2024 Annual Report

PROVO RIVER WATER USERS ASSOCIATION

The Association

Provo River Water Users Association is a private non-profit corporation organized in 1935 for the purpose of sponsoring the Deer Creek Division of the Provo River Project, a US Bureau of Reclamation water project. The Project extends over five counties and diverts water from three river basins. Deer Creek Dam and Reservoir, with a capacity of over 153,000 acre-feet, is the primary Project feature. Other main features of the Project include the Duchesne Tunnel, the Weber-Provo Diversion and Canal, and the Provo River Aqueduct. The Association also operates and maintains many miles of river dikes as well as numerous diversions, checks, flumes and turnout structures as part of the Project.

The Project supplies a significant portion of the drinking water supply for approximately one million people along the Wasatch Front in north-central Utah. Project water is also used for supplemental irrigation of over 53,000 acres of agricultural land in Summit, Wasatch, Utah and Salt Lake Counties.

The Association is governed by an eleven-member Board of Directors, elected by its shareholders. Association shareholders include metropolitan water districts, irrigation companies, mutual water companies, two municipalities and a conservation district.

Shareholders

American Fork Metropolitan Water District
Bull Moose Waterworks Company
Beaver & Shingle Creek
Diamond Bar X
Dixon Irrigation Company
Highland Conservation District
Lehi City
Lindon City
Metropolitan Water District of Salt Lake & Sandy
MSH Corporation
Larea Sterling Trust
Church of Jesus Christ of Latter Day Saints
Orem Metropolitan Water District
Pleasant Grove Irrigation
Pleasant Grove Metropolitan Water District
Provo Bench Canal and Irrigation Company
Provo Metropolitan Water District
Provo Reservoir Water Users Company
South Kamas Irrigation
New Washington Irrigation Company

Our Vision

The Association delivers Provo River Project water in a safe, efficient, and economical manner for the benefit of its shareholders and those they serve.

With integrity, the Association preserves and protects the quality of its resources through knowledgeable, dedicated, and innovative employees.

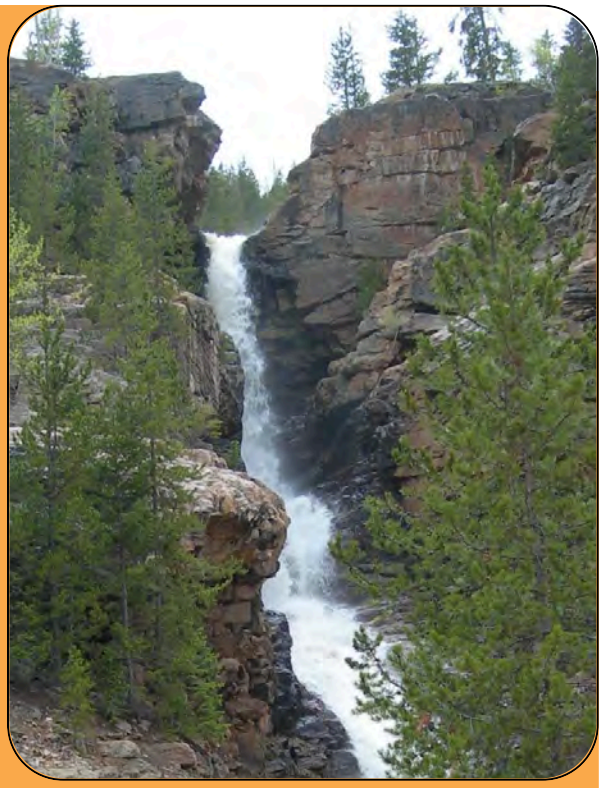
Table of Contents

General Manager's Message

The 2024 year came and went in a whirlwind of activity. It seems only days ago I was writing this same general manager's report for the 2023 year. As I look back on the year, it was another year of progress. The Deer Creek Intake Project (DCIP) is now two thirds complete, we were finally able to complete the Tube Valve Replacement Project and Mother Nature provided a good snowpack for water deliveries. Looking back at the challenges overcome and successes achieved, the thing that springs out from these activities for the Association is the ability of everyone involved to work together to achieve a successful goal. It is never just one or two people when success is achieved, it is always through a team effort.

I have found over my career that if you are able to surround yourself with a good team of hard working, and reliable people who act with integrity you are able to overcome most if not all challenges you meet. Such is the makeup of the Association. Beginning with the Board of Directors and following on through the organizational chart, the Association is made up of individuals who meet that model. We also always strive to engage consultants and contractors who work with the same intent.

The coming year's challenges and opportunities will continue requiring the cooperative spirit engrained in the Association's makeup. One opportunity that the Association will be dealing with is working with the Department of Natural Resources in concert with Association shareholders to find opportunities where the Association can support efforts in the recovery of the Great Salt Lake (GSL) water levels. This issue has been a high priority in each of the last two legislative sessions and the Association became directly involved in the 2025 session when the Legislature awarded a $4 million grant to the Association in support of the DCIP.



This award requires the Association to diligently seek to move 35,000 ac-ft of water over the next 15 years directly to the GSL. This effort will need creative thinking and support by staff, board members and shareholders in the coming years if the Association is able to retain and utilize this grant. The Association is committed to being a team player in this effort and will move forward accordingly.

As time continues to proceed on its breakneck speed, the Association will see the hiring of two more individuals in the coming year to begin training to replace two key management positions as the Operations and Engineering Manager and I make plans to retire in 2027. Two years sounds like a long time but at the speed life is moving it will be here before we know it. I have many things yet to accomplish during that time and I look forward to the challenges and successes yet to come.

Here's to the next great year!

Regards:

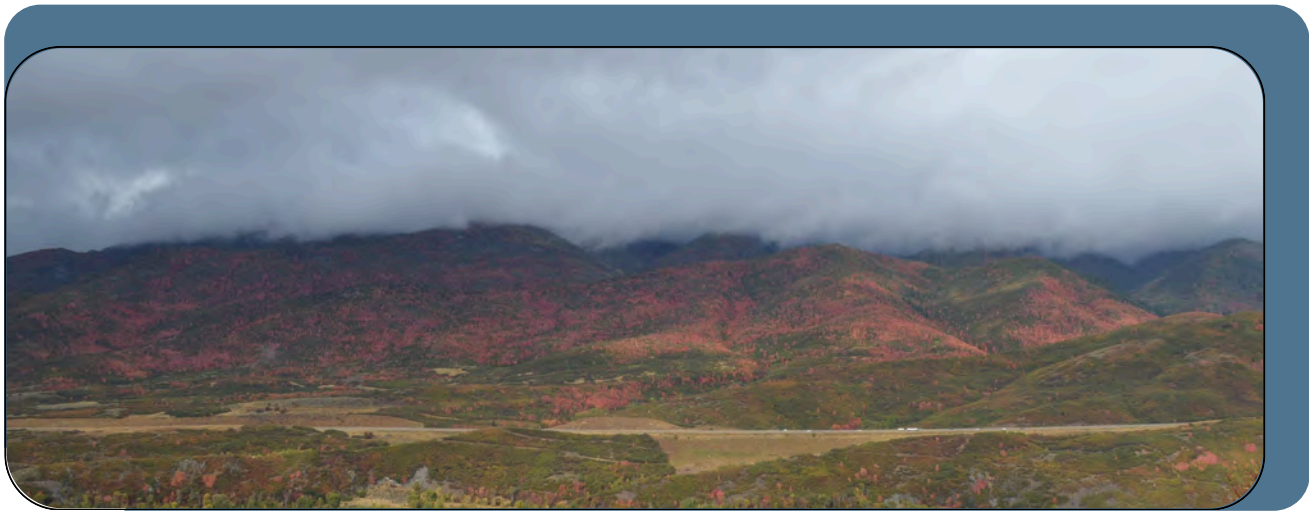
Jeff Budge

ADMINISTRATION

Employee News

The 2024 year was a year of changes at the Deer Creek Power Plant. Two long time system operators retired this year; Mark Rawle retired in February and John Whiting retired in April. Mark began working for the Association in May of 1997 as a dam tender and power plant operator. Mark was quickly promoted to the chief operator and served in that position for more than 20 years. The Association will miss Mark's ability to organize, schedule and plan the operations at the power plant and his long-time knowledge as a mentor to the other operators. John was hired in April of 1998 and was a constant and steady asset to the many operations at the power plant. The Association was able to hire their replacements early and both retirees were able to spend several weeks training their replacements before they retired. Their institutional knowledge and selfless service as system operators will be missed in the future.

The Association takes pride in being an organization that people want to work for and works hard to foster a feeling of inclusion, support, and comradery for its employees. As a testament to this, after an open search for replacement operators at Deer Creek, the two replacements selected for the retiring operators were both sons of the retiring operators. Jeffrey Whiting was hired at the end of January to train for the month of February before Mark retired and Miles Rawle was hired in March to train before John retired in April. Both men came highly recommended and fully understand what it takes to work the often-demanding schedule at the power plant. We welcome these two men and look forward to many years of service in the future.



Director News

Director John Mabey stepped down effective at the 2024 annual meeting to join the ranks of the retired. John had been serving on the board of directors for the last two years. The Association will miss his steady hand and forethought, and his knowledge of water rights and water law accumulated over a long and distinguished career as a water attorney.

At the annual meeting in April 2024, the Association welcomed new director Wayne Winsor to serve as the at-large director. Wayne is an accomplished engineer and longtime employee of the Metropolitan Water District of Salt Lake & Sandy (MWDSLS). Wayne was hired by MWDSLS in 2000 to oversee and manage construction of the Point of the Mountain Water Treatment Plant. Throughout his career with MWDSLS he has served as the Engineering Manager, Engineering and Maintenance Manager and spent the last 6 years as an Assistant General Manager. Prior to joining MWDSLS, Wayne worked for 9 years as an engineering consultant with a national engineering and environmental consulting firm designing pipelines, pump stations and water treatment plants.

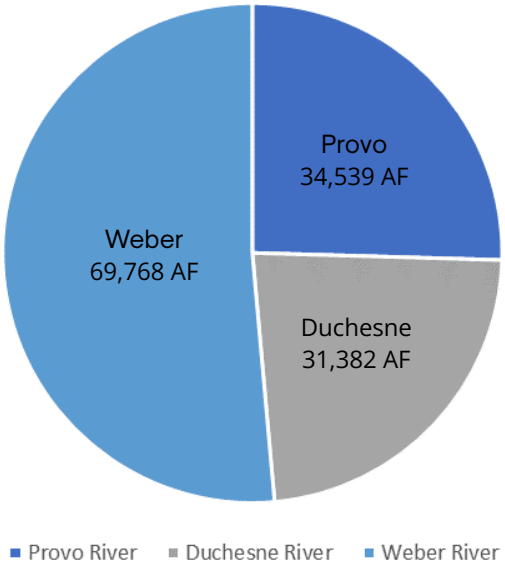
Don Milne

A book on the life of a dedicated public servant came to a conclusion this year with the passing of long-time board member Donald Y. Milne. Don led a full life of service to the engineering community, beginning his career with Los Angeles County working in the flood control district, design division, and completing his career as the Deputy Director of Public Works.

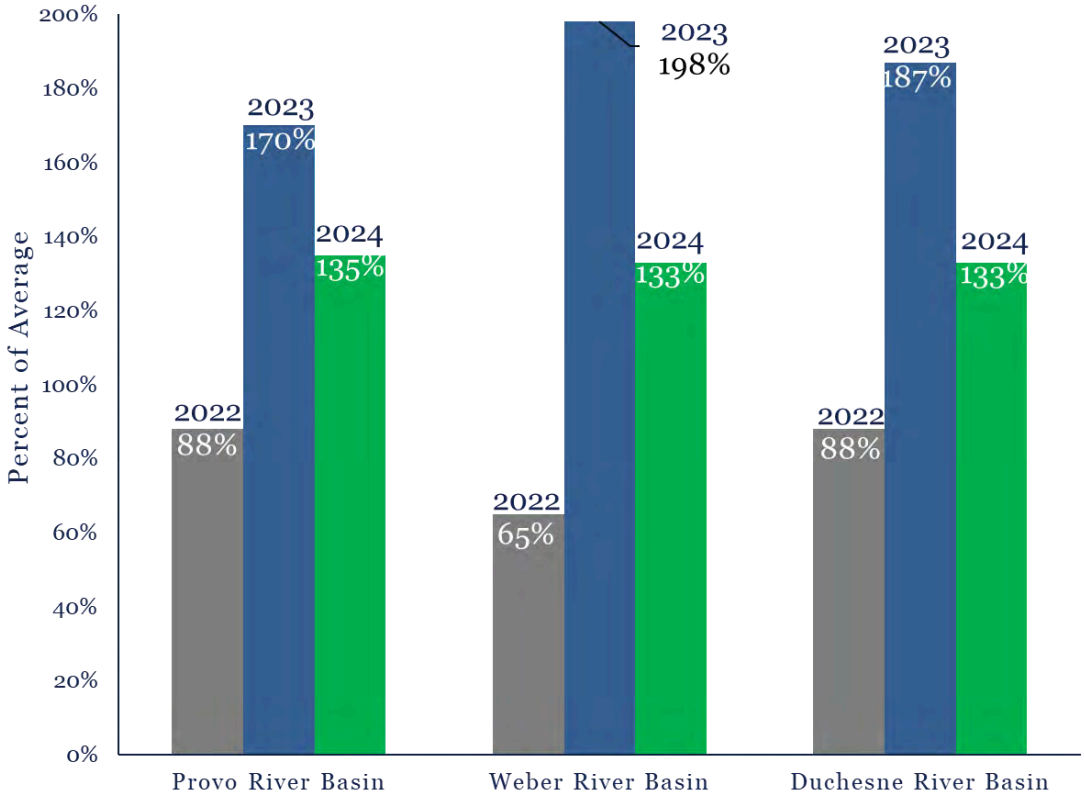
Don did not end his service there. He returned to his native Utah following retirement and continued as a public servant filling many roles in Sandy City where he lived, and received several awards and recognitions for exemplary service over more than 25 years. Along with his service to Sandy City, he served the last 18 years of his life on the Association Board of Directors, including nine years as chair of the Engineering Committee. Don was not only a dedicated public servant, he was also a dedicated husband and father. He was a great man and has been and will be missed.

Water Supply

The 2024 Spring runoff generated enough water to spill all the holdover water out of Deer Creek Reservoir and provide the Association with a full allocation of 100,000 ac-ft. With the "fill and spill" of Deer Creek, Association Shareholders received extra allotment from May 31st, 2024 through June 24th, 2024. At the completion of the 2024 water year on October 31st, 73,600 ac-ft remained as holdover water to be utilized during the 2025 water year.



2024 Water Supply
135,689 AF

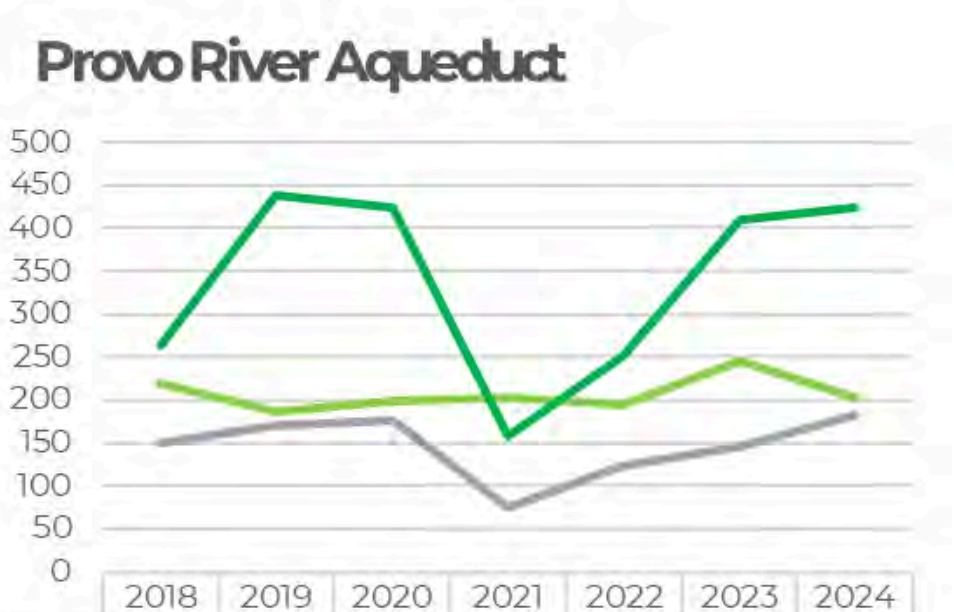


Snow Water Equivalent SWE

Provo River Aqueduct

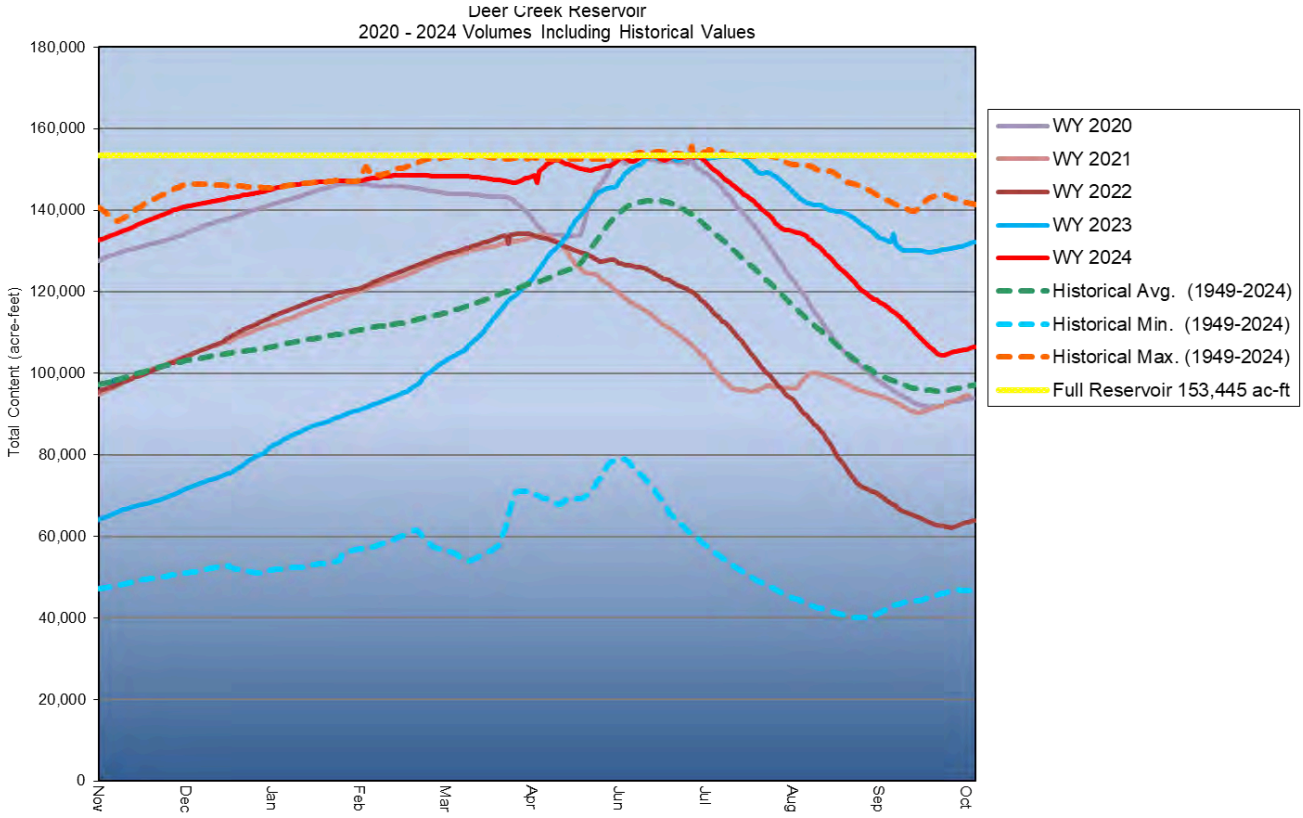
In 2024, the Provo River Aqueduct (PRA) continued to be a vital asset to the Association and its shareholders, enhancing public safety, water conservation, and the accuracy of water usage data. Additionally, it provided valuable recreational opportunities along the Murdock Canal Trail, benefiting the surrounding communities.

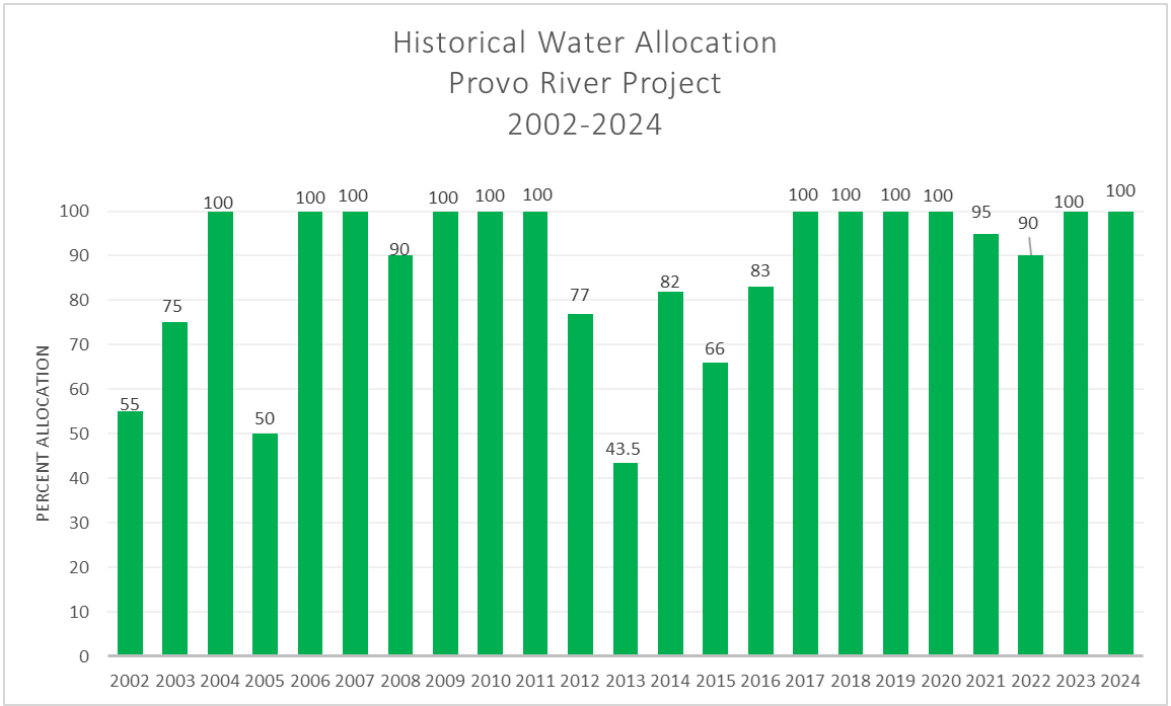
Significant milestones during the year were the commissioning of the new Lindon City turnout vault and the cleaning of the Murdock Diversion forebay. The new turnout vault will enable Lindon City to better serve its residents by improving water delivery efficiency and reducing water loss previously experienced in open ditches. The Murdock Diversion forebay cleaning was a complex and labor-intensive effort, requiring extensive coordination to ensure minimal disruption. Staff worked diligently to restore the forebay to its original capacity, which will greatly enhance the overall management and operational efficiency of the PRA.



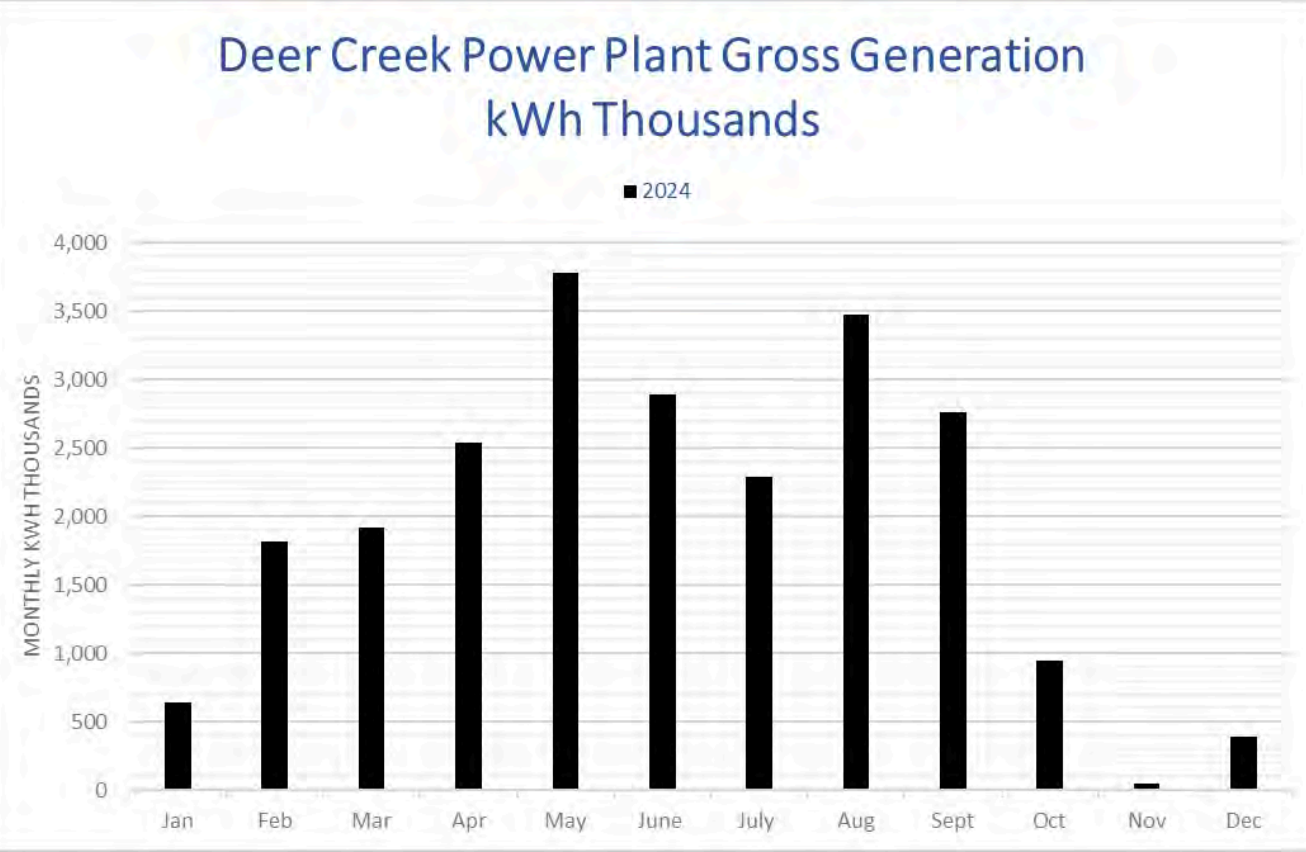
	2018	2019	2020	2021	2022	2023	2024
Days in Service	220	187	199	202	195	245	202
Peak Flow (cfs)	263	439	424	158	252	410	423
Average Flow (cfs)	150	171	176	75	123	146	183

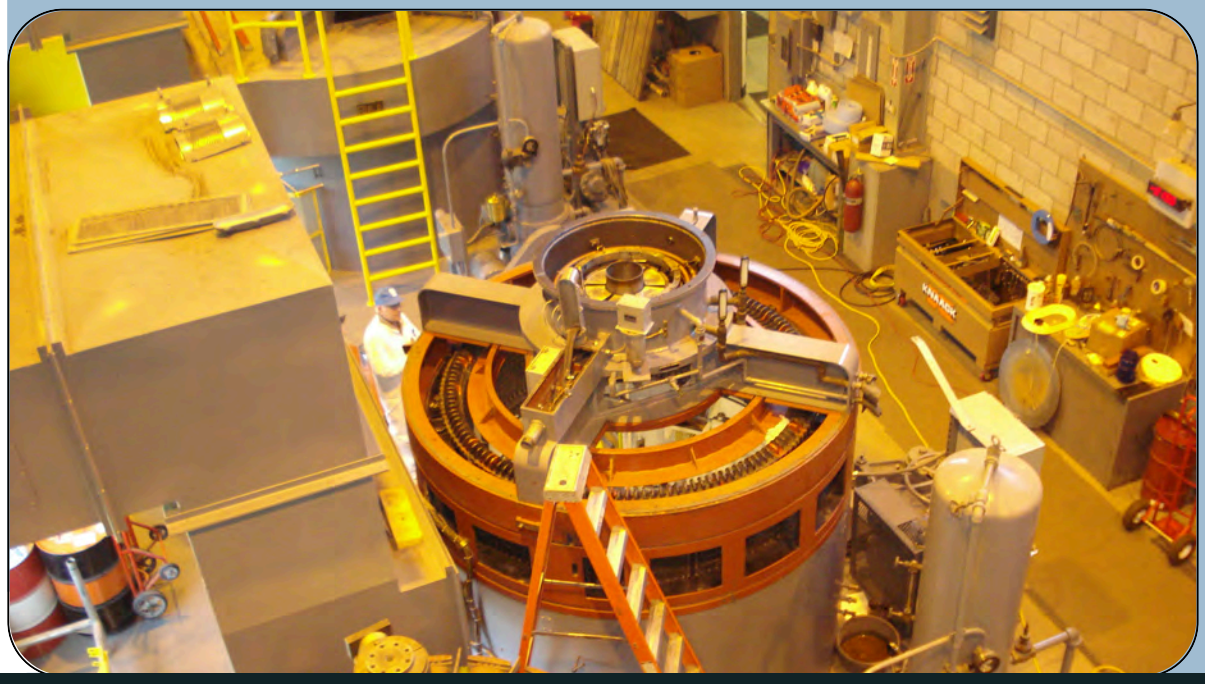
Deer Creek Reservoir





Deer Creek Power Plant





Deer Creek Intake Project

MTBM / Wasatch Worm

In March 2024, the Deer Creek Intake Project took delivery of 41 Trinity Tri-Loc spiral welded pipes, each measuring 20-feet in length and of 6-feet in diameter. A Microtunnel Boring Machine (MTBM), nicknamed the "Wasatch Worm", was also delivered; set-up and drilling for the new bypass pipe began shortly thereafter at the launch portal just below the dam. The MTBM traveled through the mountain, parallel to the path of the existing outlet works and ended at an elevation just above the existing intake tower in the reservoir.

On July 15, the MTBM broke through the precast concrete exit portal soft-eye within 2-inches of the designed target. It was retrieved by underwater construction divers and brought to the surface by crane mounted barges and returned to land. This MTBM wet-recovery extraction was at a depth of approximately 75-feet below the full elevation watermark (5,417 feet above sea-level) of Deer Creek Reservoir. The 800-foot bypass pipe was then cleaned and prepared for painting, then coated and sealed with bulkheads on each end to prevent any leaking from the reservoir.

In 2025, a new pipe segment with an intake trash rack will be connected onto the wet side of the bypass pipe and the dry end of the bypass pipe will be connected into the newly constructed tie-in vault.

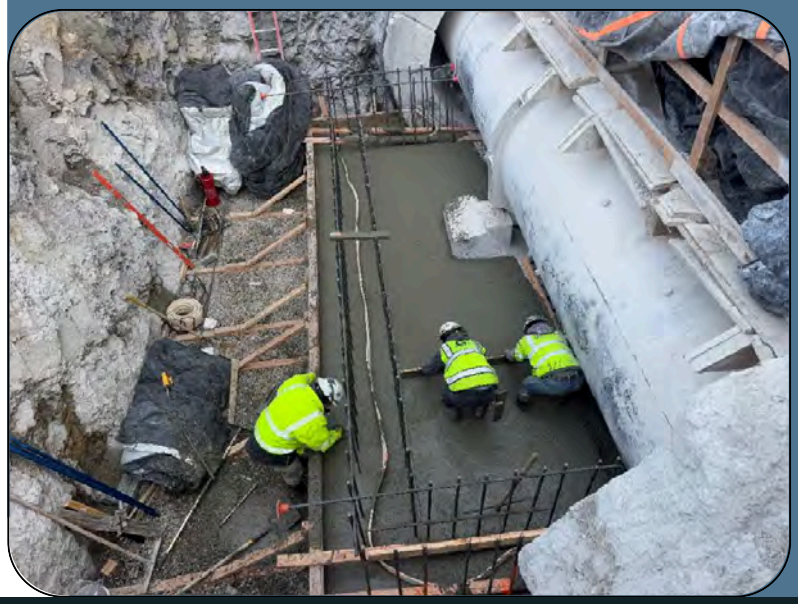
MTBM Wet Retrieval

This tie-in will allow for flow to be directed around the existing guard gate chamber, isolating it for work in the dry to begin. The guard gates will be refurbished at this time, with anticipated completion in Spring 2026. The Association is hopeful for another 80+ years of outstanding performance from the refurbished guard gates.

Uncovering Concrete Penstock Tunnel

Another phase completed in 2024 was the excavation of the 1937 penstock tunnel. Prior to constructing the new bypass tie-in vault, the existing tunnel housing the two 72-inch penstocks had to be located. To expose the penstocks, large amounts of concrete had to be removed in segments, with some weighing as much as 10,000 lbs. After the penstocks were exposed, a footing and floor slab were replaced and cured in preparation for the construction of the reinforced concrete walls of the tie-in vault.

Concrete Foundation and Floor Slab for Bypass Vault

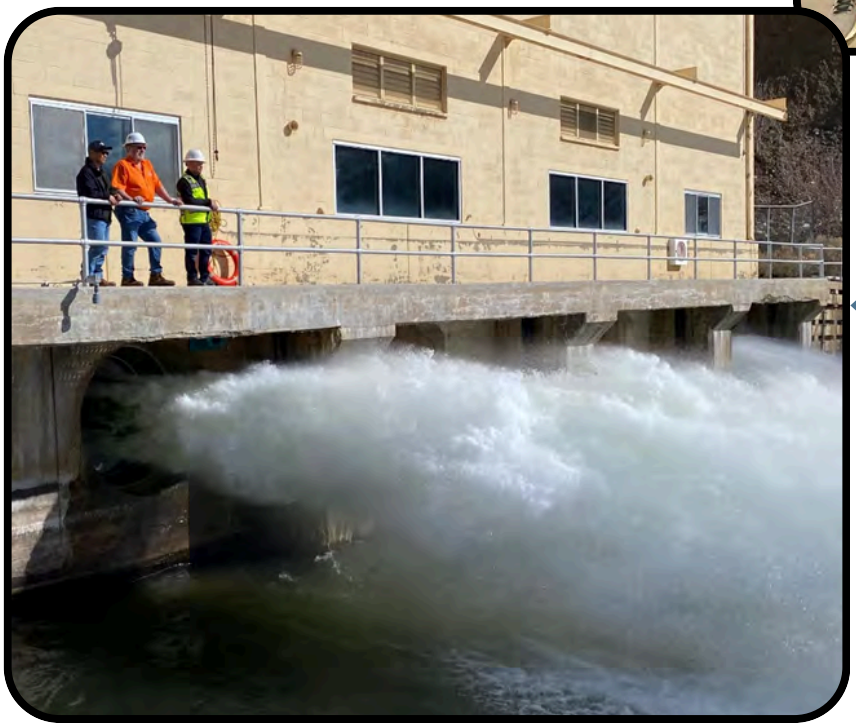


During 2024, the existing intake tower also underwent some maintenance and refurbishment activities. A temporary trash rack was installed, and the existing trash racks were removed in preparation for cleaning and recoating with Foul-Releasing Coating (FRC). The FRC is a preventative measure used by the Bureau of Reclamation to protect against Aquatic Invasive Species (AIS) attaching to the trash racks.

Deer Creek Tube Valve Replacement Project

The Deer Creek Power Plant Tube Valve Replacement Project came to its completion with the installation two new plunger valves. VanCon Construction installed the right penstock plunger valve first and on February 22, 2024, the valve exceeded the Bureau of Reclamations flow requirement of 750-cubic feet per second (cfs). Shortly thereafter, the left plunger valve was installed and also successfully exceeded the 750-cfs requirement on April 18, 2024.

Operators Mark Rawle and John Whiting with newly received plunger valve



Plunger valve testing

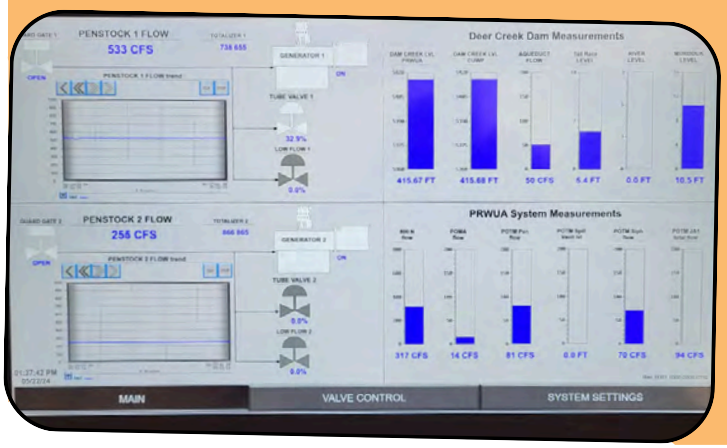
Operations & Engineering

Operations and Engineering staff, along with Association Maintenance personnel, completed many checklist items in 2024. Repairs and upgrades at the Duchesne Inlet were a focus, including the installation of a new generator and accompanied wiring. Other enhancements consisted of controls upgrades, temperature sensors in the generator cabinet and a new fresh air-cooling system for the generator.

New StarLink Satellite System at Duchesne Tunnel Inlet

Along with these upgrades, a new StarLink Satellite system was installed at the inlet, which included new wiring, new breakers and a new antenna pole mount. This system is more reliable in winter months than the standard satellite dish system previously employed at the inlet.

New HMI Touchscreen at Deer Creek Power Plant



HMI touchscreen upgrades were completed at the new Lindon City turnout and at the Deer Creek power plant. O&E staff performed design, programming and installation of these upgrades. The new touchscreen has allowed the Deer Creek Operators to better control the newly installed plunger valves at the power plant.

Maintenance

Throughout 2024, the Association's dedicated maintenance personnel carried out comprehensive routine and preventative maintenance across all Provo River Project facilities. These efforts were essential in ensuring the ongoing functionality and longevity of the project's critical infrastructure. Maintenance activities took place at a variety of key locations, including the Weber-Provo Diversion, the Jordan Narrows Pump Station, Deer Creek Dam and Power Plant, the Provo River Aqueduct (PRA), and the upper Provo River dikes and associated structures.

Maintaining the Beaver Creek Diversion

Inspecting the Deer Creek Penstocks

These key maintenance tasks were aimed at preserving the operational efficiency, reliability, and safety of these vital components, which play a crucial role in the effective distribution and management of water throughout the region. By addressing potential issues proactively and keeping the infrastructure in top condition, the team worked to ensure the uninterrupted delivery of water resources and the continued safety of the surrounding communities.

Weber-Provo Canal Restoration

The Weber Provo Canal and Diversion are critical components of the Provo River Project, facilitating the diversion and delivery of Weber River water to meet agricultural, municipal, and industrial needs. This infrastructure plays a vital role in water distribution, requiring ongoing maintenance and restoration efforts to ensure its long-term functionality and efficiency.

Throughout 2024, the Association continued its restoration efforts on the Weber Provo Canal prism, focusing on improving canal integrity and water flow efficiency. Restoration efforts saw a significant boost with the acquisition of a new trackhoe, which greatly enhanced productivity and safety. This new equipment allowed personnel to profile nearly twice the length of previous years, reducing sediment buildup and improving water conveyance.

The increased efficiency and expanded restoration efforts reinforce the Association's commitment to ensuring safe and reliable water delivery. Each year, staff dedicate substantial time and resources to maintaining the canal, preserving its structural integrity, and safeguarding its critical role.

Safety & Security

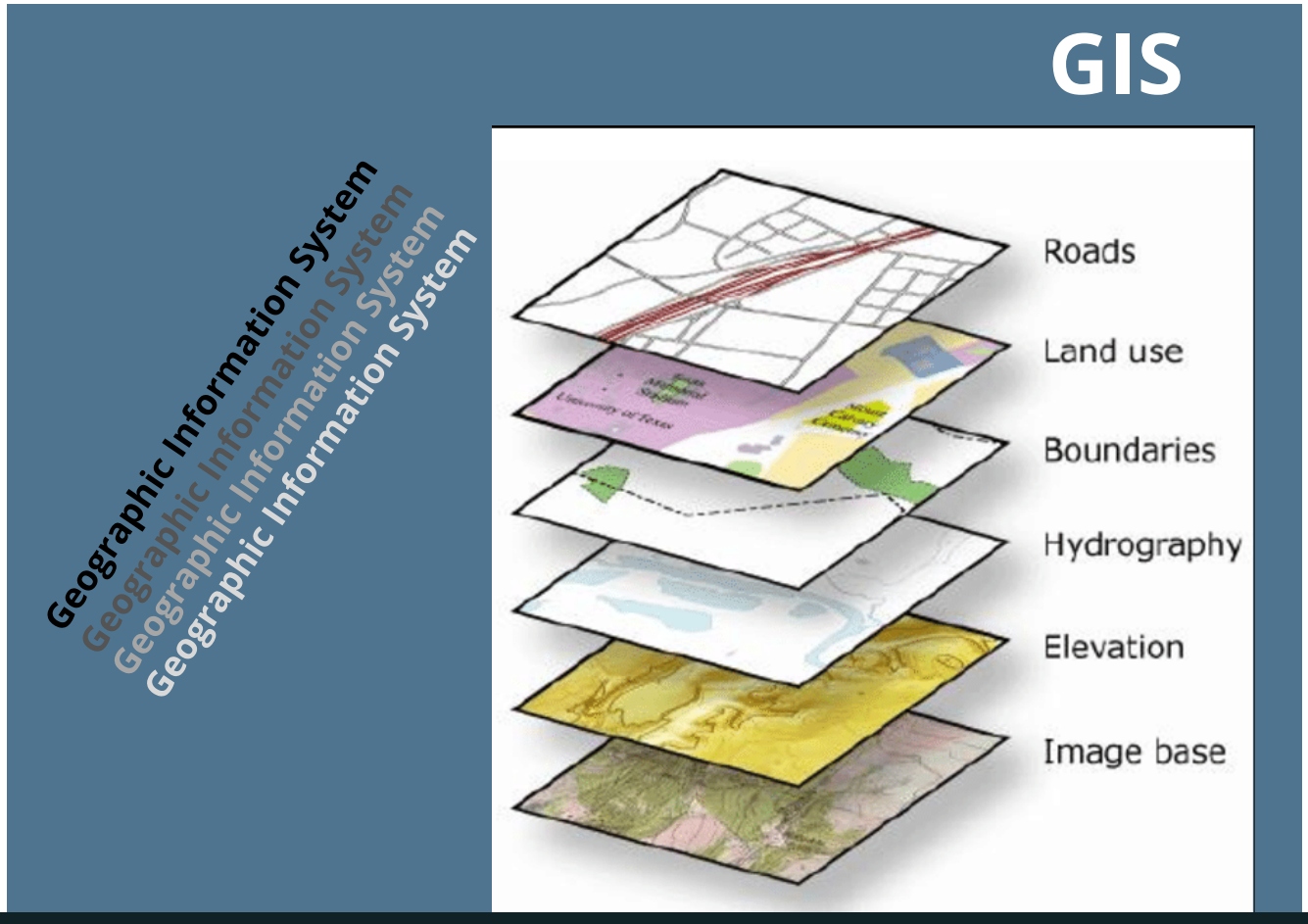
In 2024, the Association maintained a strong focus on safety and security, reinforcing its commitment through ongoing safety updates and initiatives. To uphold workplace safety standards, quarterly safety meetings and tailgate discussions were held, providing an opportunity to discuss critical safety concerns and relay important information to staff. These sessions allowed team members to exchange experiences, review best practices, and strengthen adherence to safety protocols across all departments.

The main goal of these efforts was to foster a culture of safety awareness, ensuring that both staff and the public have the knowledge and resources necessary to minimize risks and prevent hazards. By prioritizing proactive discussions and continuous education, the Association worked to enhance workplace safety, improve emergency preparedness, and maintain a secure environment for everyone involved.

Lands & GIS

The Association owns and manages a diverse range of facilities and lands that span five counties, presenting unique challenges in terms of property boundaries, land use, and title management. The complexity of overseeing such a broad area requires constant attention to ensure all aspects of land ownership and usage follow the Association's Real Property Management policy. Staff are dedicated to minimizing potential conflicts that may arise from boundary disputes, land use issues, or title discrepancies, which are ongoing concerns in the management of such expansive infrastructure.

To effectively address these challenges, staff conduct regular inspections across the various facilities and properties, ensuring that boundaries and rights-of-ways are clearly defined and maintained. The use of the Association's Geographic Information System (GIS) is crucial in this process, allowing staff to track and manage boundary lines with precision. By leveraging this advanced technology and conducting thorough inspections, the Association ensures that all property-related matters are well-managed, minimizing disputes and helping to maintain smooth operations across the five counties.



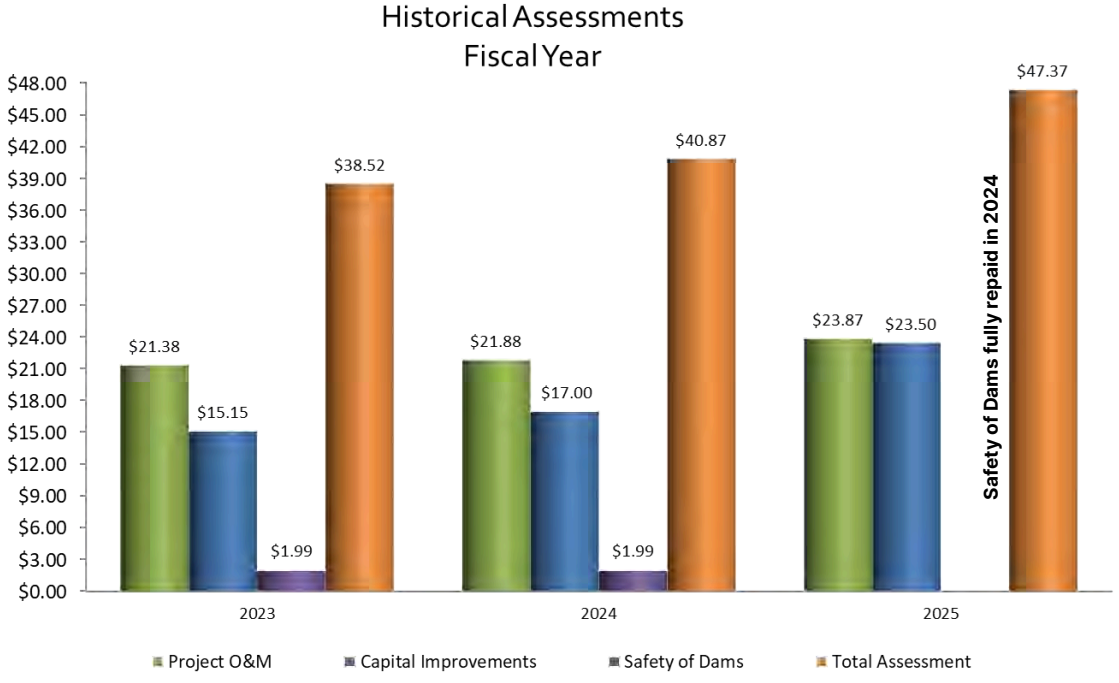
Provo River Water Users Association

Balance Sheets

December 31, 2024 and 2023

Assets

	2024	2023
Current Assets		
Cash and cash equivalents	$ 4,885,213	$ 2,338,307
Accrued interest receivable	68,199	61,398
Investments	-0-	-0-
Accounts receivable	2,358,362	1,818,886
Due from Central Utah Water Conservancy District, current portion	-0-	41,227
Prepaid expenses	13,139	16,314
Total current assets	7,324,913	4,276,132
Property, Plant, and Equipment, net	271,563,188	245,841,351
Other Assets		
Cash and cash equivalents - restricted	15,290,929	11,604,406
Investments	1,709,570	2,306,742
Investments - restricted	185,729	179,025
Beneficial interest in water rights	24,070,460	24,070,460
Total other assets	41,256,688	38,160,633
Total assets	$ 320,144,789	$ 288,278,116



PROVO RIVER WATER USERS ASSOCIATION

Balance Sheets

December 31, 2024 and 2023

LIABILITIES AND STOCKHOLDERS' EQUITY

	2024	2023
Current Liabilities		
Accounts payable	$ 1,864,168	$ 1,464,042
Accrued expenses	123,895	120,690
Retention payable	2,416,360	1,061,490
Accrued compensated absences	148,853	180,953
Accrued interest	741,142	443,945
Unearned revenue	188,575	2,788
Current portion of bonds payable	1,970,000	1,926,000
Current portion of notes payable	-0-	242,508
Total current liabilities	7,452,993	5,442,416
Long-term Liabilities		
Bonds payable, less current portion	83,120,000	58,090,000
Less debt issuance costs, net of accumulated amortization of $94,551 and $68,789, respectively	(412,459)	(438,221)
Total long-term liabilities, less unamortized debt issuance costs	82,707,541	57,651,779
Total liabilities	90,160,534	63,094,195
Stockholders' Equity		
Capital stock	23,915,867	23,915,867
Retained earnings		
Restricted for Provo River Aqueduct operations & maintenance	185,729	179,025
Unrestricted	205,882,659	201,089,029
Total retained earnings	206,068,388	201,268,054

Definition of Terms

AF / ac-ft	acre feet
AIS	Aquatic Invasive Species
Association	Provo River Water Users Association
Board	Board of Directors
cfs	cubic feet per second
DCIP	Deer Creek Intake Project
FRC	Foul-Releasing Coating
GIS	Geographic Information Systems
GSL	Great Salt Lake
HMI	Human-Machine Interface
kWh	Kilowatt-hour
MTBM	Micro-Tunnel Boring Machine (aka Wasatch Worm)
MWDSLS	Metropolitan Water District of Salt Lake & Sandy
O&E	Operations & Engineering
PRA	Provo River Aqueduct
Project	Provo River Project
SWE	Snow Water Equivalent

Employees

Scott Brockbank
Jeffrey D. Budge
David Faux
Lisa Fotu
Ryan Fowlke
Renee Gluch
Jeremy Gruber
Troy Heap
Brad Jorgensen
Travis Pool
Jeffrey Purser
Mark Rawle[3]
Miles Rawle[4]
TJ Shepherd
Polo Su'a-Filo
Casey Snyder
Devin Stratton
Jeffrey Whiting[4]
John Whiting[3]

3 - retired 2024
4 - hired 2024

Directors

Tom Godfrey, President
Christopher Tschirki, Vice President
Laura Briefer
Joan Degiorgio
Dan Johnson
John S. Kirkham
John Mabey[1]
Donald Y. Milne[1]
Annalee Munsey
Tom Ward
Jacob Young
Wayne Winsor[2]

1 - resigned as Director 2024
2 - elected Director 2024

Provo River Project Water Use 2024

April 9, 2025	Shares	2024 Total Use (AF)	2024 Allotment 100% Allocated (AF)	2024 Allotment 100% Used (AF)	Extra Allotment Used (AF)	Holdover from Water Year 2023 Available (AF)	Holdover from Water Year 2023 Used (AF)	Holdover from Water Year 2023 Evap (AF)	Holdover from Water Year 2023 Spill (AF)	Holdover Towards 2025 (AF)
MWD of Salt Lake & Sandy*										
Account #1	500	0	500	0	0	450	0	0	450	500
Account #2	200	0	200	0	0	180	0	0	180	200
Account #3	15,000	0	15,000	0	0	10,000	0	0	10,000	15,000
Account #4*	46,000	40,864	44,500	17,053	7,450	44,852	16,361	2,472	27,631	25,835
Account #5	200	0	200	0	0	180	0	0	180	200
Total	**61,900**	**40,864**	**60,400**	**17,053**	**7,450**	**55,662**	**16,361**	**2,472**	**38,441**	**41,735**
Orem MWD										
Account #1	1,300	1,323	1,300	0	529	2,000	794	92	1,206	1,208
Account #2	200	0	200	0	0	190	0	0	162	228
Account #3	754	0	754	0	0	0	0	0	0	754
Total	**2,254**	**1,323**	**2,254**	**0**	**529**	**2,190**	**794**	**92**	**1,368**	**2,190**
Dixon Irrigation Company	300	79	300	0	0	291	79	13	208	291
Provo MWD	8,000	5,483	8,000	256	529	6,151	4,698	247	1,200	6,044
American Fork MWD	500	251	500	251	0	429	0	20	421	237
Beaver/Shingle Creek	900	200	900	200	0	874	0	38	858	678
Diamond Bar X	86	84	86	84	0	0	0	2	0	0
Bull Moose Waterworks Company	10	10	10	10	0	0	0	0	0	0
MSH Corporation	10	10	10	10	0	0	0	0	0	0
Noblett's Creek Mutual Water	19	19	19	19	0	0	0	0	0	0
Highland Conservation District										
Highland Conservation Dist.	1,185	1,340	1,185	1,298	42	317	0	16	275	(87)
Highland City	2,531	377	2,531	296	81	2,459	0	118	2,412	2,164
Lehi City	849	212	849	212	0	814	0	38	798	615
American Fork City	445	223	445	223	0	382	0	17	375	212
Total	**5,010**	**2,152**	**5,010**	**2,029**	**123**	**3,972**	**0**	**189**	**3,860**	**2,904**
Lehi City	500	489	500	125	364	489	0	32	470	362
Lindon City	200	0	200	0	0	194	0	9	191	194
Pleasant Grove Irrigation										
Pleasant Grove Irrigation	356	366	356	218	142	94	6	18	86	122
Pleasant Grove MWD	655	25	655	25	0	636	0	30	625	611
Total	**1,011**	**391**	**1,011**	**243**	**142**	**730**	**6**	**48**	**711**	**733**
Pleasant Grove MWD	300	368	300	12	356	291	0	8	286	280
Provo Bench Irrigation										
Orem MWD	1,066	281	1,066	281	0	1,036	281	45	740	1,036
Provo Bench	208	0	208	0	0	202	0	10	198	202
Pleasant Grove MWD	179	7	179	7	0	174	0	8	171	167
Lindon City	481	0	481	0	0	467	0	22	458	468
CUWCD	66	38	66	38	0	41	38	3	2	64
Total	**2,000**	**326**	**2,000**	**326**	**0**	**1,920**	**319**	**88**	**1,569**	**1,937**
Provo Reservoir Water Users Co.*										
JVWCD	10,722	9,864	11,679	0	0	9,875	9,864	342	0	11,348
Orem MWD	2,682	785	2,937	785	0	2,893	701	124	2,067	2,854
Alpine District	738	659	586	415	244	642	0	24	630	159
Pleasant Grove MWD	219	9	240	9	0	225	0	12	220	224
Highland City	590	105	902	105	0	700	0	38	664	795
Lehi City	271	74	296	74	0	314	0	14	308	214
Lehi Irrigation	394	424	431	339	85	420	0	16	412	83
American Fork City	184	79	201	79	0	173	0	8	170	117
Lindon City	41	0	45	0	0	44	0	2	43	44
Orem District	132	0	141	0	0	143	0	7	10	137
CUWCD	27	977	42	0	977	29	0	1	0	41
Total	**16,000**	**12,976**	**17,500**	**1,806**	**1,306**	**15,457**	**10,565**	**589**	**4,654**	**16,015**
South Kamas Irrigation	500	494	500	494	0	0	0	6	0	0
Washington Irrigation	500	497	500	497	0	184	0	7	180	0
Total	**100,000**	**66,746**	**100,000**	**23,415**	**10,814**	**88,793**	**32,942**	**3,843**	**54,446**	**73,600**

MWDSLS transferred 1,500 ac-ft (after -4% seepage loss) to PRWUCo via the MWDSLS / WBWCD Surplus Sales Agreement executed on April 15, 2024

Provo River Water Users Association

285 West 1100 North
Pleasant Grove, UT 84062
801.796.8770
www.prwua.org