

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, JANUARY 12, 2023

SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Cylvick, Scott Smith, Shaun Baker - Board Members

Ex-Officio: Trevor Townsend

Excused: Steve Anderson, George Sears

Guest: Adam Harmon, PI-F-66

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

Minutes

MOTION: Eric Cylvick moved to approve the Minutes of December 8, 2022, as written. Shaun Baker seconded the motion.

VOTE: The motion passed unanimously.

Unpaid Bills

Trevor Townsend reviewed the unpaid bills. Bowen Collins and Associates was for the engineering evaluation. Horrocks Engineers was the source protection plan for the year update. KGC Associates was Carol's invoice. Pine Meadow Mutual Rocky was the escrow fund the Water Company continues to pay into. SKM was for the controls at switchback when the repairs were done in September. Rocky Mountain Power was the power bills. Utah State Division of Finance were the loans. Verizon Wireless was the for cellphones. The last invoice from Whites Auto was a battery for the Colorado.

MOTION: Eric Cylvick moved to approve paying all the unpaid bills dated January 11, 2023, in the amount of \$38,722.67. Scott Smith 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 11, 2023. Shaun Baker seconded the motion.

VOTE: The motion passed unanimously.

The Board reviewed the Balance Sheet. Eric Cylvick stated that he would call Carol to find out why there was \$292,000 in the checking account difference from last year.

MOTION: Eric Cylvick moved to Approve the Balance Sheet Previous Year Comparison. Scott Smith seconded the motion.

VOTE: The motion passed unanimously.

Manager's Report

Trevor reported that the Water Company had received the final result from Bowen Collins on the engineering report. They had to resubmit some things that were wrong. Trevor thought it appeared that the deficiencies with the entire water system were primarily fire flow issues in a few areas. He noted an example that a couple of homes on the hill will not have 30 lbs. of pressure if the hydrant is wide open for a fire. Trevor stated that the hydrants should produce 1200 gallons per minute for three hours and the hydraulic model can show that. However, the fire hydrants that were deficient produce 850-900 gallons per minute. He did not believe there were any further issues to be concerned about.

Mr. Cylvick asked how they can correct the deficiencies. Trevor stated that they will look at pressure zones and periodically add a PRV. The report recommended replacing 500 feet of line from six to eight inches in various places. The estimate to replace all the lines is approximately \$800,000. However, if it is a pressure zone issue, they can put in a PRV in those areas and gain more pressure directly to the fire hydrants. Trevor stated that when they sit down with Bowen Collins they can plug in the computer model to show the deficiencies. He stated that only five projects throughout the Ranch need improving.

Mr. Cylvick pointed out that \$800,000 equates to 800 shareholders paying \$32 per year for 30 years, not including interest. He assumed they could get a 3% loan. Mr. Cylvick estimated a \$50 per year increase to do an \$800,000 project over 30 years. If Mountain Regional annexes the Water Company in 4.5 years, they could take out a 30-year loan and increase the assessment by \$50 per shareholder.

Adam Harmon – Fire Committee

Mr. Harmon stated that he was attending this meeting on behalf of the Fire Safety committee. He remarked that the Committee would like to read a copy of the agreement for the emergency exit through Stagecoach. They want to make sure the road is still drivable and show the property owners that the road is still being maintained for the summer.

Trevor explained that the agreement allows the Water Company to maintain the road over their pipeline and to clear brush that interferes with any obstructing buildings and/or interferes with the work or

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operation of the water line itself. Mr. Cylvick pointed out that 90% of the road is on Water Company property. He indicated the property line that was determined when the property was surveyed and pointed to the portion on the map that is owned by the HOA. Mr. Cylvick explained how they ran the water line to Fred Bacon's property and how he was able to negotiate an easement agreement with Fred Bacon. Mr. Cylvick stated that the Water Company paid Fred Bacon what he owed in full to Mountain Regional for his special assessment water dues when Stagecoach was handed over to Mountain Regional. In exchange, the Water Company was able to run the water line out to Mr. Bacon's property and use his driveway.

Mr. Harmon asked if the Fire Committee could have a copy of the agreement. He provided his email address so Trevor could send him the PDF that was stamped and recorded.

Mr. Harmon commented on the annual turnover of the Fire Committee, which is why some of what he was asking might be redundant. Mr. Cylvick informed Mr. Harmon that a lot of the information the Fire Committee initially received from the Fire Chief regarding the water system was inaccurate. If the Committee wants to talk water in relation to fire, they need to contact Brody or Trevor to avoid misinformation and involving people talking about things they know nothing about. Mr. Cylvick clarified that the Water Company and the HOA are two separate entities, and they are more than happy to answer any questions related to water and the water system. No one should be talking to anyone else about the water system. False rumors tend to spread and if the Fire Chief hears the false rumors, the Fire District will not come up. They are trying to educate the new Fire Chief and dispel any rumors or inaccuracies. Mr. Cylvick encouraged any property owner or committee member to attend a Water Board meeting if they have questions regarding the water system. The Board members and Brody and Trevor are the only ones who know the system and can accurately answer their questions.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:10 p.m.

Minutes Approved

Date