

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, FEBRUARY 9, 2023

SUMMIT COUNTY, UTAH

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

Ex-Officio: Brody Blonquist

Excused: Steve Anderson, George Sears

Guest: Adam Harmon, PI-F-66

Eric Cylvick called the meeting to order at 6:50 p.m.

Minutes

MOTION: Scott Smith moved to approve the Minutes of January 12, 2023, as written. Shaun Baker seconded the motion.

VOTE: The motion passed unanimously.

Financials

The Board reviewed the Profit and Loss/Budget versus Actual. Mr. Cylvick noted that assessments collected were at 52%.

MOTION: Eric Cylvick moved to Approve the Profit and Loss, Budget versus Actual dated February 8, 2023. Shaun Baker seconded the motion.

VOTE: The motion passed unanimously.

The Board reviewed the Balance Sheet.

MOTION: Eric Cylvick moved to Approve the Profit and Loss Budget versus Actual and the Balance Sheet dated February 8, 2023. Scott Smith seconded the motion.

VOTE: The motion passed unanimously.

Unpaid Bills

Brody Blonquist reviewed the unpaid bills. Badger Meter was the monthly internet service for the meters. The invoice from Bowen Collins and Associates was the final payment on their contract with the Water Company.

Brody reported that he and Trevor found some discrepancies in the report and Bowen Collins will make the appropriate changes. He noted Bowen Collins was doing an overall analysis for Mountain Regional that should be completed in July. They would like to wait to include Mountain Regional with the Water Company's engineering report because it includes Stagecoach and the pump line coming through Stagecoach. Brody stated that Bowen Collins could give the Water Company a report on what they found wrong with their system and the overall scope, but they will have a finalized end report for everyone in July. Mr. Cylvick clarified that the Water Company was aware of their own deficiencies and there were some things that could be remedied. Brody agreed.

Brody asked if the Board wanted him to schedule a time when Bowen Collins could attend a Board meeting, or whether they preferred to wait until the final report in July. Mr. Cylvick needed time to think about it.

Brody stated that once the evaluation is done with Mountain Regional and everything is finalized, he thought the Water Company should have a contract with Mountain Regional stating that this is the engineering evaluation that will be accepted upon annexation. The only things that would change are the deficiencies shown in the report. Mr. Cylvick needed to re-read the agreement with Mountain Regional, because in his opinion there would be no reason to annex, since they have a long-term water agreement with Mountain Regional. Brody recalled that per the agreement, annexation would be re-evaluated after five years. Mr. Cylvick wanted to re-read the agreement to see if the Water Company has the ability to say no to annexation and still keep the long-term water agreement. He pointed out that the deficiencies would need to be remedied if Mountain Regional annexes the Water Company. They are not required to fix the deficiencies if they are not annexed.

Brody continued with the unpaid bills. Wasatch Insurance covers property crime, auto, general liability, public official liability, legal liability. It does not include Workers' Comp Insurance. The

D&O is for officers. Mr. Cylvick noted that they budgeted \$16,350 and the invoice was \$16,000.

Brody stated that the remaining bills were standard.

MOTION: Eric Cylvick moved to pay the unpaid bills as of February 8, 2023, in the amount of \$66,337.62. Shaun Baker seconded the motion.

VOTE: The motion passed unanimously.

Manager's Report

Brody reported that he and Trevor had repaired a few leaks.

Brody reported that the Water Company sent an invoice for \$910.50 to Jared Neumeyer who paved over the valve in A-plat. Mr. Neumeyer is demanding a cease and desist by the Water Company or he will take legal action, because he believes the Water Company cannot bill him for paving over the valve. Mr. Neumeyer had sent a series of emails stating that everything the Water Company was doing is illegal. He claims that the Water Company needs to obtain three bids per Federal Law, and they need to submit the bids to him, and he can select the least expensive. Brody read a list of other demands Mr. Neumeyer had outlined.

Mr. Cylvick thought they should send the invoice to collections. Brody replied that Carol sent it to collections and Mr. Neumeyer sent a letter back stating that sending it to collections was also illegal.

Mr. Smith asked if the valve was already in and could be accessed. Brody answered yes. Mr. Smith pointed out that they need that access to maintain the system. Brody replied that it is the main connection going to Stagecoach. Mr. Smith clarified that Mr. Neumeyer paved over the valve without asking permission. Brody noted that the Bylaws state that an owner will be charged if any damage is done to the water system. He had sent Mr. Neumeyer a copy of the Bylaws.

Mr. Brody read correspondence from Mr. Neumeyer stating that the attached bill had been deemed invalid and that the Water Company should refer it to their legal department for confirmation. He also claimed that none of the Federal required documents were submitted, thereby making the submission of this bill an act of harassment as identified by the Fair Debt Collection Practices Act. The correspondence also asked the Water Company to cease and

desist this billing action to avoid legal action. Mr. Cylvick pointed out that the Water Company is not a federal entity. Pine Meadow Mutual Water Company is a private entity. He stated that the access is a platted road and not Mr. Neumeyer's property.

Mr. Cylvick stated that he would call Carol to discuss the situation.

Brody reported that as of today they had a 329,000-gallon credit with Mountain Regional. Brody stated that they can only hold a 250,000-gallon credit per the contract, and he will have Mountain Regional pump water to Pine Meadow. The goal is to keep the credit at 250,000 gallons.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:19 p.m.

Minutes Approved

Date