

Approved
June 9 2016
as written

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, APRIL 14, 2016

SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Cylvick, Bill George, Cal Cragun - Board members.
Tony Tyler arrived later in the meeting.

Ex Officio: Trevor Townsend

Excused: Craig Gilliam, Brody Blonquist.

Eric Cylvick called the meeting to order at 6:35 p.m.

Minutes

MOTION: Cal Cragun moved to APPROVE the minutes of March 10, 2016 as written.
Eric Cylvick seconded the motion.

VOTE: The motion passed. Tony Tyler was not present for the vote.

Tony Tyler Arrived.

Financials

The Board reviewed the Profit and Loss/Budget versus Actual and the Balance Sheet. Mr. Cragun reported that one water connection assessment came in and he anticipated getting another water connection assessment. Mr. Tyler noted that the metered water was at 89% and the standby was at 90%. Mr. Cylvick stated that they were on budget with everything except insurance rates and propane. He questioned why the propane was higher when the cost of propane was low. Trevor was unsure because they always fill the tank twice a year in the Fall and Spring. He thought it could be that he and Brody are there more often and use more heat. Jody and Cody sometimes need heat if they are working on something.

MOTION: Eric Cylvick moved to APPROVE the Profit and Loss/Budget versus Actual

dated April 13, 2016. Bill George seconded the motion.

VOTE: The motion passed unanimously.

The Board reviewed the Balance Sheet. Mr. Cylvick understood the Treasury Stock were water shares that were foreclosed on, and the amount showing was the total amount owed on them.

Mr. Cylvick noted that the Water Company had \$679,000 in the bank. They had over \$100,000 more last year but last year's amount also included money from the loan for the pump house. Mr. Tyler pointed out that the \$239,000 loan was the Brighton Bank Escrow Account for 2015. It was actually a difference of \$230,000.

MOTION: Erick Cylvick moved to APPROVE the Balance Sheet dated April 13, 2016. Tony Tyler seconded the motion.

Unpaid Bills

Trevor Townsend reviewed the unpaid bills. Allwest Communication and Catapultion was for the internet. Evco House of Hose was showing a credit. The bill from Horrocks Engineers was for help on paperwork required by the State. KGC Associates was for Carol's services. Revenue Recovery was the collection agency. Rocky Mountain Power was the power bill, Pine Meadow Mutual Water was the escrow required for the loan. Select Health was the health insurance premium. The Division of finance were the two loan payments. Verizon was for the phones.

Mr. Cragun noted that the minutes from the last meeting reflected that Dave Dillman charged \$2500 for a letter. Mr. Cylvick explained that it was the operating permit for the pump house down Tollgate Canyon. Mr. Cragun questioned whether Dave Dillman was still the "best buy" for the Water Company. Mr. Cylvick stated that Mr. Dillman is knowledgeable and he is always very helpful. Mr. Cragun clarified that he was comfortable with Mr. Dillman and what he does for the Water Company. However, as a Fiduciary he thought it was important to raise the question. Mr. Cylvick recognized that they had spent a significant amount on engineering services and he explained all that Mr. Dillman had done. However, he anticipated that they would be using Mr. Dillman less since they were past the construction phase and into the maintenance phase. He noted that he hired Evergreen to survey the road project because they were less expensive and he did not think it was necessary to use Horrocks Engineers for that project.

MOTION: Cal Cragun moved to pay the unpaid bills dated April 13, 2016 in the amount of \$35,909.12 Eric Cylvick seconded the motion.

VOTE: The motion passed unanimously.

Manager's Report

Trevor stated that reminder letters would be sent out reminding everyone to get their tanks inspected. Mr. Cylvick asked if Brody and Trevor had learned anything more about the in-house self-inspection. Trevor stated that he and Brody have not been able to get a yes or no answer from the State as to whether they could do the inspections. Mr. Cylvick suggested that Brody and Trevor document the times they have tried to get an answer with no response. Since no one was telling them yes or no he thought they should do their own in-house inspections. They could make it available as a service and charge the property owners for the inspection.

Trevor reported that he and Brody had been looking for leaks. They found a few small leaks, one was at the Moss' cabin, SS-146-L-3. It was behind the meter and they believed it was at the pigtail where it ties in. By the time they had read the meter and read it again the owner had gone through 60,000 gallons of water. Trevor assumed they would come to the Board requesting a one-time reduction after they get their bill next year.

Trevor stated that they needed to add dirt to the trenches again. They have had a lot of complaints about the trenches.

Mr. Cylvick asked Trevor for an estimate of water pumped. Trevor stated that Tollgate was at 20 gallons per minute. There was a problem with it tripping out after it would reach 20 gallons and then kick back on again when the water got low. However, it has been steady lately and not tripping out. He explained that the computer is set to pump up to 35 gallons per minute until it reaches a certain level and then it automatically goes down to 20 gallons per minute.

Mr. Cylvick asked if they had seen any increase with the water runoff. Trevor stated that it has not dropped into the well. It has remained about 108 feet above the pump since the end of February. When things started melting and they started getting some runoff in the well, it was not dropping down to the pump at all. Trevor remarked that they were not getting much more water, but they were also not losing water or tripping

the pump at all.

Trevor stated that Uncle Tom's well is steady and everything is running well. The new pump station is working great. They were currently only boosting approximately 30 gallons per minute.

Mr. Cylvick reported that he had not yet approached Mr. Armstrong about an MOU for future connection. Mr. Tyler stated that he had spoken with Derrick Radke at Summit County about the possibility of creating a Special Service District to handle the maintenance of the lower section of Tollgate and Forest Meadow. Mr. Radke would do some research and get back in touch with Mr. Tyler.

The regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:05 p.m.

Minutes Approved

Date