

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, JANUARY 14, 2021

SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Cylvick, Steve Anderson, Shaun Baker – Board Members. Paul Suitor representing the HOA.

Ex-Officio: Brody Blonquist

Excused: Duane Yamashiro, Bruce Hutchinson

Guests: Todd and Tiffany Tuler, Lot SS-146-5-1.

Eric Cylvick called the meeting to order 6:36 p.m.

**Minutes**

December 10, 2020

MOTION: Eric Cylvick moved to Approve the Minutes of December 10, 2020 as written. Steve Anderson seconded the motion.

VOTE: The motion passed unanimously.

**Lot SS-146-5-1 (Broderick Lot)**

Brody Blonquist stated Todd and Tiffany Tuler are in the process of purchasing Thomas Broderick's lot, and they contacted Brody about the agreement Mr. Broderick had with Pine Meadow Mutual Water when they did the lower Tollgate well.

Brody presented a map showing where the water line needs to come through. The only way the Water Company can access the property currently is to come off Valley View Road. The Tuler's will need to obtain an easement from the lot owner in between them and Valley View Road in order to gain access. The Tuler's had sent Brody two options of where they would like to locate their home. He showed Option 1 and Option 2.

Brody had determined the footages in terms of how long the line would be going to their house. He recalled that one was 790 feet and the other was 900 feet in length. Brody noted that the Water Company has done longer lengths in the past. The water line would be a 1" line. Brody stated that once the easement is secured, the meter will be set up closer to the road to make it easier for the Water Company to access the meter.

Mr. Cylvick asked if the home would be accessed from Oil Well Road. Mr. Tuler answered yes. He noted that there is already a dirt road and they will cut in and join the dirt road.

Mr. Cylvick understood that Todd and Tiffany Tuler were asking if they could annex into the water system. Mr. Tuler stated that the first question is whether they could annex, and the second question was cost and who bears the cost. Mr. Cylvick replied that the total cost is approximately \$26,000. He was unsure whether that included the meter connection fee. Mr. Cylvick explained that the annexation fee is calculated by the standby water fee for every year the Water Company has been in existence. That means the Tuler's would contribute the same amount that every lot owner has contributed over the last 30 or 40 years. They would be buying into the Water Company. Mr. Cylvick clarified that the charge was not based on the current fee. It is based on the fee that was charged 30 years ago and all the rate increases over that time period. Mr. Cylvick pointed out that every year the annexation cost is increased by one standby fee.

Mr. Cylvick stated that the Water Company would need to check with the engineer to see if the annexation was physically feasible. Brody noted that he had run the pressures earlier that day. Option 1 puts them at 140 psi and Option 2 was around 160 psi. The Tuler's would be required by Code to put a pressure regulator in the home. Brody believed the annexation could occur with the proper procedures.

Mr. Tuler understood there was a hook-up fee and another fee for the box. He asked about the cost to actually lay the pipe. Brody replied that Mr. Tuler would be responsible for that cost. Mr. Cylvick suggested that Mr. Tuler contact his general contractor and he should be able to give him all the necessary information and the estimated costs.

Mr. Cylvick summarized that the Tuler's would be responsible for paying the annexation fee, the meter connection fee, the cost to bring in the line, and the pressure reducing valve. The Tuler's would also be required to join the HOA.

Brody questioned whether they would need to pay the annexation fee to the Water Company based on the agreement with Thomas Broderick. Mr. Cylvick replied that Brody was correct. The annexation fee was already negotiated on that lot per the MOU

agreement with Mr. Broderick. However, they would still need to pay for the meter, which is approximately \$11,000.

Brody pointed out that the new customer construction fee is \$6,662.40. A new meter, parts, and materials is \$1,920.56. There is also a \$2500 meter installation bond, but the bond is refunded if there is no damage to the water infrastructure during construction.

Mr. Tuler asked if the HOA would plow the road in front of their house once they become members. Brody answered no because Oil Well is a private road.

Brody personally thought the annexation water service was feasible, and he would confirm that with Dave Dillman.

Ms. Tuler asked what being part of the HOA entails. Paul Suitor stated that the HOA and the Water Company are two separate companies. In order to annex in, they need to be part of both. They will pay a separate HOA fee and a separate water fee, in addition to the water hookup fees. Mr. Suitor explained that they will be required to sign an agreement agreeing to the HOA rules and to pay the annual fee. Mr. Suitor noted that when the Tuler's are ready to build they would also be required to pay a construction impact fee to the HOA. Mr. Tuler asked if the HOA has a design committee. Mr. Suitor replied that the HOA has an Architectural Committee. A lot of information related to building on the Ranch is also available on the [pinemeadowranch.org](http://pinemeadowranch.org) website.

Ms. Tuler asked if pipes freezing in the winter is an issue. Brody stated that the Water Company redid the entire water system to bring it up to current State Code. He recommended that they bury their service line 6' deep. Brody noted that they do have pipes freeze occasionally and they are handled on a case-by-case basis. He stated that certain things can be done by the property owner to mitigate problems with freezing. Brody stated that if they follow the guidelines put out by the Water Company, they should not have problems. Mr. Anderson advised them not to put pipes in their exterior walls.

Mr. Cylvick noted that water on the Ranch is expensive and not plentiful. The base rate pays for 20,000 gallons. As the usage goes up the cost increases. His family of four uses 30-35,000 gallons per year. Mr. Cylvick clarified that external use of water is prohibited and the owners are not allowed to water anything outside. Most people let their yards grow natural and keep a fire break around their house.

### **Unpaid Bills**

Brody reviewed the unpaid bills. KGC Associates was Carol's invoice. Select Health was the health insurance premium. Summit County Public Health Department was for two months of bacteria samples. Utah Division of Finance were payments on the two loans. Brody assumed the invoice from The Department of Commerce was to register the business.

Brody referred to the Jacob Brown Bond Refund. This was the first property required to put up the bond. He and Trevor did the inspection, and everything looked fine. He requested that the Board refund the bond to Jacob Brown, Lot FM-C-77.

Mr. Cylvick noted that the last year Weber Basin billed \$60,000. He noted that they were given a \$9,179 credit because they were being billed for other people's water shares. Trevor pointed out that the credit was for two years of overpaying.

MOTION: Steve Anderson moved to pay the Unpaid Bills dated January 14, 2021 as corrected. Eric Cylvick seconded the motion.

VOTE: The motion passed unanimously.

### **Financials**

The Board reviewed the profit and loss/ budget versus actual.

MOTION: Eric Cylvick moved to APPROVE the Profit and Loss/Budget versus Actual dated January 2021. Steve Anderson seconded the motion.

VOTE: The motion passed unanimously.

The Board reviewed the balance sheet. Brody noted that the plow listed under fixed assets was sold with the Ford truck several years. He did not think Carol knew it was sold with the truck and he would let her know.

MOTION: Eric Cylvick moved to APPROVE the Balance Sheet dated January 2021 as presented. Steve Anderson seconded the motion.

VOTE: The motion passed unanimously.

## **Manager Report**

Brody reported on six frozen lines in the last month. All were in meter cans that were exposed due to the lack of snow for insulation. He and Trevor put a dryer heater vent on the diesel exhaust on the truck and drop it down the meter can. They put a blanket over it, and the line thaws out in about 20 minutes. They purchased insulation from Home Depot to put in black garbage bags so the lines would not freeze again.

Brody stated that they have been monitoring the system, taking phones calls, and answering questions.

Brody asked when the Board wanted to start purchasing the meters. They ordered 80 meters the last time and it took a month and a half to get them. Mr. Cylvick remarked that the meters will only get more expensive and he thought they should order all the remaining meters now since the money is available. Brody explained that ordering is the issue because they do not keep the meters in stock. He suggested ordering in smaller numbers. Mr. Cylvick thought it was better to order all the meters now so the meters will start coming in before they need to them.

Brody asked for Board approval to have Dave Dillman work with he and Trevor on designing something for the Mountain Regional Stagecoach connection so they will have the ability to read it back. Brody stated that it would need to be approved by the State of Utah, and Mr. Dillman already went through part of that process when the Water Company applied for the loan. It will need to be designed and approved by the State Engineer and he would like to start on it soon.

Mr. Cylvick was not opposed to Brody's request, but he wanted a few days to think about it and to talk with Brody and Mr. Anderson about how to pick up those low flows. He would like to know if there is any way they can pick up 100% of the flow. Mr. Cylvick pointed out that 3 gallons per minute is 1.5 million gallons that are not being picked up, but Mountain Regional is charging them for it.

Mr. Cylvick thought he and Mr. Anderson could have the discussion and let Brody know by next Friday. Brody stated that he would contact various representative to find out what the low flow is on certain meters. Mr. Cylvick would like to know if there is a way to manifold six 1" lines and put the meters on those six lines and read down to a tenth of a gallon. Brody was unsure if the State of Utah would allow it because of the restriction on the flow for fire flow. Mr. Anderson thought it might be allowed if there is enough flow going through several lines. He thought they could find a solution where they could pick

up almost every gallon.

Brody stated that Mountain Regional understood this was complex, and they were willing to work with the Water Company to help pick up the low flows.

Mr. Anderson asked if Mr. Cylvick had heard back from Mountain Regional since the last meeting. Mr. Cylvick answered no. He had asked their attorney, Ted Barnes, to read the Western Summit County Development Agreement and provide his opinion, but he was unable to reach Mr. Barnes prior to the meeting. Mr. Cylvick had also asked Mr. Barnes to draw up an agreement that specifically states that Pine Meadow Water has the right at any time to annex into Mountain Regional. Scott at Mountain Regional said he would be willing to sign it. Mr. Cylvick noted that Ted Barnes and his firm formed Mountain Regional with the intent of annexing in water systems like Pine Meadow Water when necessary. Mr. Cylvick just wanted to have it in writing.

Mr. Cylvick stated that he would like to have something designed before they approach Dave Dillman so he will know exactly what they want. Mr. Anderson offered to do some research with the Division of Drinking Water to see what they will accept

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:32 p.m.

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Minutes Approved

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Date