

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, JUNE 13, 2019

SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Cylvick, Steve Anderson, Tom LeCheminant –
Board Members

Ex-Officio: Trevor Townsend

Excused: Scott Smith and Duane Yamashiro

Eric Cylvick called the meeting to order at 6:42 p.m.

Minutes

The four sets of Minutes were tabled until the Board members who had attended the meetings were present to vote.

Unpaid Bills

Trevor Townsend reviewed the unpaid bills. Mr. Cylvick asked about the invoice from Hone Propane for \$160. Trevor replied that it was the yearly cost to lease the tank. Mr. Anderson asked if it would be less expensive to purchase the tank. Trevor thought it had been purchased. He would look into it.

Trevor continued with the unpaid bills. KGC Associates were Carol's services. Mountainland Supply were parts for the new meters. Pine Meadow Mutual Water Company was the escrow for the two loans. Select Health was the monthly health insurance premium. Summit County Public Health was for water samples. USA Bluebook was still showing a credit for the transducer. Utah Division of Finance were the two loans. The Utah State Tax Commission was registration on a vehicle. Trevor could not recall which vehicle

MOTION: Eric Cylvick moved to Approve paying the unpaid bills as presented dated June 13, 2019 in the amount of \$38,114.48. Tom LeCheminant seconded the motion.

VOTE: The motion passed unanimously.

Financials

The Board reviewed the Profit and Loss/Budget versus Actual. Steve Anderson thought they should be further along in receiving assessments. Mr. Cylvick pointed out that some people pay monthly and quarterly rather than paying the assessment in one payment. The bank services charge that was showing is the cost to accept payments by credit card. Mr. Cylvick thought 90.7% of gross profit compared to budget was good for June 13th.

Mr. Cylvick asked about annexations. Trevor stated that a couple of annexations were still pending.

New Telemetry and Meters

Mr. Anderson asked if the Water Company would incur new expenses based on what Brody and Trevor learned in St. George. Trevor replied that they definitely need to have the new meters, all the wells metered, and the data recorder spreadsheet installed by December. That includes the monthly monitoring and accounting for every single gallon of water. The meters were approved at the last meeting; and he thought \$4200 was allocated for the meters and the Excel spreadsheet. Trevor stated that the telemetry will be obsolete in two years and at that point they will need to decide whether to continue with the main frame computer or they could do a hybrid system which keeps everything in the cloud.

Trevor noted that Brody had obtained a bid for a new telemetry system. Mr. Cylvick asked if the \$4200 would be rolled into that bid. Trevor stated that the new telemetry would not have the Excel spreadsheet. It would be a different style of recordkeeping. The \$4200 was just the telemetry for the meters. It did not include the cost of the meters.

Mr. Cylvick asked Trevor for an estimated total cost. Trevor was not prepared to give a cost estimate. He thought the meter cost was approximately \$16,000 total. Trevor stated that Matt was coming up the next day to see if the meters could eventually be smaller. Uncle Tom's has a 4" meter but they do not get much water out of any of the wells. He thought they could reduce the meters to 2", which would cut costs and still provide better readings. Mr. Cylvick stated that if the meter cost is reduced and the telemetry is \$6,000, the total cost would be approximately \$20,000 for telemetry and

meters.

Trevor noted that based on the bids submitted, the cost for an on-premise computer and the cloud would be \$30,000 for a completely new telemetry system. Mr. Cylvick clarified that it would be \$32,000 over a five-year period for SCADA. Trevor answered yes. Trevor thought they could do the Excel reporting this year with the existing telemetry, and then work towards a new system next year. He noted that the least amount of \$4200 would still be spent on two days of labor and programming. If they change to the new SCADA system, that would be much better. Trevor stated that the recordkeeping and the data that can be collected with the new system is amazing. He was told that in two years Phil will no longer support the program they are currently using.

Mr. Cylvick thought they should look at both options and also see if there is financing or a payment plan available. Trevor would have a better idea after Matt with Delco comes up tomorrow.

MOTION: Eric Cylvick moved to Approve the Profit and Loss/Budget versus Actual statement dated June 13, 2019. Steve Anderson seconded the motion.

VOTE: The motion passed unanimously.

The Board reviewed the Balance Sheet. Mr. LeCheminant asked if one of the properties listed was the same property where they foreclosed on the water. Mr. Cylvick explained that all of the properties listed are owned by the Water Company and deeded as source protection. The properties are not taxable or buildable.

MOTION: Eric Cylvick moved Approve the balance sheet dated June 13, 2019. Steve Anderson seconded the motion.

VOTE: The motion passed unanimously.

Manager's Report

Trevor reported that he and Brody have started to install meters. They will fix the meter at switchback and determine what they need for each pump house. Per State requirements, by the end of the year everything needs to be metered and tracked in the spreadsheet or by other means. The data will be sent to the State monthly.

Trevor stated that they will use the same meters that were installed at lower Tollgate. It will keep a total and send it to the SCADA system, and then automatically into the spreadsheet. It will track every source, even the combined sources. It tracks daily averages and daily pumping. The State wants the daily peak pumping and other technical data they cannot obtain with the current system.

Mr. Anderson asked how they meter the water coming in from Mountain Regional. Trevor stated that the Water Company can meter the water they give Mountain Regional through the Mountain Regional meters. Mountain Regional also has a meter when they pump to Pine Meadow Water. Trevor stated that if they track what goes to Mountain Regional and what comes from Mountain Regional, they can determine any water loss.

Mr. Anderson asked whether the wells were producing more water. Trevor stated that Tollgate went up from 12.1 to 14.1 gallons per minute. The meter at Uncle Tom's is not reliable and it is difficult to track the water production. Mr. Anderson wanted to know how solid their relationship was with Mountain Regional. Mr. Cylvick thought it was quite solid. Mr. Anderson asked if the Water Company had some type of agreement with Mountain Regional or whether Mountain Regional could cut off the Water Company at any time. Mr. Cylvick thought it would be difficult to ask for an agreement at this point because Mountain Regional has been working with them.

Trevor commented on a new prop study for 4G that can be put in a vehicle. Instead of looking at maps, they can drive around and see with 99% what they can or cannot cover. The new prop study should be operational in a month.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:17 p.m.

Minutes Approved

Date