

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, OCTOBER 10, 2019

SUMMIT COUNTY, UTAH

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

Ex-Officio: Trevor Townsend

Excused: Scott Smith, Duane Yamashiro

Eric Cylvick called the meeting to order at 6:31 p.m.

Minutes

September 19, 2019

The Board lacked a quorum of Board Members who were present at the September 19th meeting. The Minutes were tabled to the next meeting.

August 8, 2019

The Minutes of August 9, 2019 were tabled at the last meeting due to a lack of quorum of Board members who were in attendance on August 9, 2019. The Board still lacked a quorum of Board members who attended the August 9th meeting and the Minutes were tabled to the November meeting.

Unpaid Bills

Trevor Townsend reviewed the unpaid bills. Clyde, Snow and Sessions were legal fees. Ferguson Enterprise was for meter parts. ID Electric was to reset the transducer in Lower Tollgate Well. KGC Associates was for Carol's invoice. Mountainland Supply was parts for the meters. Division of Finance were the two loans. Rocky Mountain Power was the power bill. Select Health were health insurance premiums for Brody and Trevor. SKM was part of the new SCADA system. TAK Technology was also part of the SCADA system. USA Bluebook was still showing a credit. White's Auto Parts were small tool and miscellaneous supplies. Pine Meadow Mutual Water Company was the escrow for the two loans.

MOTION: Eric Cylvick moved to pay the Unpaid Bills as presented dated October 10, 2019, in the amount of \$38,244.20. Tom LeCheminant seconded the motion.

VOTE: The motion passed unanimously.

Financials

The Board reviewed the Profit and Loss/Budget versus Actual. Mr. Cylvick noted that the income was \$10,000 over the budgeted income. Trevor reported that the annexation shown was finalized.

The travel cost was for Brody to attend the Water Conference. Trevor stated that he would most likely skip the annual conference next year because he needs to take a cross-connection certification administration class. It is a new license required by the State for every water system. The cost for the class is \$600.

MOTION: Steve Anderson moved to Approve the Profit and Loss/Budget versus Actual dated October 10, 2019. Eric Cylvick seconded the motion.

VOTE: The motion passed unanimously.

The Board reviewed the Balance Sheet. Mr. Cylvick asked Carol to explain the \$57,500 under Long Term Liabilities – Mountain Regional Water Source. Mr. Anderson understood that the Capital Water Reserve was insurance for the loans and not funds available to the Water Company. Mr. Cylvick replied that the \$274,000 could be used at any time; however, the State requires the Water Company to make a monthly contribution to the fund until the balance reaches \$300,000.

MOTION: Eric Cylvick moved to Approve the Balance Sheet dated October 10, 2019. Steve Anderson seconded the motion.

VOTE: The motion passed unanimously.

Manager Report

Trevor reported that last week he and Brody finished the meter installs for the year. He believed eight meters were installed this year. The few meter installs that were left, as well as the meter for the annexation at Forest Meadows, would be done next Spring. Trevor believed they exceeded the budget with the annexation.

Trevor anticipated that the telemetry would be online next week or the week after. It was a long process. The entire system needed to be re-engineered with the information taken from the SCADA panels. Next week they will come up to hook up all the meters, hook up the history, transfer the chlorinators, and meter all the sources.

Mr. Anderson asked if anything was changed from what was approved. Trevor replied that they had to buy one SCADA pack, but they were still below the amount set aside for labor. Mr. Cylvick asked if anything else needed to be done before the snow. Trevor stated that the plan is to complete the system this week, so they have time to work out any kinks. The trial meters will run through the Winter and they will make a final decision on the system in the Spring. The company will do another prop study where they drive around and give the Water Company a solid map of the area and whether they can get a 97% reading.

Trevor stated that rather than charge the Water Company the \$500 activation fee for the meters, the rep made false accounts with false account numbers for the ten trial meters. Trevor noted that so far, they have had 100% reporting on the meters that were installed.

Mr. Cylvick suggested that after all the meters are installed, it would be helpful to add a tutorial on the website so people can learn how to use the system. Trevor stated that the company already has a link to a tutorial. They can put the link on the website and it goes to a YouTube tutorial.

Mr. LeCheminant asked if the end user would be charged for the meter. Mr. Anderson recalled that Mr. Cylvick was not present when the Board had that discussion and no decision was made. Trevor recalled that the total cost for all the meters was approximately \$130,000. Mr. Cylvick suggested that the Water Company could pay half the cost and the property owner pay the other half. Mr. Anderson remarked that after the water assessment was raised a considerable amount last year and he had received several phone calls, primarily from part-time owners. He thought that needed to be considered when deciding how to pay for the meters. Mr. Cylvick estimated that the cost for each meter was approximately \$270.

Mr. LeCheminant suggested that the Board talk about the benefits of the SCADA system at the meeting and ask the shareholders whether they would be willing to share in the cost. Trevor thought most people would say no because the water assessment was already too high. Mr. Anderson pointed out that people who want to know their usage can currently look at their trends on the website. Mr. Cylvick pointed out that the benefit of the new system is finding leaks much more quickly, which would actually save

the property owner money.

Mr. Cylvick asked if the company would be willing to finance the cost over three years with interest. Mr. Anderson believed the Board could afford to finance the meters without doing a special assessment. Mr. Cylvick noted that the Water Company has never done a special assessment. Mr. Anderson favored looking into financing the new meters; particularly since they raised the water rate last year. Trevor stated that he and Brody met with a woman in Forest Meadow who plans to annex next year.

Mr. Cylvick thought the system was an amazing tool and very worthwhile for those who do not live on the Ranch. The owner can set an alarm and if the alarm goes off, they can immediately contact Brody or Trevor to check their meter and turn it off if they are not on the Mountain. Mr. Cylvick preferred to find a way for the Water Company to pay for the new meters as opposed to a special assessment.

Trevor stated that he or Brody would contact the company to ask about financing and terms.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:12 p.m.

Minutes Approved

Date