

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, OCTOBER 12, 2023

SUMMIT COUNTY, UTAH

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

Ex-Officio: Brody Blonquist

Excused: Scott Smith

Eric Cylvick called the meeting to order at 7:18 p.m.

### **Minutes**

MOTION: Eric Cylvick moved to approve the Minutes of August 10, 2023, as written. Steve Anderson seconded the motion.

VOTE: The motion passed unanimously.

### **Unpaid Bills**

Brody Blonquist reviewed the unpaid bills. Badger Meter was the monthly invoice for cellular meters. Hydro-Specialties was for a cable they purchased to extend a meter. KGC Associates was Carol's invoice. Pine Meadow Mutual Water Company was the savings account the Water Company pays into. Rocky Mountain Power was the monthly bill. Rocky Mountain Power was the monthly power bill. Summit County Public Health Department was for samples. Verizon Wireless was for cell phones. The two Utah State Division of Finance were the loans.

MOTION: Eric Cylvick moved to approve the unpaid bills detail as of October 12, 2023, in the amount of \$35,003.01. Steve Anderson seconded the motion.

VOTE: The motion passed unanimously.

### **Miscellaneous**

Mr. Anderson asked for an update on the easement going across the pump house that was discussed at the last meeting. Mr. Cylvick stated that the property owner was asking if he could drive the mini hoe across that easement to do a perc test. Mr. Cylvick told Brody that it was fine if the owner wanted to walk across the easement for the perc test, but if he wants to build a driveway, it needs to be 100 feet away. Brody reported that he had not heard anything more from the property owner. Unless he sees work being done, he had no intention of reaching out to the owner because it is not on the Ranch, and he thought they should wait for activity to begin. Brody was not willing to agree to something that he would be held to if the

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property is sold and there is a new owner. Mr. Cylvick clarified that he did not want to fight the owner over walking across with a mini hoe for one day. He thought a reasonable compromise would be to tell the owner he could go across and dig a hole for his perc test but be clear that he will not be permitted to use it for driveway access. He will be expected to go up the Canyon and put in his own culvert away from the 100' foot source protection easement.

Carol asked if Ted Barnes had addressed the fact that because the Water Company does not own the property and only has the easement whether they have the right to allow anything. Mr. Cylvick replied that he was not going to ask Mr. Barnes. Brody remarked that it is an easement, but it is also a drinking water source, and he believed the Water Company had some control. The real issue is protection of the building. Mr. Anderson emphasized that it is also source protection. Mr. Sears did not think Summit County would allow a driveway in that scenario.

Mr. Cylvick stated that the next item for discussion was the approval and vote on a proposal to reduce finance charges to 3% based on the DDW loan to collect at the time of sale from the Title Company for Lot PI-F-72. The Current finance rate of 18% reducing to 3% will reduce the invoice by approximately two-thirds from \$72,000 to \$27,000.

Mr. Cylvick explained that the property owners are John and Cindy Parry. The Water Company removed the water meter and turned it into a dry lot for lack of payment. The Parry's would now like to settle with the Water Company because they are selling the property. Mr. Cylvick reported that in a previous case the Water Company reduced the finance charges from 18% to 3% based on the fact that the DDW loan is at 3%. The reduced interest rate reduces the amount owed to \$27,000 and he understood that the Parry's were willing to pay \$27,000. Mr. Cylvick noted that the Water Company had already set a precedent of reducing the interest rate for this approach.

MOTION: Eric Cylvick moved to lower the finance charges from 18% to 3%, reducing the bill from \$72,000 to \$27,000 plus interest until sold. George Sears seconded the motion.

VOTE: The motion passed unanimously.

Brody pointed out that there are four other lots with the same situation. With the exception of Paul Peters, he asked if Carol should draft a letter stating that the Water Company will be willing to reduce the interest from 18% to 3% to see if the others come forward to pay. Mr. Cylvick asked Carol to prepare a list of the lot owners and the amounts owed, as well as a draft offer letter, and the Board will vote on whether to approve the offers at the next meeting.

Carol explained that everything goes back to 2000 forward, which is when the water company started keeping records. She stated that they will get 100% of the assessments, plus 3% of the finance charges, and half of the collections for the past 23 years. Mr. Cylvick pointed out that the annexation fee is \$23,000 and the reduced amount is \$27,000. The owner was basically annexing back into the water system. Brody reiterated the benefits of reaching out to the other owners in a similar situation. Carol clarified that she

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never discounts the assessments. Negotiations are only on finance changes. Carol noted that the offer includes the 10% redemption stated in the Bylaws. The cost to redeem a lot at 10% and turn it back into a buildable lot would be \$2,500.

Brody stated that they will be purchasing a Smart TV for the office so they can hook the laptop to it. Bowen and Collins can also hook up to it when they come up.

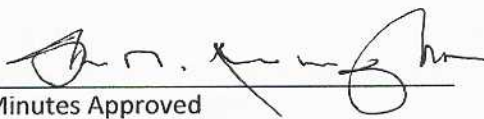
Brody reported that the door to the pump house was damaged, and they needed to order another one.

**Approval of Minutes**

MOTION: Eric Cylvick moved to approve the Board of Trustees meeting minutes dated September 14, 2023, as written. Steve Anderson seconded the motion.

VOTE: The motion passed unanimously.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:51 p.m.

  
Minutes Approved

9 Nov 2023  
Date