

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, AUGUST 11, 2022

SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Cylvick, Scott Smith (via phone), George Sears – Board Members.

Ex-Officio: Trevor Townsend

Excused: Steve Anderson, Shaun Baker

Eric Cylvick called the meeting to order at 6:34 p.m.

Minutes

MOTION: Eric Cylvick moved to approve the Minutes of July 7, 2022, as written. George Sears seconded the motion.

VOTE: The motion passed unanimously.

Unpaid Bills

Trevor reviewed the unpaid bills. Badger Meters were meters and repair kits. Clyde Snow Session and Swensen were legal fees. Ferguson Enterprises were parts. Hydro Specialties Company were cable splice kits for the Badger meters. KGC Associates was Carol's invoice. Komatsu issued credit and if the credit is not used for equipment returned, Komatsu will issue a check at the end of September. Rocky Mountain Power was the monthly power bill. Summit County Health Department were water samples. Utah State Division of Finance were the two loan payments.

MOTION: Eric Cylvick moved to pay the Unpaid Bills dated August 9, 2022, in the amount of \$29,211.28. George Sears seconded the motion.

VOTE: The motion passed unanimously.

Mr. Cylvick referred to another unpaid bill from Mountain Regional in the amount of \$54,073.47 for

purchasing water and noted that the budget was \$40,000. He explained that the booster station went out at Tollgate, and they did not have access to Lower Tollgate or the Tollgate well and there was still a leak on Arapaho. During that time, the Water Company needed to buy a significant amount of water from Mountain Regional.

MOTION: Eric Cylvick moved to approve paying \$54,073.47 to Mountain Regional Water for net water usage from December 2021 through April 2022. George Sears seconded the motion.

VOTE: The motion passed unanimously.

Financials

The Board reviewed the Profit and Loss/Budget versus Actual.

Mr. Cylvick reiterated that they went over-budget on what was budgeted for Mountain Regional water purchase. Trevor pointed out that the budget number was based on the Water Company average usage and the potential of not being in business by this time of year if the annexation had occurred.

Mr. Cylvick noted that the Financials were showing a budget Net Income of -\$318,000, but that was due to budgeting \$350,000 for the Mountain Regional Improvements under MR Annexation Fees. The actual cost will be closer to \$72,000 because they were only paying for engineering. Once Mountain Regional completes their analysis, the Water Company will be able to figure out the actual MR Annexation Fee.

Trevor stated that no money had been paid towards the Mountain Regional analysis. He and Brody met with Dave Dillman, from Horrocks Engineering. The report showed that even if they end up getting full build out water from Mountain Regional and the water shares from Weber Basin they could still not allow outside irrigation. Trevor noted that they were still waiting on the hydraulic model to be finalized and the recommendations. Mr. Cylvick recalled paying a \$20,000 retainer last year to start the analysis. They will still owe the remaining balance of approximately \$52,500, which will take the place of the \$350,000 that was budgeted for improvements.

MOTION: Eric Cylvick moved to Approve the Profit and Loss, Budget versus Actual dated August 10, 2022. George Sears seconded the motion.

VOTE: The motion passed unanimously.

The Board reviewed the Balance Sheet.

MOTION: Eric Cylvick moved to Approve the Balance Sheet and Previous Year Comparison as of August 10, 2022. George Sears seconded the motion.

VOTE: The motion passed unanimously.

Manager's Report

Trevor stated that Melissa Raymond, Lot FM-C-74, came in months ago to talk about fire hydrants. When she left the meeting, the Board told her that they would look into getting a fire hydrant once they have the report from the Mountain Regional analysis. Trevor asked if the Board intended to move forward on a hydrant. He noted that they already have a fire hydrant that can be used. The total cost with parts would be approximately \$1,915.

Mr. Sears recalled that Ms. Raymond was also required to put in a fire suppression system if she is was not within 600 feet from a fire hydrant.

Mr. Cylvick asked Trevor to find out the cost of the fire hydrant. The Water Company will charge Ms. Raymond for the material cost of the hydrant and bill her for the labor once Trevor and Brody have the fire hydrant installed.

Trevor remarked that a pump at Oil Well went out last year and they decided not to fix it because of the pending annexation. He pointed out that they currently only have one pump at Oil Well and that needs to be resolved in case the other pump goes down. He asked if the Board wanted him and Brody to get a bid on replacing the pump. The last bid on the pump was \$10,500 in December 2021. Mr. Cylvick thought they should obtain a bid.

Trevor stated that Dwaine Anderson put a mantle behind his meter to supply water to his second dwelling. He asked Trevor and Brody to come and look at it. The only problem they could see was having water to a second living quarter on the property because it is prohibited by the Bylaws unless it is approved by the Water Company. Trevor pointed out that a lot of property owners on the Mountain have done the same thing.

Trevor stated that Mr. Anderson told them that he would file a lawsuit against the Water Company because others have done the same thing.

Trevor suggested that Mr. Sears take it to the HOA Board and make it known to the homeowners that if there is a second dwelling on the property that needs water, it must be approved by the Water Company.

Mr. Cylvick explained that the State has recently started allowing apartments above shops and garages due to the housing shortage. If the State allows it, then Summit County also needs to approve it. Mr. Sears thought they should require approval at both the Water Company and the HOA levels. When plans come before the HOA Architectural Committee, if someone plans to run water to a second dwelling, it should be sent to the Water Company to make sure they have that approval before it is approved by the HOA Board.

Miscellaneous

Mr. Sears reported that the HOA was currently working on fire mitigation. They were also trying to get an idea of what to do for next year. Mr. Cylvick understood the HOA Board had passed a house size restriction. Mr. Sears explained that the house size was not an actual restriction. It is intended to provide guidance to homeowners wanting to build. They were seeing so many variations that the Board thought guidance and examples would be helpful. Height and setbacks are regulated by Summit County. People are still able to request a variance if needed.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:06 p.m.

Minutes Approved

Date