

Approved
August 10, 2023
as written

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, JULY 13, 2023

SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Cylvick, Shaun Baker, Steve Anderson, George Sears - Board Members

Ex-Officio: Brody Blonquist

Excused: Scott Smith

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

Minutes

MOTION: George Sears moved to approve the Minutes of June 8, 2023, as written. Eric Cylvick seconded the motion.

VOTE: The motion passed unanimously.

Unpaid Bills

Brody Blonquist reviewed the unpaid bills. Armstrong Drilling was for two days of lifting pumps at Oil Well when they needed to be replaced. Badger Meters was the monthly cellular service. Delco Western was for the replacement pump at Oil Well and other parts. Ferguson Enterprise was for meter parts. George Sears, Scott Smith, and Steve Anderson were electronic payments for June board meeting attendance. Hone Petroleum was the tank lease on the meter. KGC Associates was Carol's invoice. Mountainland Supply was meter install parts. Pine Meadow Mutual Water Company was the monthly deposit the Water Company makes to itself. Rocky Mountain Power was the monthly power bill. Summit County Public Health Department was for two months of water samples. Summit OPS was for dirt needed as backfill on Pine Meadow Drive. Utah State Division of Finance were the two loans.

Brody presented two invoices that Carol received today that were not included in the unpaid bills. The first invoice was from Hydro-Specialties in the amount of \$3,182.24 for 1" meters for the meter installation. The second invoice was the monthly bill from Verizon Wireless in the amount of \$273.87.

With the additional invoices, the unpaid bills totaled \$41,815.39.

MOTION: Eric Cylvick moved to approve the unpaid bills detail as of July 12, 2023, in the amount of \$41,815.39. Shaun Baker seconded the motion.

Pine Meadow Water Company
Monthly Board Meeting
July 13, 2023
Page 2

VOTE: The motion passed unanimously.

Steve Anderson asked why they were using 1" meters. Brody replied that based on a state requirement, new customers connecting to the water system must have fire flow in their cabins, the meters need to be 1". He noted that the older meters are ¾", but the direction the State took with the fire flow for the sprinkler system in homes, they decided to use the 1" meters for new hookups to cover anyone who wants to do fire suppression rather than ask each customer if they intend to do fire suppression.

Financials

The Board reviewed the Profit and Loss/Budget versus Actual. Mr. Cylvick noted that legal fees were higher because of the annexation. He asked if \$8,004.26 was the last payment they made to Bowen Collins. Brody answered yes. Bowen Collins was doing the same thing for Mountain Regional. Once Mountain Regional is finished, Bowen Collins will provide a complete report. Brody will ask someone from Bowen Collins to attend a Board meeting to explain the report in person.

Mr. Cylvick noted that they were over budget on telemetry system repair. Brody stated that more charges were coming because of Uncle Tom's. They were coming back on Monday to do the Verizon Wireless changeover because the antennas are no longer able to reach the signal. Basically, they were just adding a new line on the Verizon Wireless cellphones.

Mr. Cylvick stated that they were down \$53,000 or 93.7% of budget.

Mr. Anderson thought they were over budget on fuel. Mr. Sears thought the financials were showing \$1500 under budget. Mr. Anderson noted that they were only halfway through the year. Brody explained that when the Board reviewed Brody's Severance and pay and PMW provided a company truck, the fuel is also paid for that truck. That was the biggest reason for the fuel expense. He could see getting close to the budget number, but he did not believe it would go over budget. Brody thought the increase in fuel costs and harsh winter had a lot to do with it and they used the backhoe a lot more for snow plowing than they anticipated.

MOTION: Steve Anderson moved to approve the Profit and Loss/Budget Versus Actual dated July 12, 2023. Shaun Baker seconded the motion.

VOTE: The motion passed unanimously.

The Board reviewed the Balance Sheet.

Mr. Sears commented on a property owner who eventually intends to connect to the water system. He believed the owner was first trying to build everything without having to comply with the HOA building restrictions. Mr. Sears noted that the owner was reported by someone not on the board to Summit County for not having a building permit and construction was shut down until they presented everything to Summit

County and obtained a building permit.
Brody understood that there was still a possibility of getting that annexation.

MOTION: Steve Anderson moved to approve the Balance Sheet/Previous Year Comparison dated July 12, 2023. Eric Cylvick seconded the motion.

Manager's Report

Brody reported that he has been replacing the endpoints that quit working. If he cannot get an endpoint to work, he sends it in for warranty and they are replaced under warranty. He found one the other day that he thought was not working and it was broken off. It looked like the snowplow hit the meter lid and slid it over and the can broke off. Brody asked the Board whether they should bill it back to the homeowner when they find one that is broken. Mr. Sears stated that they could bill the owner and the owner can decide whether to pass it to the snowplow group. Brody remarked that he called Mountain Regional, and they told him that any broken endpoint is billed back to the owner. The cost of the endpoint is \$165. With labor and everything, he suggested charging the homeowner \$200. Mr. Cylvick thought \$250 was more accurate to cover the time to reinstall the endpoint.

Brody stated that he would do the \$250 for the cost of a meter plus \$100. He would ask Carol to add these fees to the fee schedule for approval at the Annual Meeting in October.

Brody reiterated that when the endpoints go out, they are replaced by warranty; however, the problem is that the warranty replacement can take anywhere from one month to six months. He asked if the Board wanted to purchase ten endpoints to have on hand when one stops working so they are not waiting for the warranty replacements. It would cost \$1650 for ten endpoints.

Brody reported on the bids he received on Forgotten Lane. One bid was \$161,000, another bid was \$135,000, and a third bid was \$82,000. He noted that they had budgeted \$80,000 for Forgotten Lane. Brody explained where the water line goes on Forgotten Lane currently. He estimated 1,000 feet to reach the last property owner. He indicated the location of two property owners who have water letters. Brody stated that they could either do 500 feet for now to reach the two property owners with water letters, or they could save the money budgeted this year and budget another \$60,000 next year and go all the way up. He did not believe two lots were ready to connect this year. Because of rising costs, Mr. Anderson preferred to do it all at once if they can.

The Board discussed the bids and the options. Mr. Anderson clarified that the \$82,000 bid would do everything. Brody answered yes. Brody noted that they can do 999 feet; however, if it goes to 1,000 or more it needs to be approved and engineered by Summit County.

Mr. Cylvick authorized Brody to move forward with the \$82,000 bid. He noted that the money was already budgeted, and the Board did not need to vote on the expenditure.
Brody stated that the only additional cost the Water Company might incur is to have someone with the

Pine Meadow Water Company
Monthly Board Meeting
July 13, 2023
Page 4


ground penetrating radar detector come up to show them exactly where the dead-end line is. He believed it would save time and money in the long run.

Brody had been looking at battery powered chain saws. He stated that when they go to fix water leaks, the circular saw is not big enough to get around a 12" pipe. He would like to purchase a battery powered chain saw to take down in the trench. The cost of a 16" chain saw, battery, and charger is \$400.

Brody stated that the lead survey required by the State was completed. He needs to reach out to 109 customers and ask what is in their house. Brody will prepare a survey that can be sent out via email to those 109 customers, and they can respond back to the email. Brody found out through the State of Utah and the EPA that they can do a customer service line identification, meaning that the customer can go down and see what is coming through their wall and scratch it with a quarter. The customer reports back on what they found, and the Water Company can accept it for the identification of the service lines.

Mr. Anderson asked how they identified the 109 customers. Brody replied that the cabins were built pre-1986. Brody explained the quarter scratching method. If a metal line is coming into the house, if you scratch it with a quarter and it scratches off easily that means there is lead. If you scratch it off and it's the color of a penny, it is a copper line. If a magnet sticks to it, it is galvanized. Only lead pipes are a problem. Brody remarked that if the quarter test shows lead, the Water Company will give the customer a time frame to replace the line and the connection. If they do not comply, the Water Company can turn off their water for non-compliance.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:13 p.m.



Minutes Approved

8/4/23

Date