

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, NOVEMBER 11, 2021

SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Cylvick, Shaun Baker, Scott Smith, George Sears – Board Members.

Ex-Officio: Brody Blonquist

Excused: Steve Anderson, Duane Yamashiro

Guest: Paul Suitor

Eric Cylvick called the meeting to order 6:30 p.m.

Minutes

October 14, 2021

MOTION: Eric Cylvick moved to Approve the Minutes of October 14, 2021, as written. George Sears seconded the motion.

VOTE: The motion passed unanimously.

Unpaid Bills

Brody reviewed the unpaid bills. The invoice from Badger Meter was the monthly service on the cellular meters. Hydro Specialists was for 30 meters. KGC Associates was Carol's invoice. Select Health was the employee insurance premium for Brody. Sinclair Fleet was for fuel. Summit Ops was a load of dirt for the trench that settled on Elk Road. Utah State Division of Finance were the two loan payments. Verizon Wireless was for the cellphones. White's Auto Parts was for ball joints and front brakes on the Chevy Colorado truck.

Brody added Summit Electric Service to the unpaid bills. The invoice in the amount of \$1,129.30 was to replace the heater in the pump house at the 500,000-gallon tank.

MOTION: Eric Cylvick moved to pay the Unpaid Bills dated November 10, 2021, in the amount of

\$36,599.35, and to add the invoice from Summit Electric in the amount of \$1,129.30. Scott Smith seconded the motion.

VOTE: The motion passed unanimously.

Financials

The Board reviewed the Profit and Loss/Budget versus Actual and the Balance Sheet. Mr. Cylvick asked about the computer expense in the amount of \$795 on page 2. Brody was unsure and offered to ask Carol about it.

Mr. Cylvick asked if they were caught up on the meters. Brody replied that five more meters were coming, and he would address it in his Manager's Report.

Mr. Sears noted that they were only over budget on legal services and that was due to the Mountain Regional annexation and the situation with Dean Bawden.

Mr. Cylvick commented on the issue with Dean Bawden. He explained that Mr. Bawden wanted the Water Company to insert a survey of where the water line is located. Mr. Cylvick pulled up three surveys and sent them to Ted Barnes. He noted that according to the surveys, the water line is on Fred Bacon's property; however, it may or may not be accurate because of the lot line adjustment that was done. Mr. Cylvick thought Mr. Bawden should be the one to do a survey since he is the one who wants it.

Mr. Cylvick reported that Ted Barnes' partner, Doug Clyde, was helping the Water Company on the question of whether the Water Company can transfer the water shares to Mountain Regional.

MOTION: Eric Cylvick moved to Approve the Profit and Loss, Budget versus Actual and the Balance Sheet dated November 13, 2021. Scott Smith seconded the motion.

VOTE: The motion passed unanimously.

Manager's Report

Brody reported that all the meters were installed. Every lot with a cabin or a lot that uses a significant amount of water has a Badger meter. Brody noted that 25 to 30 old meters were not replaced because those lots do not use water. Brody stated that he had ordered five additional meters and endpoints so he would have them on hand for next Spring. He anticipates at least three

of the 25-30 lots will be built on next year.

Brody stated that he has been getting everything ready for winter. At this point everything was running well, and he had not had any customer complaints.

Brody had not heard from John Zimmerman. The Board told Mr. Zimmerman that they needed to hear back by October 1st. Mr. Cylvick stated that Mr. Zimmerman had said he was going to make a decision but there was no response beyond that. Brody recalled that Mr. Zimmerman had wanted to speak with the other lot owners involved before making a decision. The Board felt they had given Mr. Zimmerman ample time to respond. Brody noted that Mr. Zimmerman did not agree with how the Water Company intended to fix the problem and wanted it done another way. Brody pointed out that it was too late to do anything with it this year.

Brody reported that John Zimmerman had cut in a turnaround by his driveway, and he assumed it was an alternative to plowing the driveway.

Mountain Regional

Mr. Cylvick had received emails from Scott with Mountain Regional saying that there was nothing in the dropbox link. He noted that he, Brody, and Carol have put things in the dropbox but there was nothing related to engineering. Mr. Cylvick emailed Dave Dillman with Horrock's Engineering and Mr. Dillman had just uploaded engineering documents.

Brody thought they were also waiting on the GIS information, which he expected within the next week. Mr. Cylvick believed Mountain Regional was waiting on the Auto CAD engineering files in order to analyze the system. He recognized that it is a lot of information that needed to be stamped and bound into one comprehensive package, which took Mr. Dillman some time to compile. Other than the engineering documents, Mr. Cylvick thought they were on track with providing the information Mountain Regional had requested. Brody replied that Mountain Regional had requested information on water rights and the attorneys are addressing that issue.

Mr. Cylvick stated that he would go through everything next week, but he was fairly certain the Water Company had provided all the information they could provide. The remaining documents would come from Ted Barnes and Dave Dillman. Brody noted that Carol still needed to provide the customer information. Mountain Regional asked for a full list of customer names, email addresses, etc. Carol will need to send them the current information now, and once the annexation goes through, she will send an updated list with any changes that occurred in the interim.

Mr. Cylvick disclosed that he had hired Carol to work for his company part-time.

Mr. Cylvick clarified that Brody was comfortable not replacing the 25-30 meters and whether he would be able to determine whether there was a leak. He asked Brody how many of those meters are shut off and turned back on each year. Brody thought approximately five meters. He would still read those 25-30 meters once a month with the old meter reading equipment.

Brody stated that Mountain Regional came up on October 15th for a field trip around the Ranch. They were interested in looking at the pump houses and drove the boundaries of the Ranch. Brody thought it was an eye-opener because Mountain Regional had not realized the Ranch was so big and so spread out. He believed it was a good learning experience for Mountain Regional. Brody stated that Mountain Regional was very impressed with the pump houses, the water system, and how organized and clean it was. They were impressed with the shop and the building because Mountain Regional does not have anything like it. Brody felt comfortable with the questions the engineers asked in terms of when water lines were put in, how deep they were laid, the line material, etc. Brody was able to answer their questions and the engineer checked it off the list as passable.

Mr. Sears asked if Brody and Mountain Regional spoke about the fire hydrant issue. Brody replied that they did discuss it. Their engineer said that every area is different, and every area is governed by different fire departments. Brody told him about Forest Meadows being done in the 1990s. The engineer said they would need to do some research before making any decisions about fire hydrants. For example, they will look to see whether Forest Meadow was grandfathered in because it was installed in the 1990s. Mountain Regional has higher recommendations when upgrades are done. Mr. Sears recalled that Forest Meadow was brought in under the Special Service District as it existed.

Brody stated that Mountain Regional was not impressed with the water totals from the wells and the pumps. He thought they would probably shut down the wells and continue to pump water to Pine Meadow. Mr. Cylvick stated that he would like to keep the wells going because the water quality is so good.

Paul Suitor asked for an explanation of bedded and shaded. Brody explained that they bed and shade everything. They bed it with a foot of sand underneath the pipe and shade it with a foot of sand on top of the pipe. The purpose is to keep big rocks from pushing through the line if the line settles.

Election Results

Mr. Cylvick had not yet received the election results. Mr. Sears thought Carol was inundated with requests from the HOA Board for their Annual Meeting and may not have had time to count the ballots.

Brody stated that he would follow up with Carol on the election results and the computer expense on the financials.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:08 p.m.

Minutes Approved

Date