

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, MAY 13, 2021

SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Cylvick, Shaun Baker, Scott Smith, Paul Suitor – Board Members.

Ex-Officio: Brody Blonquist

Excused: Duane Yamashiro, Steve Anderson

Guests: Chris O'Rourke, Lot PI-E-16.

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

Minutes

April 15, 2021

MOTION: Eric Cylvick moved to Approve the Minutes of April 15, 2021, as written. Shaun Baker seconded the motion.

VOTE: The motion passed unanimously.

Chris O'Rourke – Lot PI-E-16

Chris O'Rourke stated that he lives at 2017 Willow Circle, which is right next to the Water Company property. When he built his house two years ago, the Water Company gave them an easement for a roadway to access their property. Mr. O'Rourke expressed appreciation for the easement. They live in their home full time and realize the need to build a detached garage. Mr. O'Rourke had looked at different options and the plan was to build a garage in the turnaround area just below where the house sits. The garage would be approximately 20 feet from the house, and they would use it to store vehicles and other things.

Mr. O'Rourke explained that they eventually realized that the area was not big enough for what they wanted to build, and they looked for other options. He stated that in order to get a decent sized garage, the best solution is to build a garage in an area where it would be partially on their property at PI-E-16, but a portion of the garage would need to encroach onto Lot 17, which belongs to the Water Company. They would like to build a garage that is

24' x 26' and approximately 15 feet would encroach onto Lot 17. Mr. O'Rourke noted that he spoke with Brody about purchasing the Water Company property or a portion of the property to build the garage, but he was told that it was not possible. Mr. O'Rourke believed another alternative would be for the Water Company to grant another easement so they could build the garage and have it partially on Water Company property.

Mr. O'Rourke stated that an easement is the last resort and he wanted to talk to the Board about creating another easement that would allow him to build a garage. After looking at different scenarios and plans, he was requesting a 50' x 50' easement. Brody noted that he had recommended the 50' x 50' easement to Mr. O'Rourke to be able to get it through Summit County. Once the garage is built, they can determine the actual size of the easement.

Mr. O'Rourke presented two drawings to show the actual proposed footprint of the garage itself, and how much of it would sit on the property line. The box drawn around the garage would be the easement area. He also provided a rendition of a 50' x 50' easement that was done by the surveyor to give the Board an idea of what they were looking at.

Mr. O'Rourke explained why he was not able to build the garage elsewhere on his property and why the proposed location is not large enough to accommodate the garage without encroaching on Water Company property.

Mr. Cylvick requested to see a drawing of Mr. O'Rourke's lot with the house on it. He also needed to speak with the Water Company's attorney, Ted Barnes, to find out if there would be ramifications to granting an easement on that lot because it is a source protection lot, and the water Company does not pay taxes on it. Mr. Cylvick would also ask Mr. Barnes if a lot line adjustment might be a better approach. He suggested that the Water Company could take an equal piece of Mr. O'Rourke's land at the bottom near Arapaho in exchange for the area he needs for the garage. Mr. Cylvick preferred a lot line adjustment because the Water Company would not lose physical property. He was also concerned about setting a precedent for granting easements. Mr. Cylvick clarified that if they do a lot line adjustment, Mr. O'Rourke would be responsible for the cost of the legal documents and the recording at Summit County.

Mr. O'Rourke was interested in a lot line adjustment. He would provide the requested drawing and wait to hear back after Mr. Cylvick speaks with the attorney.

Unpaid Bills

Brody reviewed the unpaid bills. Badger Meter was the access fee for the new meters that

were already installed. Clyde Snow Sessions and Swenson were legal fees. KGC Associates was Carol's invoice. Pine Meadow Mutual Water Company was the escrow for the loans. Rocky Mountain Power was the monthly power bill. Select Health was the health insurance premium. Utah Division of Finance was payment on the two loans. White's Auto Parts was for fuel stabilizers.

MOTION: Eric Cylvick to pay the Unpaid Bills dated May 12, 2021, in the amount of \$35,570.55. Eric Cylvick seconded the motion. Scott Smith seconded the motion.

VOTE: The motion passed unanimously.

Financials

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

Mr. Cylvick noted that the \$30,000 budgeted for water purchase was paid. Brody explained that it was not money budgeted for 2021. The water purchased in 2020 was not paid until February of this year. Mr. Cylvick recalled that the \$30,000 was an estimate and they should have a more accurate amount this Fall prior to the Annual meeting.

MOTION: Eric Cylvick moved to APPROVE the Profit and Loss/Budget versus Actual dated May 12, 2021. Scott Smith seconded the motion.

The Board reviewed the balance sheet.

MOTION: Eric Cylvick moved to APPROVE the Balance Sheet dated May 12, 2021. Scott Smith seconded the motion.

VOTE: The motion passed unanimously.

Manager Report

Brody reported that everything was going well. The chlorinator went down but he got it working again. He put in a filter system because the fins inside the pump are small and rust inside the pump was getting inside the fins.

Brody reported that 216 meters were delivered. The meters were assembled and ready to go. He was still waiting for the end points and the lids, which should arrive next week.

Brody had replaced a few frost plates. He was ready for the summer and ready to install the

meters. Brody stated that there have been requests for water letters, but with the price of building materials he was unsure how much building would actually occur.

Brody reported that his son, Xander, would be starting on June 1st to help him install the meters and other things such as trimming around fire hydrants and valves, painting valve markers, etc. Mr. Cylvick asked about a pay rate. Brody thought \$15 was a fair wage.

Brody noted that at the last meeting the Board discussed Brody's son helping this summer.

MOTION: Eric Cylvick moved to Approve Xander Blonquist to help on the Ranch beginning June 1, 2021, at \$15 per hour. Shaun Baker seconded the motion.

VOTE: The motion passed unanimously.

Brody had sent out an email regarding Trevor Townsend's time. Mr. Cylvick set the rate for Trevor at \$35 per hour.

MOTION: Eric Cylvick moved to Approve \$35 per hour for Trevor Townsend when on call at a minimum of 4 hours per day or \$315 per week, hourly if called on the Ranch with the time starting from when he leaves his house to when he returns.

Eric Cylvick moved to Approve \$45 per hour for Brody Blonquist when on call; if called to the Ranch time starts from when he leaves his house until he returns at a minimum four hours per day; \$45 per day while on call or \$315 per week while on call. Mountain Regional is \$42.85 per day or \$300 per week. Questar is \$44.75 per day or \$313.75 per week while on call.

Mr. Cylvick explained that Brody and Trevor will get the per week rate while on call. If they are actually called to the Ranch, they would also get the hourly rate in addition to the on-call amount.

Mr. Suitor understood from the last meeting that the Water Company was going to hire Trevor through the company he works for. Brody explained that they would go through the company for a water line repair or some other emergency. However, if Brody takes time off, the Water Company will hire Trevor to be on call while Brody is away.

Mr. Cylvick called for a second to his motion. Scott Smith seconded the motion.

VOTE: The motion passed unanimously.

John Zimmerman, Lot FM-C-154

The Board discussed this situation at the last meeting. Brody stated that he looked at it numerous times and the route Mr. Zimmerman and others property owners would like will cost the Water Company thousands of dollars. They want the Water Company to do a loop around Deep Forest. Brody stated that currently everything is fine, and everyone has water to their property. Brody has visited the property numerous times and it would be easy to address the water line that goes down the driveway. He outlined a few options, including adding insulation board and raising the driveway. Brody noted that the Zimmerman's do not want to raise the driveway and prefer to hook the water line to Deep Forest. Mr. Zimmerman is concerned that raising the driveway would not meet the Summit County slope requirement, but Brody did not think it would change the slope of the driveway.

Mr. Cylvick thought they should try raising the driveway first because insulation board and raising the grade has been done in other locations. Brody stated that his recommendation as a manger would be to put down insulation board and add 2' of fill. They could also cap it with road base or with 3 minus and have a bar ditch to keep the material from washing away.

Mr. Cylvick suggested that individual Board members go look at it once everything dries out.

Melissa Raymond, Lot FM-C-74

Brody noted that Melissa Raymond came to the last meeting asking the Board to install a fire hydrant near her property. Mr. Cylvick noted that if the Board entertains her request, Ms. Raymond would be responsible for any costs and the Water Company would charge her a fee. Brody explained how the Water Company handled these situations in the past. If a fire hydrant is not within 500 feet of their house, the owner is required to put in fire suppression. Most of the people who approached him in the past asking for a fire hydrant chose to put in fire suppression rather than come to the Board with their request.

The Board discussed various option, which included denying the request outright or telling Ms. Raymond she would need to pay all the associated costs, including the engineering. Mr. Cylvick would do a spreadsheet to figure out the cost based on similar hydrant installs.

Mr. Cylvick was concerned about other property owners wanting fire hydrants in front of their homes if they allow this one. He did not want to be doing several hydrant projects in the middle of the annexation process. Mr. Cylvick also wanted to talk to Scott at Mountain Regional to see whether Mountain Regional would like them to install fire hydrants. He was

hesitant to do anything that Mountain Regional might question.

Mr. Cylvick suggested that the Board table this item until they know the accurate cost. If the cost is the same as fire suppression, he thought fire suppression was a better option.

Mountain Regional

Mr. Cylvick had sent an email to Mountain Regional, and they responded asking for the number of shareholders, the number of standby lots, and the number of metered lots. Mountain Regional was trying to figure out the annexation fee. Mr. Cylvick noted that Mountain Regional gave no basis for how the fees are calculated. Brody understood that Mountain Regional calculates the annexation fee based on the number of hours spent on the annexation by their attorney, the engineer, and Mountain Regional personnel. He believed the annexation fee would be determined at the next Mountain Regional meeting in May.

Mr. Cylvick had spoken with Ted Barnes regarding a meeting with the shareholders. The Board needs to schedule a meeting and get a vote from 51% of the people who attend the meeting. Once they have definite financial information, including the annexation fee, Mr. Cylvick intends to send all the information to every shareholder so people will know what they are paying now and what they will be paying under Mountain Regional.

Paul Sutor informed the Board of the Fire Safety Meeting scheduled for June 5th. He noted that the HOA has held this event for the past few years with the exception of last year. They typically do a barbeque for the property owners and talk about fire safety and fire prevention measures. DNR will be up to talk about how to properly burn a burn pile

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:30 p.m.

Minutes Approved

Date