The new agreement, as in the old agreement, has a provision for a partial refund to the firm if future perchlorate standards merit such a refund. There is also a limited waiver of liability for the firm, subject to the terms and conditions of the agreement.

## **REQUIRED SUPPLEMENTAL INFORMATION**

**MAGNA WATER DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**Years ended December 31, 2025 and nine preceding years**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS – 10 YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	\$ 80,930	\$ 81,893	\$ 60,595	\$47,552	\$ 41,218	\$ 63,010	\$ 40,551	\$ 45,688	\$47,685	\$ 32,718
Interest on total pension liability	125,451	101,940	95,358	77,165	79,684	74,501	74,489	69,169	53,257	49,389
Effect on economic/demographic (gains) or losses	(253,849)	120,072	(225,605)	34,089	(382,436)	13,110	(370,833)	(179,274)	(62,648)	(333,724)
Effect of assumption changes and inputs	158,458	167,261	180,008	192,009	204,809	222,166	233,585	254,441	281,948	313,988
Benefit payments	(214,925)	-	-	-	-	(247,333)	-	(78,482)	-	-
Net change in total pension liability	\$ (103,935)	\$ 471,166	\$ 110,356	\$ 350,815	\$ (56,725)	\$ 125,454	\$ (22,208)	\$ 111,542	\$ 320,242	\$ 62,371
Total pension liability, beginning	2,428,083	1,956,917	1,846,560	1,495,746	1,552,471	1,427,017	1,449,225	1,337,683	1,017,441	955,070
Total pension liability, ending (a)	2,324,148	2,428,083	1,956,917	1,846,560	1,495,746	1,552,471	1,427,017	1,449,225	1,337,683	1,017,441
Fiduciary Net Position										
Employer contributions	\$ 156,014	\$ 156,603	\$ 134,062	\$ 134,062	\$ 110,259	\$ 100,408	\$ 118,000	\$ 143,000	\$ 120,419	\$ 188,030
Investment income net of investment expenses	48,376	50,683	41,609	41,609	24,465	33,419	22,650	21,020	16,919	12,857
Benefit payments	(214,925)	-	-	-	-	(247,333)	-	(78,482)	-	-
Administrative expenses	-	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	\$ (10,535)	\$ 207,286	\$ 175,671	\$ 175,671	\$ 134,724	\$ (113,506)	\$ 140,650	\$ 85,538	\$ 137,338	\$ 200,887
Fiduciary net position, beginning	\$ 1,316,237	\$ 1,108,951	\$ 1,108,951	\$ 1,199,319	\$ 1,064,595	\$ 1,178,101	\$ 1,037,451	\$951,913	\$ 814,575	\$ 613,688
Fiduciary net position, ending (b)	1,305,703	1,316,237	1,108,951	1,108,951	1,199,319	1,064,595	1,178,101	1,037,451	951,913	814,575
Net pension liability, ending (a) - (b)	1,018,445	1,111,846	847,966	737,609	296,427	487,876	248,916	411,774	385,770	202,866
Fiduciary net position as of % of total pension liability	56.18%	54.21%	56.67%	60.05%	80.18%	68.57%	82.56%	71.59%	71.16%	80.06%
Covered Payroll	\$ 1,086,134	\$ 991,702	\$837,411	\$ 627,946	\$ 633,687	\$ 463,429	\$591,171	\$ 537,984	\$ 544,150	\$ 404,999
Net pension liability as a % of covered payroll	93.77%	112.11%	101.26%	117.46%	46.78%	105.28%	42.11%	76.54%	70.89%	50.12%

This schedule is intended to present 10 years of information. Subsequent years will be added as the information becomes available.

**MAGNA WATER DISTRICT  
REQUIRED SUPPLEMENTAL INFORMATION (Continued)  
Years ended December 31, 2025 and nine preceding years**

**SCHEDULE OF REQUIRED EMPLOYER PENSION CONTRIBUTIONS – 10 YEARS**

Year	Actuarial determined contribution	Contributions in relation to actuarial determined contribution	Contribution deficiency (excess)	Covered-employee Payroll	Contributions as a percentage of covered-employee Payroll
2025	\$ 140,775	\$ 156,014	\$ 15,239	\$ 1,086,134	14.36%
2024	158,728	156,603	(2,125)	991,702	15.79%
2023	142,330	134,062	(8,268)	837,411	16.01%
2022	116,693	132,972	16,279	627,946	21.18%
2021	111,890	110,259	(1,631)	633,687	17.40%
2020	135,460	118,000	(17,460)	463,429	25.46%
2019	108,487	118,000	9,513	591,171	19.96%
2018	110,308	143,000	32,692	537,984	26.58%
2017	130,018	120,419	(9,599)	544,150	22.13%
2016	92,570	188,030	95,460	404,799	46.45%

**Note 1 - Valuation Date**

The valuation date is January 1, 2025. This is the date as of which the actuarial valuation is performed. The Measurement Date is December 31, 2025. This is the date as of which the net pension liability is determined. The reporting date is December 31, 2025. This is the employer's fiscal year ending date.

**Note 2 - Methods and Assumptions used to determine contribution rates**

Actuarial cost method	Entry Age Normal
Asset Valuation method	Current Asset Values
Discount Rate	5%
Expected long-term rate of return on plan assets	5%
Projected salary increases incorporated into the calculation	0%
Projection inflation rate increases	0%
Projected rate of post-retirement benefit cost increases	0%
Mortality Table	1994 GAM Blended

**MAGNA WATER DISTRICT  
REQUIRED SUPPLEMENTAL INFORMATION (Continued)**

**Years ended December 31, 2025 and nine preceding years**

**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIO'S - LAST 10 YEARS:**

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service Cost	\$ 53,922	\$ 49,818	\$ 95,760	\$ 67,660	\$ 46,390	\$ 40,349	\$ 38,349	\$ 36,839
Interest Cost	94,621	78,845	77,990	57,563	53,881	62,379	47,650	45,580
Benefit Payments	(57,533)	(52,111)	(49,996)	(58,046)	(73,520)	(49,114)	(29,354)	(33,454)
Increase (decrease) due to actual experience being greater than expected	1,253	191,673	(12,694)	152,802	13,188	353,496	(4,100)	-
Increase (decrease) due to changes in benefit terms	-	-	-	-	-	230,089	-	-
Increase (decrease) due to changes in assumptions	(56,713)	(107,536)	96,478	(996,910)	(68,628)	401,094	287,980	-
<b>Net Change in Total OPEB Liability</b>	<b>35,550</b>	<b>160,689</b>	<b>207,538</b>	<b>(776,931)</b>	<b>(28,689)</b>	<b>1,038,293</b>	<b>340,525</b>	<b>48,965</b>
Total OPEB Liability - beginning	2,081,990	1,921,301	1,713,763	2,490,694	2,519,383	1,481,090	1,140,565	1,091,600
Total OPEB Liability - ending	2,117,540	2,081,990	1,921,301	1,713,763	2,490,694	2,519,383	1,481,090	1,140,565
Annual covered employee payroll	\$ 941,456	\$ 914,035	\$ 888,931	\$ 863,040	\$ 541,580	\$ 525,806	\$ 591,171	\$ 554,977
Total OPEB Liability as a percent of annual covered employee payroll	224.9%	227.8%	216.1%	198.6%	459.9%	479.1%	250.5%	205.5%

This schedule is intended to present 10 years of information. Subsequent years will be added as the information becomes available.

## **OTHER SUPPLEMENTAL INFORMATION**

**MAGNA WATER DISTRICT  
SCHEDULE OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
Years ended December 31, 2025**

**Operating Revenues**

Charges for Services		
Water sales - culinary	\$	5,827,110
Water sales - secondary		604,485
Sewer service charges		5,690,233
Connection fees and other income		1,124,633
<b>Total Operating Revenues</b>		13,246,461

**Operating Expenses:**

**Salaries and Benefits**

Salaries and wages - plant		1,913,743
Salaries and wages - office		1,294,974
Trustees' salaries		10,000
Payroll taxes and fringe benefits		2,079,751
<b>Total salaries and benefits</b>		5,298,468

**Contractual services:**

Legal		41,111
Accounting		20,000
Engineering		300,125
Data processing services		96,422
Janitorial		18,635
Lab and testing		97,352
Payroll		5,441
First Aid & Safety		5,522
Chemist		27,025
<b>Total contractual services</b>		611,633

**Material and supplies:**

Repairs, maintenance, and supplies		2,009,211
Office supplies and postage		104,376
Water purchased		379,284
<b>Total materials and supplies</b>		2,492,871

**Utilities**

Electricity and fuel for water production and sewer processing		1,181,421
Office and general, electricity and fuel		20,936
Telephone and paging		83,242
<b>Total utilities</b>		1,285,599

**Depreciation and amortization**

5,938,078

**MAGNA WATER DISTRICT  
SCHEDULE OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION (CONTINUED)  
Years ended December 31, 2025**

<b>Lease expense</b>	40,895
<b>Other operating expenses:</b>	
Transportation	120,927
Bad debts	30,377
Insurance	239,997
Training	90,681
Miscellaneous	206,637
<b>Total other operating expenses</b>	688,619
<b>Total Operating Expenses</b>	16,356,163
<b>Operating Income (Loss)</b>	(3,109,702)
<b>Nonoperating Revenues (Expenses):</b>	
Property tax revenue	5,890,189
Non-resident fee in lieu of property tax	177,619
Intergovernmental Grants	99,012
Impact fees	1,184,966
Gain (loss) on sale of assets	(211,531)
Other non-operating income	380,030
Interest income	1,113,710
Interest expense	(544,844)
Payments to RDA's	(1,574,138)
<b>Total Nonoperating Revenues (Expenses)</b>	6,515,013
<b>Income Before Capital Contributions</b>	3,405,310
<b>Capital Contributions</b>	6,216,397
<b>Change in Net Position</b>	\$ 9,621,707

**MAGNA WATER DISTRICT  
SCHEDULE OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION – COMPARED TO BUDGET  
Years ended December 31, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Operating Revenues:</b>				
Water sales	\$5,625,000	\$5,621,213	\$ 6,431,595	\$ 810,382
Sewer service charges	5,100,000	5,097,038	5,690,233	593,195
Connection fees and other income	1,510,000	1,510,000	1,124,633	(385,367)
<b>Total Operating Revenues</b>	<u>12,235,000</u>	<u>12,228,251</u>	<u>13,246,461</u>	<u>1,018,210</u>
<b>Operating Expenses</b>				
Salaries and Benefits	5,616,600	5,616,600	5,298,469	318,131
Contractual services	533,385	533,385	611,633	(78,248)
Materials and supplies	5,368,600	5,368,600	2,492,871	2,875,729
Utilities	1,298,600	1,298,600	1,285,599	13,001
Depreciation and amortization	6,180,000	6,180,000	5,938,078	241,922
Lease expense	42,000	42,000	40,895	1,105
Other operating expenses	920,850	920,850	688,618	232,232
<b>Total Operating Expenses</b>	<u>19,960,035</u>	<u>19,960,035</u>	<u>16,356,163</u>	<u>3,603,872</u>
<b>Operating Income (Loss)</b>	<u>(7,725,035)</u>	<u>(7,731,784)</u>	<u>(3,109,702)</u>	<u>4,622,082</u>
<b>Nonoperating Revenues:</b>				
Property Tax Revenue	5,633,000	5,639,749	5,890,187	250,438
Intergovernmental Grants	35,000	35,000	99,012	64,012
Non-resident fee in lieu of property tax	140,000	140,000	177,619	37,619
Impact fees	2,090,000	2,090,000	1,184,966	(905,034)
Gain (loss) on sale of assets	6,005,000	6,005,000	(211,531)	(6,216,531)
Other non-operating income	333,677	333,677	380,030	46,353
Interest income	1,800,000	1,800,000	1,113,710	(686,290)
<b>Total Nonoperating Revenues</b>	<u>16,036,677</u>	<u>16,043,426</u>	<u>8,633,993</u>	<u>(7,409,433)</u>
<b>Nonoperating Expenses:</b>				
Other Non-operating Expense	29,000	29,000		29,000
Interest Expense	550,065	550,065	544,844	5,221
Payments to RDA's	1,575,000	1,575,000	1,574,137	863
<b>Total Nonoperating Expenses</b>	<u>2,154,065</u>	<u>2,154,065</u>	<u>2,118,981</u>	<u>35,084</u>
<b>Income Before Capital Contributions</b>	<u>6,157,577</u>	<u>6,157,577</u>	<u>3,405,310</u>	<u>(2,752,267)</u>
<b>Capital Contributions</b>	<u>3,500,000</u>	<u>3,500,000</u>	<u>6,216,397</u>	<u>2,716,397</u>
<b>Change in Net Position</b>	<u><u>\$9,657,577</u></u>	<u><u>\$9,657,577</u></u>	<u><u>\$ 9,621,707</u></u>	<u><u>\$ (35,870)</u></u>



# GILBERT & STEWART

CERTIFIED PUBLIC ACCOUNTANTS  
A PROFESSIONAL CORPORATION  
ESTABLISHED 1974

RANDEL A HEATON, CPA  
LYNN A. GILBERT, CPA  
JAMES A. GILBERT, CPA  
BEN H PROBST, CPA  
RONALD J. STEWART, CPA

SIDNEY S. GILBERT, CPA  
JAMES E. STEWART, CPA

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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees  
Magna Water District  
Magna, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the Standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Magna Water District (the District), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 2, 2026.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit the attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Gilbert & Stewart*

Gilbert & Stewart, CPA, PC

Provo, Utah

June 2, 2026



**GILBERT & STEWART**  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
AS REQUIRED BY THE *STATE COMPLIANCE AUDIT GUIDE***

Board of Directors  
Magna Water District  
Magna, Utah

**Report On Compliance**

We have audited Magna Water District's (the District) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor that could have a direct and material effect on the district for the year ended December 31, 2025.

State compliance requirements were tested for the year ended December 31, 2025, in the following areas:

- Budgetary Compliance
- Fund Balance
- Fraud Risk Assessment
- Government Fees
- Special and Local Service Districts

***Management's Responsibility***

Management is responsible for compliance with the state requirements referred to above.

***Auditor's Responsibility***

Our responsibility is to express an opinion on Magna Water District's compliance based on our audit of the state compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and the State Compliance Audit Guide. Those standards and the State Compliance Audit Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about on Magna Water District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of Magna Water District's compliance with those requirements.

***Opinion on Compliance***

In our opinion, Magna Water District complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2025.

## ***REPORT OF INTERNAL CONTROL OVER COMPLIANCE***

Management of Magna Water District is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered on Magna Water District's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Magna Water District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or to detect and correct noncompliance with a state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

***Gilbert & Stewart***

Gilbert & Stewart, CPA, PC  
Provo, Utah  
June 2, 2026

**RESOLUTION**

**2026-03**

**RESOLUTION NO. 2026-03**

**A Resolution Adjusting Revenues Budgeted in the District's 2026 Budget**

WHEREAS Magna Water District adopted its 2026 calendar year Budget on December 11, 2025: and

WHEREAS the property tax revenues for the District in the District's original 2026 budget were estimated to be \$1,604,365 for the water system, \$1,607,537 for the sewer system and \$520,724 for the secondary water system: and

WHEREAS the property tax revenues are now more accurately projected to be \$x,xxx,xxx for the water system, \$x,xxx,xxx for the sewer system, and \$xxx,xxx for the secondary water system; an overall projected property tax revenue total of \$x,xxx,xxx; and

WHEREAS this net overall increase (decrease) of \$x,xxx in anticipated property tax revenue permits a corresponding decrease in revenues budgeted for water sales, sewer sales and secondary water sales of \$x,xxx. Water sales decrease of \$x,xxx, sewer sales decrease of \$x,xxx, and secondary water sales decrease of \$xxx; and

WHEREAS, the Board of Trustees has determined that it is in the best interests of the District to make these revenue adjustments in the District's 2026 Budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Magna Water District, that, in accordance with U.C.A. §17B-1-622, the District hereby adjusts the District's 2026 Budget as follows:

1. The projected revenues from property taxes for the water system are hereby increased by \$x,xxx to \$x,xxx,xxx and the revenues projected from water sales revenue are hereby decreased by a corresponding amount of \$x,xxx to \$x,xxx,xxx, as shown on the attached budget form.
2. The projected property taxes for the sewer system are hereby increased by \$x,xxx to \$x,xxx,xxx and the revenues projected from sewer sales revenue are hereby decreased by a corresponding amount of \$x,xxx to \$x,xxx,xxx, as shown on the attached budget form.
3. The projected property taxes for the secondary system are hereby increased by \$xxx to \$xxx,xxx and the revenues projected from secondary water sales revenue decreased by a corresponding amount of \$xxx to \$xxx,xxx, as shown on the attached budget form.

ADOPTED AND APPROVED on this 11<sup>th</sup> day of June 2026.

**MAGNA WATER DISTRICT**

By: \_\_\_\_\_  
Mick Sudbury, Chairman  
Board of Trustees

ATTEST:

\_\_\_\_\_  
LeIsle Fitzgerald, Board Clerk

**RESOLUTION**

**2026-04**

**RESOLUTION NO. 2026-04**

**A Resolution Adopting Final 2026 Tax Rates**

WHEREAS, Magna Water District adopted its 2026 calendar year Budget on December 11, 2025, and amended it on June 11, 2026; and

WHEREAS, the projected maintenance and operation property tax revenue in the District's 2026 budget for water purification and sewer disposal is \$x,xxx,xxx and the projected debt service property tax revenue in the District's 2026 budget for interest and sinking funds is \$x,xxx,xxx, resulting in tax rates of 0.xxxxxx and 0.xxxxxx respectively, based on the certified tax rate valuation of \$x,xxx,xxx,xxx as provided by the Salt Lake County Auditor's Office via the online tax rate database as of June xx, 2026; and

WHEREAS the debt service tax rate of 0.xxxxxx is less than or equal to the maximum rate allowed by law; and

WHEREAS the water purification and sewer disposal tax rate of 0.xxxxxx is less than or equal to the maximum rate allowed by law; and

WHEREAS the District's Board of Trustees desires to adopt these tax rates as the District's final 2026 tax rates, subject to any future changes to the tax rate data by State or County officials.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Magna Water District: that the District's final 2026 tax rate for water purification and sewer disposal shall be, and hereby is, 0.xxxxxx; that the District's final 2026 tax rate for debt service of interest and sinking funds shall be, and hereby is, 0.xxxxxx.

BE IT FURTHER RESOLVED by the District's Board of Trustees that the District's total combined final 2026 tax rate be, and hereby is, 0.xxxxxxx.

ADOPTED AND APPROVED on this 11th day of June 2026.

**MAGNA WATER DISTRICT**

By: \_\_\_\_\_  
Mick Sudbury, Chairman  
Board of Trustees

ATTEST:

\_\_\_\_\_  
LeIsle Fitzgerald  
Board Clerk