

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, MAY 16, 2019

SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Cylvick, Scott Smith, Duane Yamashiro – Board Members

Ex-Officio: Brody Blonquist

Excused: Steve Anderson, Tom LeCheminant

Eric Cylvick called the meeting to order at 6:49 p.m.

### **Unpaid Bills**

Brody Blonquist reviewed the unpaid bills. Clyde Snow and Sessions were legal fees to review related CC&Rs emails for the Water Company. KGC Associates were Carol's services. Mountainland Supply were parts to repair a leak. Pine Meadow Mutual Water Company was the escrow for the two loans. Rocky Mountain Power was the power bill for the pump houses. Select Health was the monthly health insurance premium. USA Bluebook still showed a credit from the transducer. Utah Division of Finance were the two loans. Verizon Wireless were the phones.

MOTION: Eric Cylvick moved to Approve paying the unpaid bills as presented dated May 16, 2019 in the amount of \$35,864.26. Duane Yamashiro seconded the motion.

VOTE: The motion passed unanimously.

### **Financials**

The Board reviewed the Profit and Loss/Budget versus Actual. Brody noted that a few water hookups were requested, and Carol was currently working on a few annexations.

Mr. Cylvick asked about the service charges shown. Brody stated that it was the fee for processing credit cards when people pay their bill online. Mr. Cylvick asked Carol to let him know if the Water Company charges an additional amount for those who make monthly payments to absorb the monthly processing fee. He pointed out that monthly payments incur more service charges than a one-time payment.

Mr. Cylvick referred to the \$1,430 charge for Stagecoach on page 3 of the Profit and Loss. Brody also questioned the reason for the charge. Mr. Cylvick asked Carol to clarify the \$1,430 charge under Water System Improvements, Other Expenses, Water System Improvements Stagecoach.

MOTION: Eric Cylvick moved to Approve the Profit and Loss/Budget versus Actual statement dated May 16, 2019. Scott Smith seconded the motion.

VOTE: The motion passed unanimously.

The Board reviewed the Balance Sheet.

MOTION: Duane Yamashiro moved Approve the balance sheet dated May 16, 2019. Eric Cylvick seconded the motion.

VOTE: The motion passed unanimously.

### **Correspondence**

Mr. Cylvick read correspondence from Byron Harvison, Lot PI-D-87, requesting a one-time reduction due to a water leak. Brody confirmed that the property owner had a leak and it was repaired.

MOTION: Eric Cylvick moved to Approve the one-time reduction for excess water use for Byron Harvison, Lot PI -D-87. Scott Smith seconded the motion.

VOTE: The motion passed unanimously.

### **Manager's Report**

Brody reported that he had handled the issue with Mike Gonzales, Lot PI-G-53, regarding the leak that had flooded his basement. They met with Eric Cylvick and spoke with the insurance agent on a conference call. The Water Company decided to move forward with an insurance claim. This is only the second claim the Water Company has filed and there is no deductible.

Mr. Cylvick asked what the Water Company was paying for liability insurance. Brody replied that they pay \$10,010 annually. Mr. Smith believed the rates would increase for two years if they file a claim. Mr. Cylvick noted that the adjuster had said there was no

evidence that the Water Company was negligent. Mr. Cylvick pointed out that it was the leak Brody and Trevor had been looking for and it blew out. He believed that Mike Gonzales would file a lawsuit if the Water Company had not taken responsibility; and he was certain the Water Company would lose in Court and end up paying more in legal fees.

Brody reported that a leak was fixed earlier that day on Pine Meadows Drive. He thought the Water Company needed to finish replacing the line with HDPE pipe because the leaks are occurring from where they stopped putting in the pipe a few years ago. He noted that the pipe is not bedded or sanded and everything they dig up are rocks. It is a pump line and if they lose four or five gallons per minute down that line, those four or five gallons are not going into the tank when pumping. He remarked that four or five out of the six leaks that were fixed never surfaced and he believed there were numerous others down there that they will not find until they shut down the line and see the history trends. Brody thought the next big project will be doing the HDPE egress all the way to Uncle Tom's. Brody had not measured the exact footage to know how far it would go. He was not opposed to doing it in section over five or ten years.

Scott Smith asked if there was time to do a study and look at the real costs. Mr. Cylvick replied that he asked Brody to obtain a quote. Brody stated that there should not be leaks in HDPE pipe; however, if there is a leak, he and Trevor will not be able to fix it or pack it. The downside of HDPE is that the Water Company will have to hire someone to tap the pipe if a leak occurs. Mr. Cylvick stated that part of the quote would be the cost to re-tap all connections. Brody noted that majority of the line has been built out and there should only be four five more connections on that line as far out as Uncle Tom's.

Brody stated that they were still waiting for information from AT&T and Verizon on the cellular meters.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:09 p.m.

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Minutes Approved

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Date