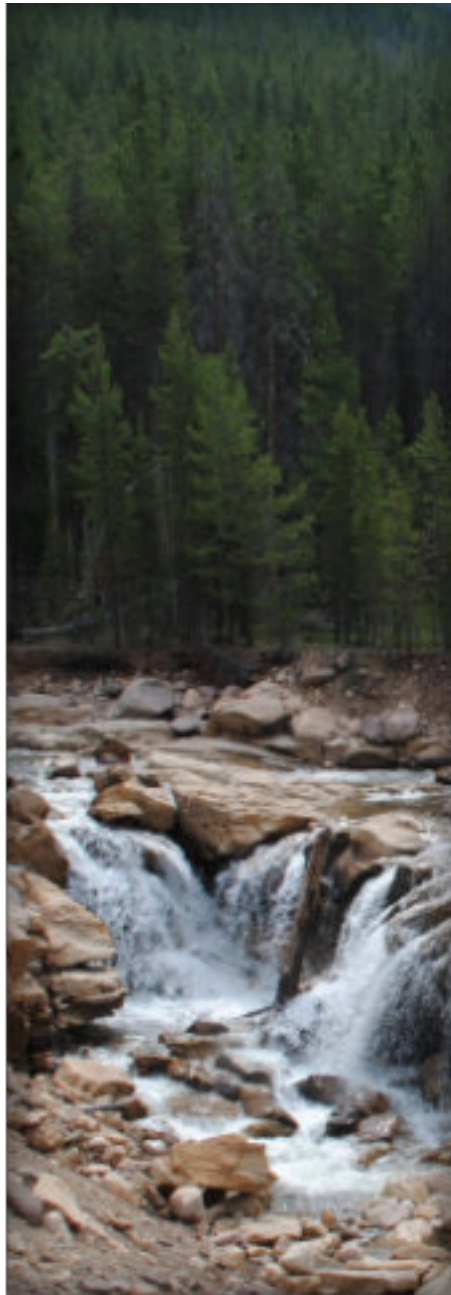




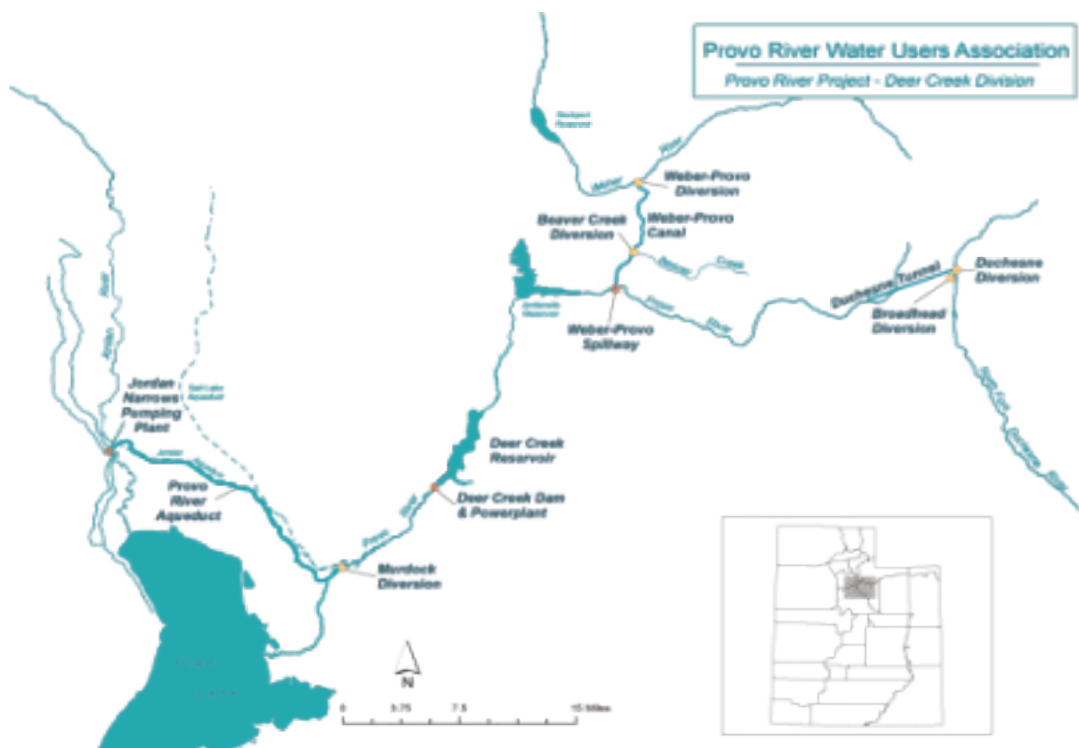
Provo River Water
Users Association

ANNUAL REPORT

2025

Table of Contents

2	General Manager's Message	4	Board of Directors
5	Employees	6	Water Supply
10	Provo River Aqueduct	12	Deer Creek Reservoir
13	Deer Creek Dam & Power Plant	14	Deer Creek Intake Project
16	Asset Management & Master Plans	17	Lands
18	Weber-Provo Diversion & Canal	19	Maintenance
20	Safety & Security	21	Water Use
22	Balance Sheets		



Board of Directors

Tom Godfrey President
Christopher R. Tschirki Vice-President

Laura Briefer Annalee Munsey
Gordon Cook Tom Ward
Joan DeGiorgio Jacob Young
Dan Johnson Wayne Winsor¹
John S. Kirkham



Shareholders

American Fork Metropolitan Water District
Beaver & Shingle Creek Irrigation Company
Bull Moose Waterworks Company
Diamond Bar X Ranch
Dixon Irrigation Company
Highland Conservation District
Lehi City Corporation
Lindon City Corporation
M.S.H. Corporation
Metropolitan Water District of Orem
Metropolitan Water District of Provo
Metropolitan Water District of Salt Lake & Sandy
New Washington Irrigation Company
Pleasant Grove Irrigation Company
Pleasant Grove Metropolitan Water District
Provo Bench Canal & Irrigation
Provo Reservoir Water Users Company
South Kamas Irrigation Company
The Church of Jesus Christ of Latter-day Saints
The Laurea Stirling Trust

Employees

Charlene Beecroft² Brad Jorgensen
Scott Brockbank Travis Pool
Jeffrey D. Budge Jeffrey Purser
Peter Clark³ Miles Rawle
David Faux TJ Shepherd
Lisa Fotu⁴ Casey Snyder
Ryan Fowlke Devin Stratton⁴
Renee Gluch Polo Su'a-Filo
Jeremy Gruber Rebel Takemoto³
Troy Heap Jordan Turner³
Lani Higgins^{3,4} Jeffrey Whiting⁴
Crew Horne

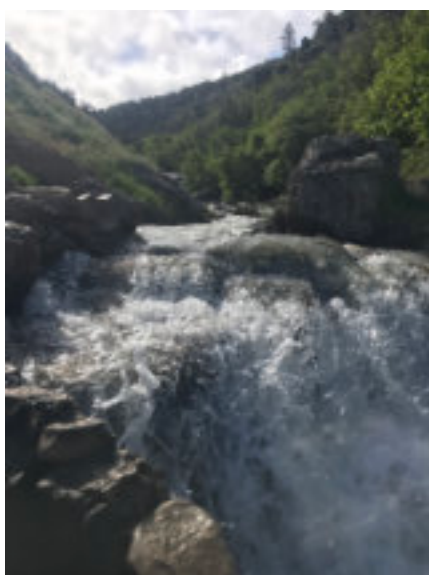
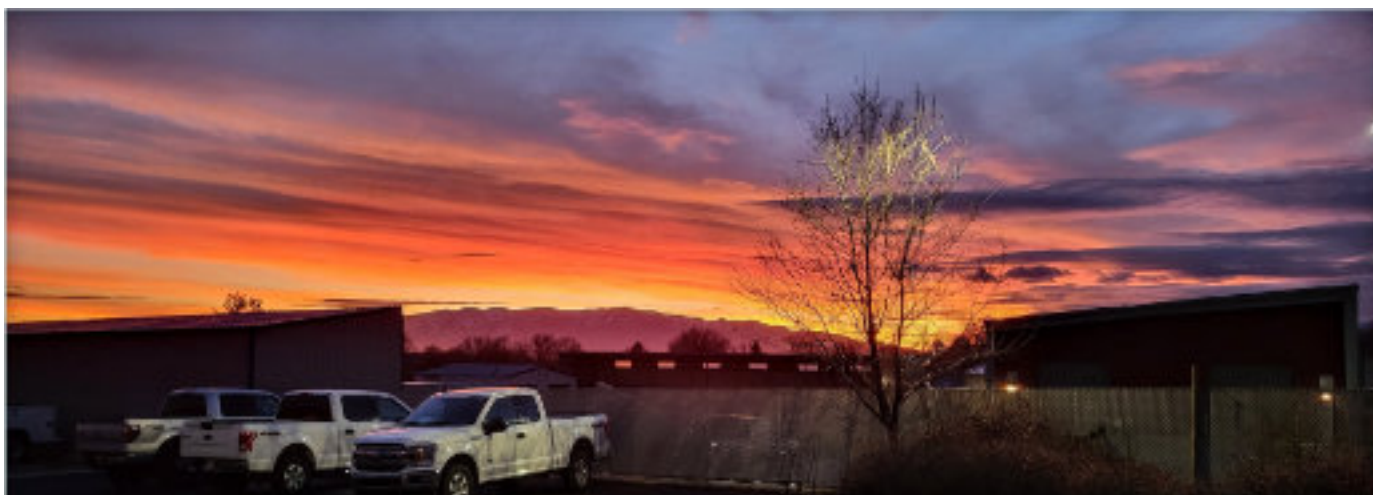
1 - Resigned as Director

2 - rehired

3 - hired

4 - separated

General Manager's Message



The Association made meaningful progress in 2025.

Organizations with a consistent focus year after year can sometimes overlook opportunities to grow and improve, and this year gave us a chance to do both. In addition to meeting the responsibilities outlined in our bylaws and mission statement, we placed a strong emphasis on strengthening both internal and external relationships that support the long-term success of the Association. While we did encounter some unexpected challenges along the way, the year was marked by steady progress and many positive accomplishments.

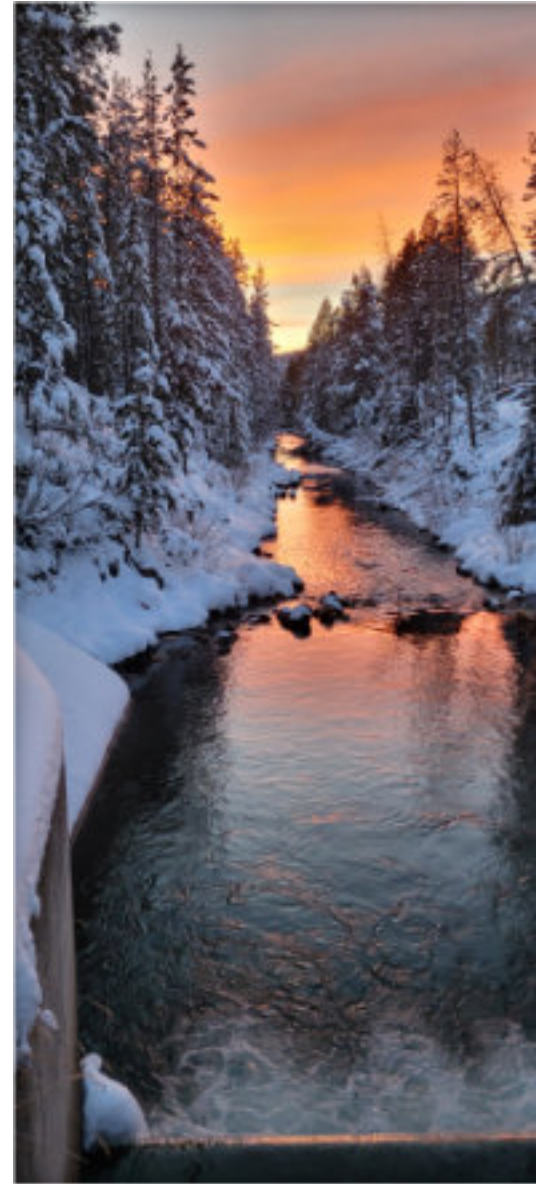
The Deer Creek Intake Project was substantially completed by the end of 2025, with final proof testing, inspections, and guard gate reassembly scheduled for early 2026. Projects of this size naturally come with challenges—and at times, some tension—but overall, the project moved forward successfully. From the early selection of an innovative design team to the choice of a General Contractor who contributed to both design and value engineering, the Board of Directors and staff approached this project with foresight and care. The collaboration between the Association, engineers, General Contractor, and the Bureau of Reclamation was a key factor in delivering a complex project on

time and under budget, and we are proud of what was accomplished together.

This year also brought several changes to the Association's organizational structure—some planned and some unexpected. By year's end, these changes proved to be a positive step forward for both the organization and its staff. For many years, the Board of Directors has encouraged the development and annual update of a succession plan to guide the future leadership of the Association. Through that process, I was prepared and selected to succeed my predecessor upon his retirement. In keeping with that same plan, the Board also filled the Assistant General Manager position through an internal promotion, allowing for a thoughtful two-year transition to support continuity and knowledge transfer.

While this level of personnel movement may seem significant for a small organization, much of it was intentional and reflects a culture that values growth, development, and preparing people for what comes next. Those who joined the Association this year have integrated well into the culture that has been built over the past 30 years. It is these relationships, along with a shared commitment to the work we do, that allow the organization to remain steady through challenges and continue moving forward. We are grateful for the people who make this work possible and look forward to the year ahead.

Jeff Budge
General Manager



Board of Directors



At the April 2025 Annual Shareholders Meeting, a vacancy on the Board of Directors was filled following the passing of Director Donald Y. Milne in October 2024. We remain grateful for his service and contributions to the Association.

The vacancy was filled by Gordon Cook, who brings more than 30 years of experience in the water industry. He began his career as a pipe fitter, working in that role for six years before joining the Metropolitan Water District of Salt Lake and Sandy (Metro) in 1996. Over the next 24 years, Gordon advanced through the organization, gaining valuable experience on many of Metro's major projects. His work has included involvement in the construction of the POMA Water Treatment Plant, pipeline and storage tank improvements at the terminal reservoirs, and the rehabilitation of the Little Cottonwood Water Treatment Plant filters.

Gordon currently serves as Assistant General Manager and Chief Operating Officer for Metro. The Association looks forward to the knowledge and perspective he brings to the Board of Directors.



Employees



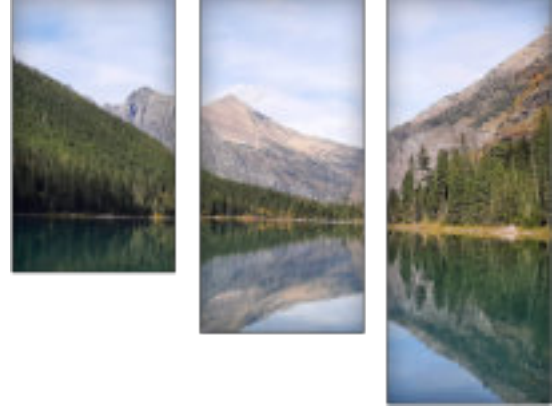
In 2025, the Association experienced staffing changes across every department. Administratively, two internal promotions led to one new hire. Dave Faux, formerly Facilities and Lands Manager, was selected by the Board to serve as Assistant General Manager and will train with General Manager Jeff Budge over the next two years. Ryan Fowlke was promoted to Facilities and Lands Manager, and Jordan Turner joined the Association as SCADA Technician.

The Association also welcomed back Charlene Beecroft as Executive Administrator. Having previously worked for the Association, she returned this year after completing a degree in Clinical Mental Health Counseling and working in the counseling field. The Board and management are pleased to have her back.

At the Power Plant, two operators left to pursue other opportunities. Troy Heap transferred from the Maintenance Department to fill one vacancy, and Peter Clark was hired to fill the other. Mr. Heap's transfer created a Maintenance opening, which was filled by Rebel Takemoto. Both additions have been positive for the Operations and Maintenance teams.



Water Supply

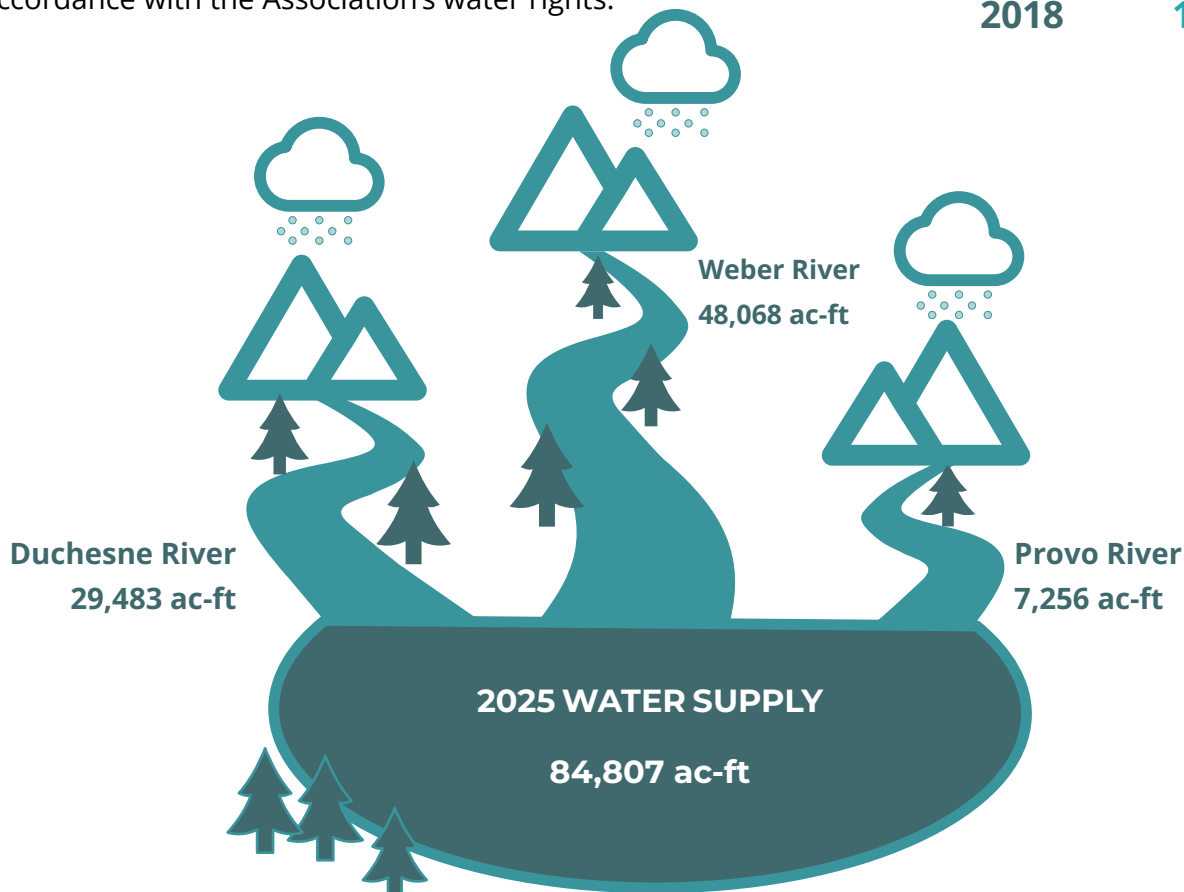


At the conclusion of the 2025 water year on October 31, 72,482 acre-feet of Deer Creek storage water remained as holdover water to be used during the 2026 water year. This water will be utilized by shareholders in a variety of ways. Typically, shareholders use their holdover water at the beginning of the following irrigation season, although some entities begin using it at the start of the water year on November 1. Under normal operations, holdover water is the first to be used or “spilled” from Deer Creek Reservoir as new year water begins to accumulate and the reservoir fills.

The annual water allocation available during the 2026 irrigation season will depend on the volume of water conveyed into Deer Creek Reservoir through Provo River Project (PRP) infrastructure in accordance with the Association’s water rights.

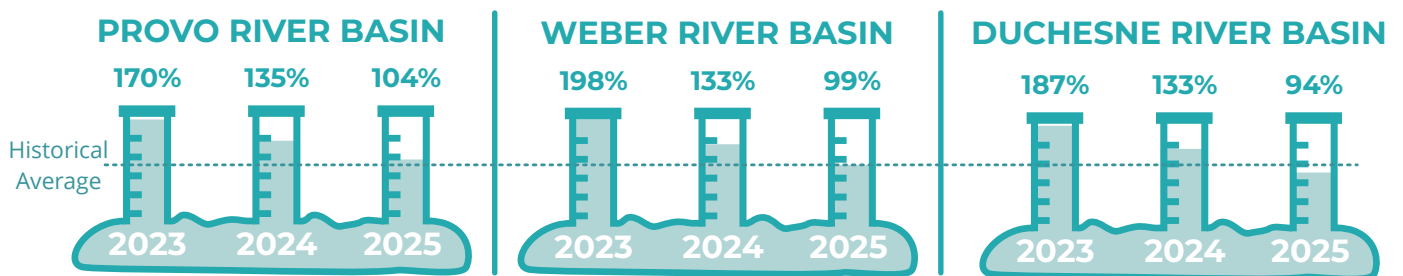
Historical Allotment

2025	100%
2024	100%
2023	90%
2022	95%
2021	100%
2020	100%
2019	100%
2018	100%





Snow Water Equivalent Percent of Average



Snowpack levels in 2025 were near normal as the Provo, Weber, and Duchesne River Basins recorded between 94-104% of their respective 30-year average Snow Water Equivalent (SWE). Although snowpack at higher mountain elevations was adequate, earlier melting and rain events lowered overall runoff efficiency with SWE rapidly declining after warmer than normal spring temperatures.

Provo River Aqueduct



Crews place the refurbished radial gate.



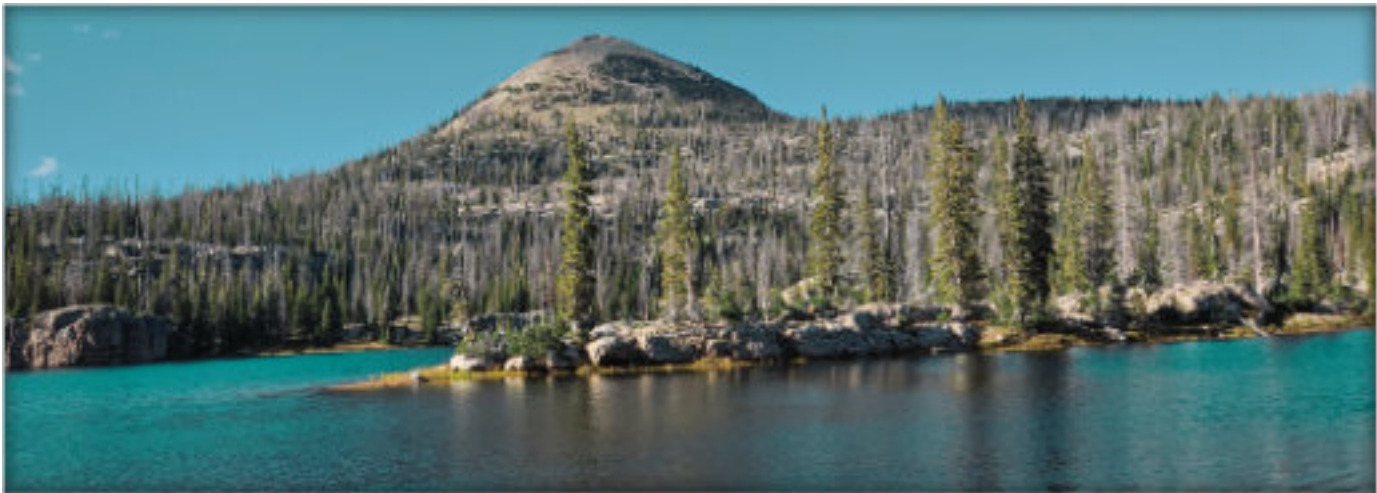
Inspection of refurbished radial gate.

In the winter of 2025, the Murdock Diversion underwent a notable upgrade. The coating of the intake radial gate, along with the concrete pillow blocks, at the diversion needed refurbishment and repair; safe and efficient operation of the radial gate is paramount to the operations of the Provo River Aqueduct (PRA). After the bid and review process, the contract was awarded to Gerber Construction.

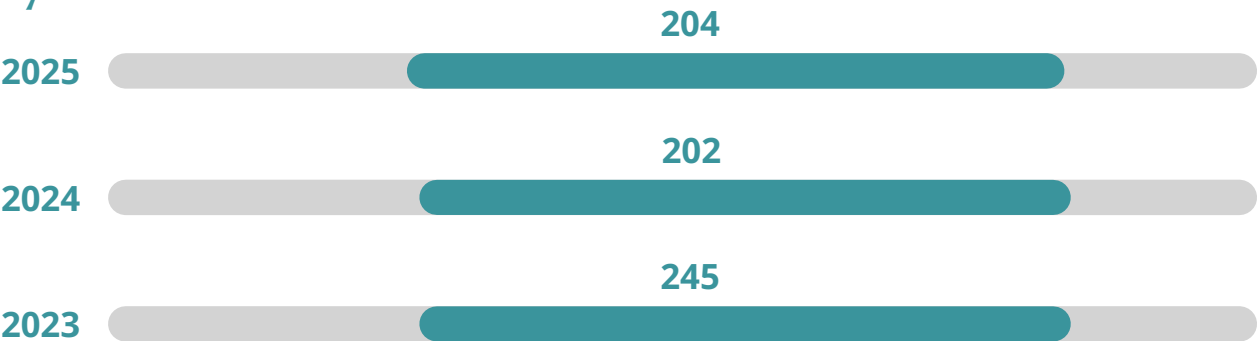
Gerber removed the existing intake radial gate from its position at the entrance to the PRA and transported it to their Lehi construction yard for refurbishment. With the assistance of Gateway Coatings, the radial gate was refurbished with a new coating to minimize corrosion and extend its life. With the gate removed, it was then possible to remove and replace the deteriorating pillow blocks used to secure and allow for the movement of the radial gate.

The contractor exceeded expectations by completing the project a full month ahead of the anticipated April 15 start of the irrigation season. On March 17, water was reintroduced to the Murdock forebay, reaching the newly coated radial gate installed on reconstructed pillow blocks.

Peak and Average Flows



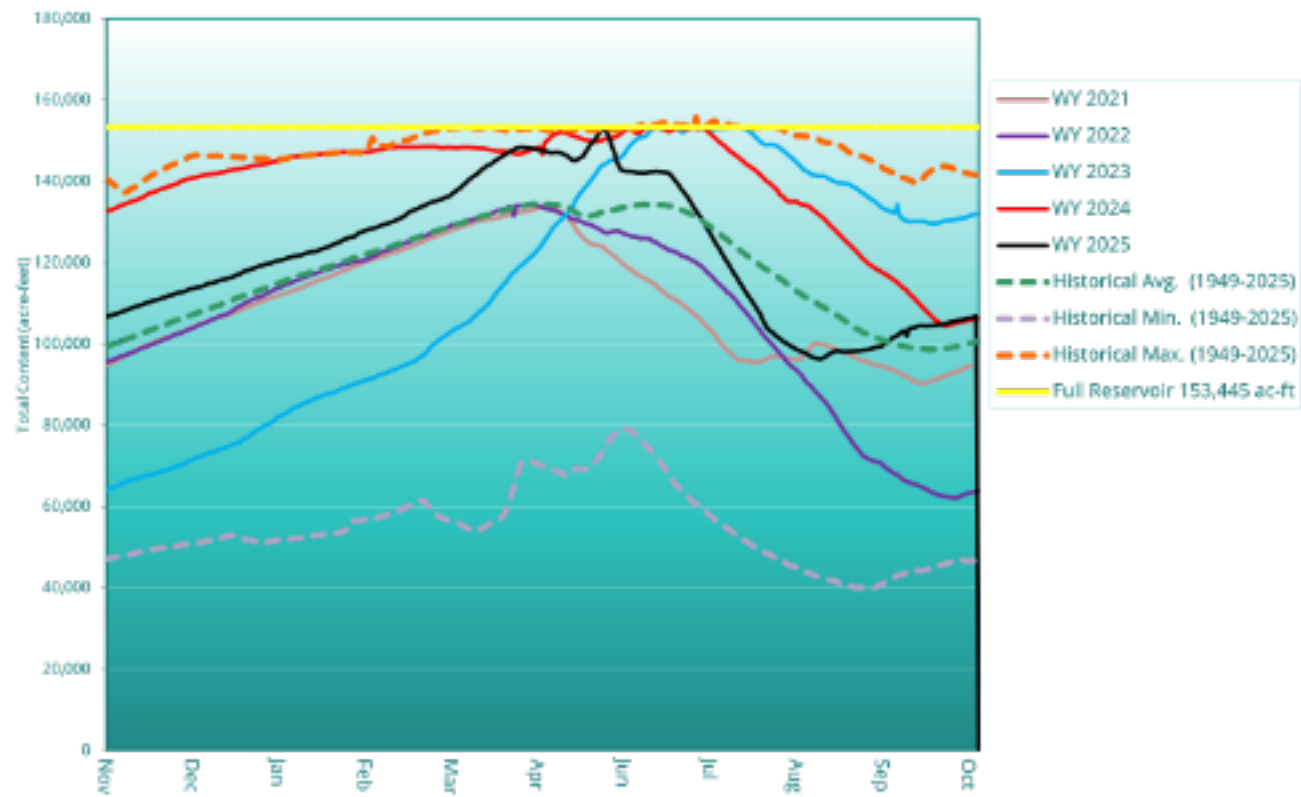
Days in Service



Deer Creek Dam & Reservoir



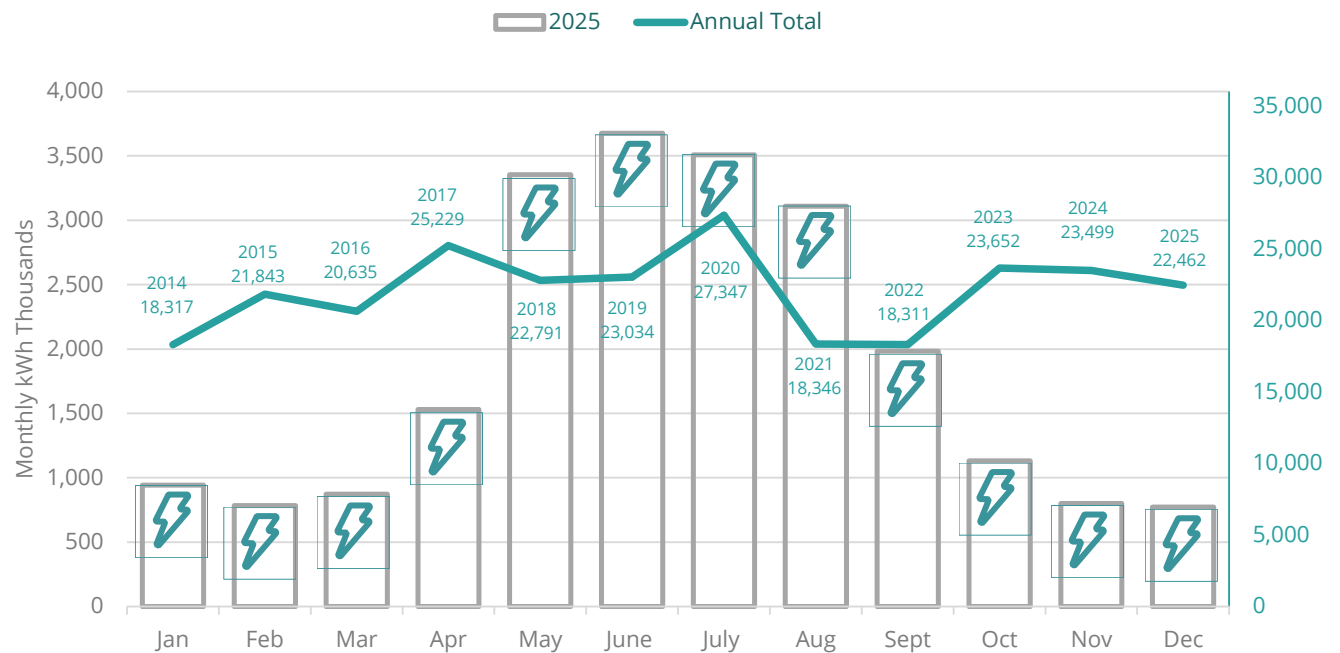
Deer Creek Reservoir
2021-2025 Volumes Including Historical Values



Deer Creek Power Plant



Deer Creek Power Plant Gross Generation
kWh Thousands



Deer Creek Intake Project



Construction crew installing wall reinforcement for Level 2.



Rebar and block-out forms completed for Level 4 walls.

Construction activity on the Deer Creek Intake Project (DCIP) in 2025 focused primarily on the downstream vault and associated piping. Foundation work for the vault began in December 2024, with most of the structure completed early in 2025. The vault rises 60 feet from foundation to roof and includes four platform levels to provide maintenance access to valves and electrical equipment associated with the bypass system.

Backfilling progressed to the elevation of the microtunnel bore, and the connection to the bypass pipeline was completed, including installation of a bifurcation wye fitting to split flow into two pipelines feeding the vault. The bypass pipe enters at the second platform level, approximately 20 feet above the original penstocks. Each branch includes a 72-inch valve, a 90-degree elbow, and associated piping that transitions downward to the existing penstocks.

Backfill and piping work were completed in September, followed by successful flow testing of the new bypass intake system. The lower end of the right penstock was then placed into service, allowing the remainder of the original outlet works to be taken offline for refurbishment of the original 1937 guard gates.

In August, work resumed within the reservoir with installation of refurbished trash racks on the original intake tower. After the bypass system was placed into service, two isolation bulkheads were installed in the intake tower, removing it temporarily from operation. Refurbishment of the guard gates was well underway by the end of 2025.



Grating and handrails at Landing 2 around the new 72-inch butterfly valves and bypass piping



Installation of new 90-degree elbows for the bypass pipe.



Riprap placed around the tie-in vault (construction camera, September 2, 2025).



Compaction of bedding sand beneath the 72-inch bypass pipe.



192-inch bulkhead positioned near vertical, ready for installation.



New 72-inch bypass trash rack.



Placement of new 72-inch tee on right penstock.



Asset Management and Master Plans



In 2025, the Association completed two key planning efforts that will guide infrastructure decisions for years to come: a comprehensive Asset Management Plan (AMP) and an updated Capital Improvement Plan (CIP). Together, these efforts position the Association to anticipate needs rather than respond to emergencies.

The AMP required a detailed inventory and evaluation of facilities, equipment, and infrastructure. Staff invested significant time collecting data, assessing asset condition and useful life, identifying risk of failure, and integrating this information with maintenance and financial planning. This work established a clear understanding of what we own, its condition, and when future investment will be required.

The CIP was updated to reflect current system demands, long-term infrastructure needs, and projected financial requirements. The plan identifies and prioritizes major projects, sequencing them to support reliability and fiscal responsibility.

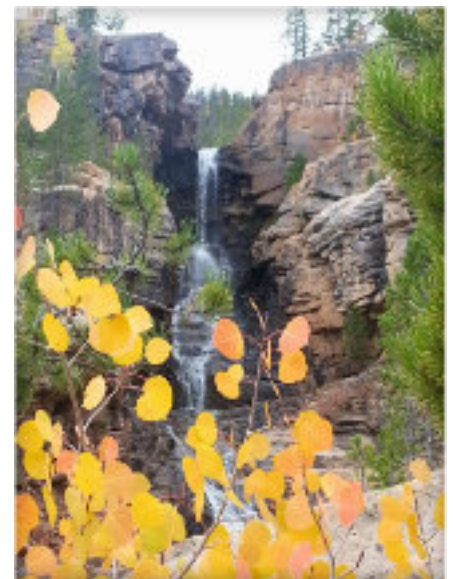
Together, these plans provide a disciplined framework for long-term stewardship. The AMP identifies which assets require attention and when, while the CIP outlines how and when those investments will occur. This approach strengthens reliability, improves financial planning, and ensures the Association will continue to responsibly serve its shareholders well into the future.

Lands

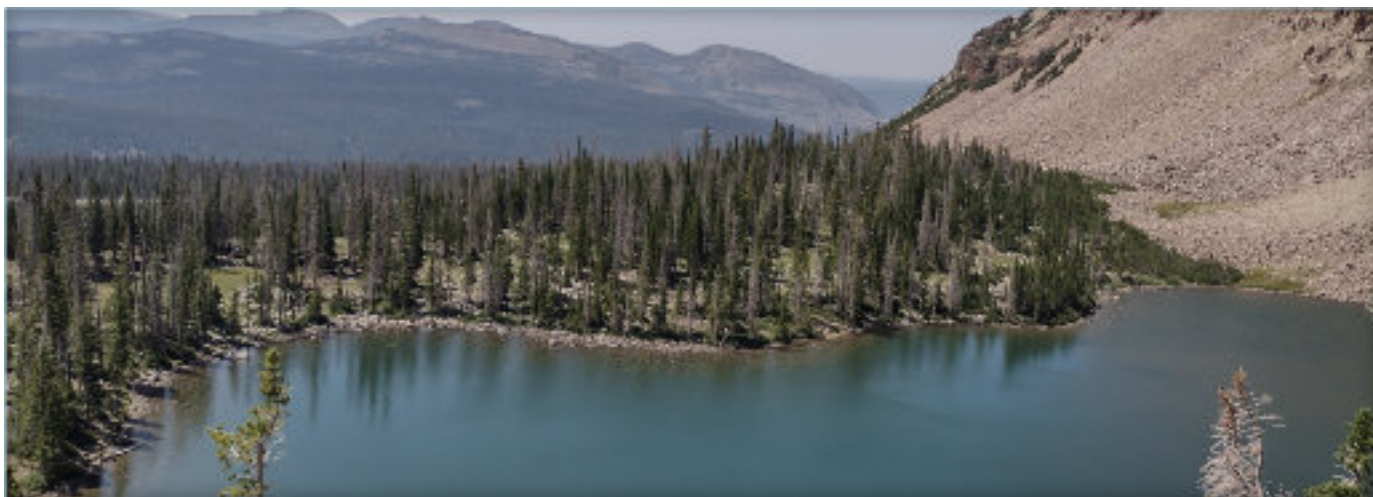


The Association owns and manages a diverse range of facilities and lands that span five counties, presenting unique challenges related to property boundaries, land use, and title management. Managing this infrastructure requires ongoing coordination to ensure that all property use and development activities comply with the Association's Real Property Management policies while protecting critical water delivery infrastructure. Staff continue to conduct regular inspections and utilize the Association's Geographic Information System to monitor property boundaries, rights-of-way, and access corridors.

During 2025, lands staff completed boundary establishment agreements with Highland City for encroachments associated with the Canterbury North Subdivision, helping formally document property boundaries and protect Association infrastructure. Staff also worked closely with the Sunny Cove Estates development, establishing agreements for driveways and other structures crossing the PRA. Throughout the development process, staff provided on-site support to ensure that construction activities were coordinated with the Association and that project infrastructure was properly protected. These efforts help reduce future conflicts while safeguarding the long-term integrity of the Association's facilities.



Weber-Provo Diversion and Canal

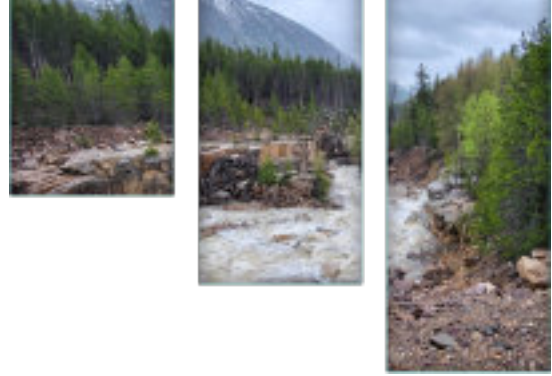


Weber-Provo Diversion Forebay Cleaning

The Weber-Provo Diversion and Canal remain critical infrastructure within the PRP, enabling the diversion and delivery of Weber River water to the Provo River system.

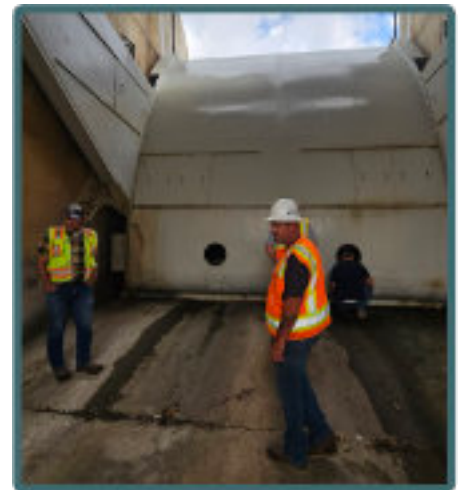
Throughout 2025, the Association continued restoration efforts along the Weber-Provo Canal prism to maintain canal geometry and flow capacity. Staff also worked with the State Engineer's Office to review and refine the water flow calculation associated with the Francis Flume, helping ensure accurate measurement and delivery of water. Additional improvements were completed at the Weber Provo Diversion, where crews addressed routine maintenance and several repair recommendations identified by the Bureau of Reclamation. Work included site cleanup, grading the access road, and adding new gravel and riprap in key locations to improve road conditions, protect embankments, and enhance safe access for ongoing operations.

Maintenance



Throughout 2025, the Association's maintenance personnel performed routine and preventative maintenance across all PRP facilities to ensure the continued reliability and longevity of critical infrastructure. Maintenance activities took place at key locations including the Weber-Provo Diversion, Jordan Narrows Pump Station, Deer Creek Dam and Power Plant, the PRA, and the upper Provo River dikes and associated structures. These ongoing efforts are essential to maintaining safe operations and supporting efficient water delivery and management throughout the region.

In addition to routine maintenance activities, the maintenance crew and Supervisory Control and Data Acquisition (SCADA) technician provided critical support for the Deer Creek Intake Project (DCIP). The SCADA department played a key role in installing control components and programming the system, including the Programmable Logic Controller (PLC), Human Machine Interface (HMI) instrumentation, and associated control equipment. Their efforts ensured successful integration of the new intake controls while supporting the overall functionality and reliability of the project. This collaboration highlights the importance of coordinated maintenance and technical expertise in maintaining the Association's water delivery infrastructure.

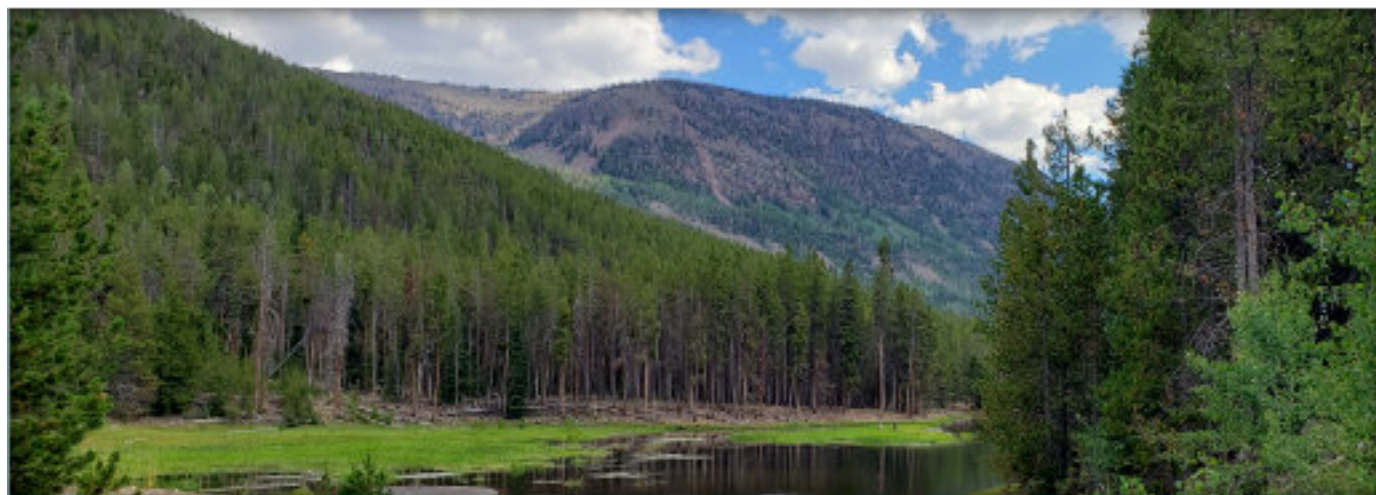
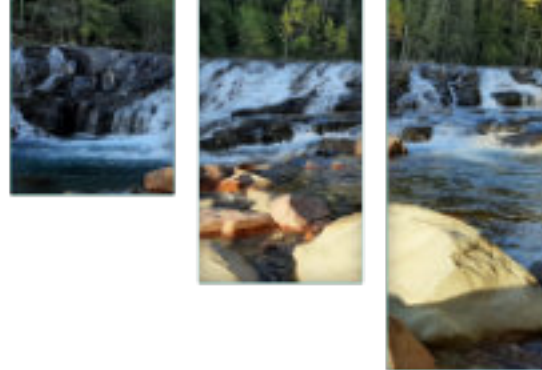


DC Spillway Radial Gate Inspection



Removing manway on DC Penstock

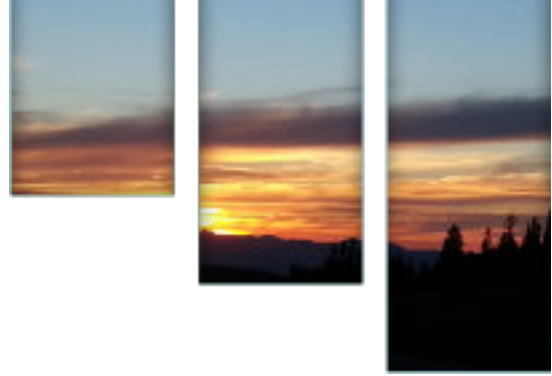
Safety and Security



Safety and security remained a top priority for the Association in 2025, with continued efforts to strengthen procedures that protect staff, infrastructure, and the public. A major focus during the year was the commissioning and startup of the PRA for the 2025 water season. Following an incident during the 2024 PRA filling process, staff developed a revised PRA Filling Procedure and a comprehensive startup checklist designed to improve consistency, accountability, and overall operational safety.

The new procedure introduced a systematic, risk-based approach to filling the aqueduct. Prior to introducing water, crews inspected each structure along the PRA—including turnout vaults, manway and air-vac vaults, siphons, blow-off structures, and control valves—to confirm that all components were functioning properly. Staff also labeled each structure to ensure clear identification and improve communication during inspections and operations. By following the filling procedure, crews were able to methodically verify system readiness, reducing the potential for unplanned discharges or mechanical failures. This structured process will continue to guide future startups and strengthen the reliability and safety of PRA operations.

Water Use

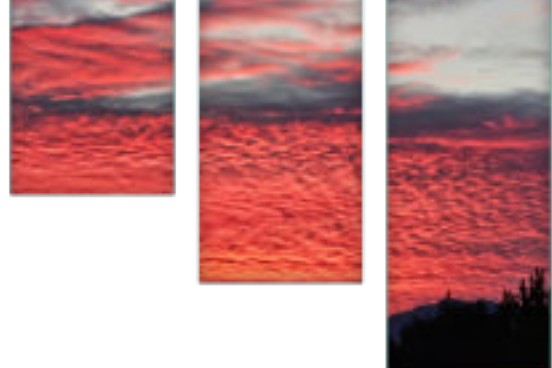


October 31, 2025	Shares	2025 Total Use (AF)	2025 Allotment 100%		Extra Allotment Used (AF)	Holdover from Water Year 2024				Holdover Towards 2026 (AF)
			Allocated (AF)	Used (AF)		Available (AF)	Used (AF)	Evap (AF)	Spill (AF)	
MWD of Salt Lake & Sandy*										
Account #1	500	500	500	500	0	0	0	0	0	0
Account #2	200	200	200	200	0	0	0	0	0	0
Account #3	15,000	294	15,000	294	0	0	0	0	0	14,706
Account #4*	46,000	48,832	44,500	30,000	0	42,004	18,832	2,860	5,344	29,468
Account #5	200	0	200	0	0	0	0	0	0	200
Total	61,900	49,826	60,400	30,994	0	42,004	18,832	2,860	5,344	44,373
Orem MWD										
Account #1	1,300	617	1,300	0	0	2,000	617	138	896	1,649
Account #2	200	111	200	111	0	190	0	0	0	279
Account #3	754	0	754	0	0	0	0	0	0	754
Total	2,254	728	2,254	111	0	2,190	617	138	896	2,681
Dixon Irrigation Company	300	76	300	15	0	292	61	19	139	358
Provo MWD	8,000	3,040	8,000	271	0	5,981	2,769	491	2,347	8,104
American Fork MWD	500	549	500	500	0	238	49	21	90	78
Beaver/Shingle Creek	900	891	900	891	0	0	0	9	0	0
Diamond Bar X	86	85	86	85	0	0	0	1	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	518	503	518	0	0	0	0	0	0
Highland City	2,531	1,833	2,771	1,833	0	2,106	0	149	1,357	1,538
Lehi City	849	935	880	935	0	588	0	36	340	157
American Fork City	445	881	856	881	0	210	0	29	78	78
Total	5,010	4,167	5,010	4,167	0	2,904	0	214	1,775	1,773
Lehi City	500	512	500	512	0	362	0	21	210	118
Lindon City	200	0	200	0	0	194	0	13	132	249
Pleasant Grove Irrigation										
Pleasant Grove Irrigation	334	232	334	229	0	122	3	13	12	199
Pleasant Grove MWD	677	303	677	303	0	611	0	41	411	533
Total	1,011	535	1,011	532	0	733	3	54	423	732
Pleasant Grove MWD	300	136	300	136	0	280	74	18	188	238
Provo Bench Irrigation										
Orem MWD	1,066	271	1,066	271	0	1,036	218	67	495	1,269
Provo Bench	175	0	175	0	0	91	0	9	61	196
Pleasant Grove MWD	202	137	202	137	0	267	0	14	180	138
Lindon City	481	0	481	0	0	468	0	32	320	597
CUWCD	76	75	76	75	0	74	0	4	0	71
Total	2,000	483	2,000	483	0	1,936	218	126	1,056	2,271
Provo Reservoir Water Users Co.*										
JVWCD	10,722	15,965	11,503	4,667	0	11,349	11,298	458	0	6,429
Orem MWD	2,682	742	2,827	132	0	2,854	610	180	1,358	3,402
Alpine District	738	732	792	732	0	158	0	27	0	192
Pleasant Grove MWD	219	108	245	108	0	224	0	15	150	196
Highland City	590	434	885	434	0	794	0	51	520	674
Lehi City	271	309	303	309	0	214	0	13	124	72
Lehi Irrigation	394	493	424	493	0	84	0	14	0	0
American Fork City	184	219	198	219	0	117	0	9	56	31
Lindon City	41	6	140	0	0	44	6	6	29	143
Orem District	132	0	138	0	0	137	0	9	93	173
CUWCD	27	67	44	0	0	67	67	3	0	41
Total	16,000	19,075	17,500	7,094	0	16,042	11,914	785	2,331	11,353
South Kamas Irrigation	500	416	500	416	0	0	0	7	0	77
Washington Irrigation	500	416	500	416	0	0	0	7	0	77
Total	100,000	80,904	100,000	46,662	0	73,082	34,657	4,767	14,962	72,482

MWDSLs transferred 1,500 ac-ft (after -4% seepage loss) to PRWUCo via the MWDSLs / WBWCD Surplus Sales Agreement executed on April 15, 2025

Balance Sheet

December 31, 2025 and 2024



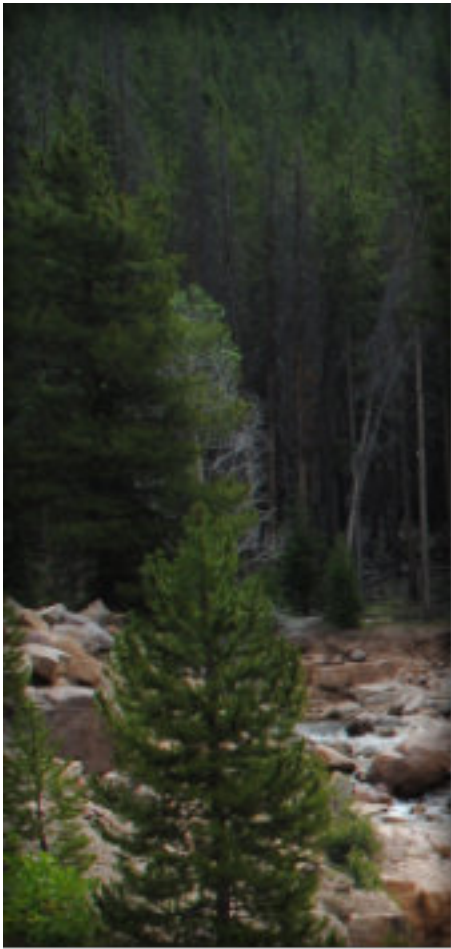
ASSETS

	2025	2024
Current Assets		
Cash and cash equivalents	\$ 5,806,832	\$ 4,885,212
Accrued interest receivable	22,381	68,199
Accounts receivable	2,123,863	2,358,362
Prepaid expenses	5,784	13,139
Total current assets	7,958,860	7,324,912
Property, Plant, and Equipment, net	288,380,843	271,563,188
Other Assets		
Cash and cash equivalents - (restricted)	7,650,778	15,290,929
Investments	449,491	1,709,571
Investments - restricted	192,924	185,729
Beneficial interest in water rights	24,070,460	24,070,460
Total other assets	32,363,653	41,256,689
Total assets	\$ 328,703,356	\$ 320,144,789

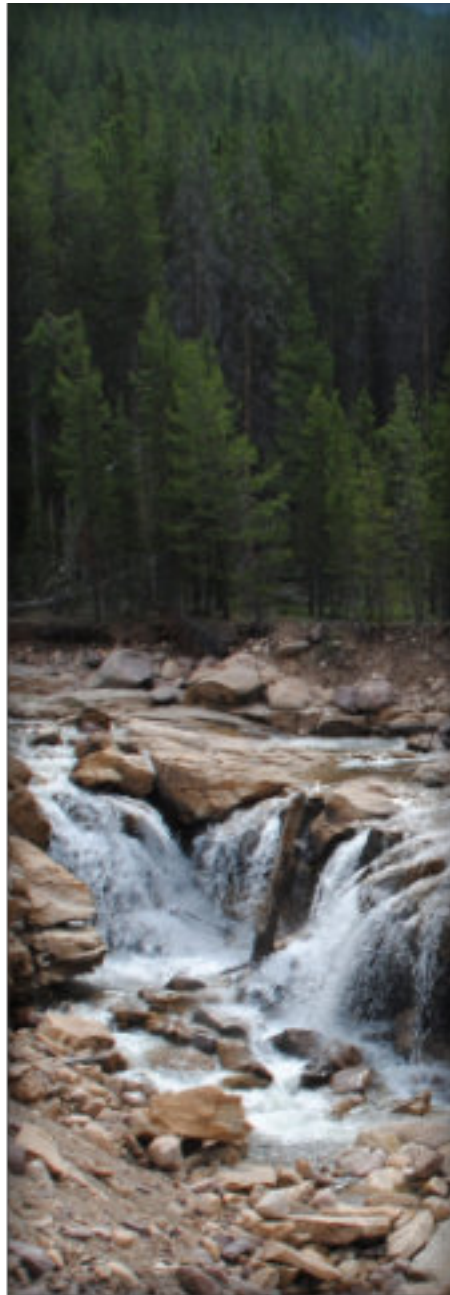


LIABILITIES AND STOCKHOLDERS' EQUITY

	2025	2024
Current Liabilities		
Accounts payable	\$ 1,898,697	\$ 1,864,168
Accrued expenses	78,920	123,894
Retention payable	2,743,282	2,416,360
Accrued compensated absences	164,402	148,853
Accrued interest	749,583	741,142
Unearned revenue	626,646	188,575
Current portion of bonds payable	2,299,000	1,970,000
Current portion of deferred revenue	321,018	-0-
Total current liabilities	<u>8,881,548</u>	<u>7,452,992</u>
Long-term Liabilities		
Bonds payable, less current portion	84,821,000	83,120,000
Less debt issuance costs, net of accumulated amortization of \$121,362 and \$94,551, respectively	(437,412)	(412,459)
Deferred revenue	2,182,063	-0-
Total long-term liabilities	<u>86,565,651</u>	<u>82,707,541</u>
Total liabilities	<u>95,447,199</u>	<u>90,160,533</u>
Stockholders' Equity		
Capital stock	<u>23,915,867</u>	<u>23,915,867</u>
Retained earnings		
Restricted for Provo River Aqueduct operations & maintenance	192,924	185,729
Unrestricted	209,147,366	205,882,660
Total retained earnings	<u>209,340,290</u>	<u>206,068,389</u>
Total stockholders' equity	<u>233,256,157</u>	<u>229,984,256</u>
Total liabilities and stockholders' equity	<u><u>\$ 328,703,356</u></u>	<u><u>\$ 320,144,789</u></u>



Provo River Water
Users Association



285 W 1100 N
Pleasant Grove, UT
84062



www.prwua.org
(801) 796-8770