

Monthly Meeting of the LDWA, Thursday, January 14, 1999.
The Leeds Town Hall.

Those in attendance: Ron Fowlks, Coy Wiley, Fred Friese, George Fridell, David Coon, James Parnell, Water Master, and Sandra Browning, Secretary. Jim Bray and Mr. and Mrs. Seth Larsen were also present.

WELCOME: Ron Fowlks

PRAYER: Fred Friese

MINUTES: Minutes were discussed and corrections made. Dave Coon moved to approve the minutes and Fred Friese seconded the motion and all approved.

FINANCIAL STATEMENT: The financial statement was discussed and Coy Wiley moved to approve the Financial Statement and George Fridell seconded the motion and all approved.

COX CONSTRUCTION COMPANY: Coy Wiley asked if we are billing the Cox Construction Company for water used from our water system as they repair the highway by Leeds. Ron explained they have agreed to pay \$1.25 per 1,000 gallons. The first 30,000 gallons was not metered and they will be billed for it. Ron suggested we bill them quarterly for the water and he will get their address to send the billings too. The LDWA bought a hydrant meter for \$720.00 to meter the water used by the Cox Company. The hydrant meter will pay for its self and will be an asset for company use.

NEW HOME AND BUSINESS: Seth Larsen came to the meeting to secure a building permit. He was given an application for a water tap, plus a letter stating there would be water available. He put a deposit of \$500.00 on a water certificate. Once he pays the \$500.00 deposit; he has 18 months to build. South West health will not allow a water tap to be put in until the LDWA's water tests are cleaned up. So far we have had good tests and should be able to sell water taps by April.

WATER TESTS: The well was tested for inorganic and metals on the 10th of December 1998 and for Nitrates and nitrites on October 16th, 1998. Both tests were good. Tests on the Spring for the Nitrate and Nitrites and inorganic and metals were both done on April 10th 1998. Coy asked Sandra to check and make sure these test results were sent to the State.

We feel we have found the source of our bad water tests. There were roots in the line up the road toward Oakgrove Campground. Since this was cleaned up, our tests have been all good.

Coy said he felt moving the meter in Brant Jones's field to the out side of the fence was top priority and should be done soon. Jim plans to get this done soon.

SOURCE PROTECTION PLAN: Ron received a copy of the letter that Alpha Engineering sent to the State to extend the time for our Source Protection Plan on the well.

Ron gave Jim Parnell the name of Russ Owens at Alpha Engineering to get from him the Water Level Indicator that they are loaning to us so we can do the well draw down. It is a 24 hour process and at first there will have to be at least two people helping. We need to get the draw down done as soon as possible.

Ron asked Sandra to send Alpha Engineering a copy of our signed agreement with them for the Source Protection Project.

FELT AND WESTHOFF WATER RIGHTS: We received a change order from the State Division of Water Rights on the Felt and Westhoff water rights.

First they said they will only give their approval under the administration and cooperation of the Town of Leeds with the LDWA and if the Town should stop their participation this change application should be void.

Next the depletion of the water from irrigation to culinary could be as great as 50% loss. Once a controlled collection (sewer system) is put into place or if there is a possibility of one being put in place, the State can deplete irrigation water rights by as much as 50%. The water no longer filters into the ground, but is carried to the holding pond away from the town area and is lost to the town.

We sent a request for reconsideration on these items. First of all we asked for a reconsideration against the depletion and if the depletion is going to take effect, there are other numbers to go by that would actually give us a little more water than they are requesting here. (Their own figures.) We would lose half of the water rights and still have to pay the same amount.

We also stated that we felt the state was putting an unfair requirement on the change application concerning our relationship with the town and the operation of the water system.

We are hoping that we will not be penalized with Alene Cuff's water that we purchased earlier.

WATER MASTER FROM NEW HARMONY: Larry Ward from New Harmony talked to the board about hiring him as our water master. He said that he could get to Leeds in about 21 minutes if there was an emergency and would charge \$300.00 a month for his services. We had already hired Jim Parnell as Water Master. Jim Bray, from Eldorado Hills water Company, was also invited to hear Mr. Ward's presentation and he was welcomed to our meeting.

WATER COMPANIES: The water companies in our area are considering an Alliance of small water companies to strengthen their position. Ron volunteered Jim Parnell to help other water companies do work that they need done. Jim will be training to become a Water Master and can be a big help to us as well as other small water companies.

Eldorado Hill and the LDWA are looking for new water sources and have considered digging a well together to serve both companies. Jim Bray suggested that we might consider putting in a line to connect the two water companies together for future needs.

BY LAW CHANGE: The board has been interested in eliminating the 10 tap limit of water taps a year and change the by laws to allow the board members to review each water tap application as they come up before the LDWA.

George Fridell presented his change of the by-laws to eliminate the 10 tap limit that he wrote up. Instead of the by-laws saying "rate of not to exceed 10 shares per year to gradually approach the maximum reasonable water use". The change to be voted on will read "Rate allocated by the Board of Directors based on surplus reserves so as to approach the maximum reasonable water use". Ron liked the wording and changes George made and suggested that it be used to be voted on at the Annual Shareholders meeting and all board members agreed.

SURVEY: Ron and Bert Leany drove around town and counted building lots that are available in town for building new homes. There were around 60 lots available. The LDWA will have to provide water for these lots when the owners are ready to build. With this information Bert can calculate the impact these 60 homes will have on our water company. We need to know the impact Alberta Lees development will have on our system

or any other development. With this information we will know the impact a developer will have on our system and we will be able to charge accordingly. They will have to furnish their own water or at least we will know how much to charge for water, if we have it available by the result of this study. The town can back us up by asking the developer if they have water for their projects.

SHAREHOLDER'S MEETING: Ron told the board there will be two members up for reelection at the Shareholder's meeting. Ron and George Fridell. The meeting will be held the first Tuesday in February at 8 p.m. This will be February 2nd. Each board member will be assigned a part to give. January 20th will be the cut off for new shareholders to receive water certificates. Ron asked the board to meet January 19th at 7 p.m. at Coy Wiley's home to prepare for the Shareholders' meeting.

RURAL WATER OF UTAH: February 23rd through 26th will be the RWAU'S annual conference in St. George. The LDWA will send at least four people and the registration will be required by February 15th.

ANNEXATION OF SILVER REEF HIGHLAND DEVELOPERS: Ron has a draft agreement with the ELT for their development below the green tanks by Silver Reef. The development will be a 40 acre parcel with 18 building lots. They will have to contribute 18 acre feet of water of the same quality as our well rights. They have offered to provide the amount of \$60,000.00 to help build another 120,000 gallon storage tank. This would be about half the money needed for the tank, and would be on an elevation of about 4200 feet. They have presented three options to provide water and pressure to their development. 1. It like it is and put in bigger lines, but there would not be enough pressure to their development. 2. To build a new storage facility and we would pay for half. 3. Use booster pumps to their development to push the water up. Two booster pumps will be needed. One to pump their water in and the other pump for their fire prevention. Fred Friese stated he felt that the developers need to stand all the cost to get water to their development. Coy explained that this new system could never pay off the \$60,000.00 for the new storage tank at \$16.00 a month from 18 homes. Ron said that this could be an economical way for us to get an additional storage facility for our system. David Coon asked if we are going to raise the rates to this new development from 16.00 to 18.00 for a base monthly cost. Ron said that this has not been decided yet. Ron said that the board needs to continue to discuss this before any decisions are made. We do need to improve our system and eventually to eliminate the cement tank. And if we do, then a new tank will be need. This could be a more economical way to go.

BAD DEBT: Greg Palmer has nearly used up his deposit on the Green home and we do not have a correct address for him. Ron plans to shut off his water, but he will give him a 5 day notice and if we do not get a response it will be shut off. Sanders has not paid anything for his water in the Hickman home and Jolynn still owes her back amount, she did pay \$20.00. We will sent a certified letter to Jolynn. Ron will also call Jolynn and talk with her.

Motion to adjourn by David Coon.

JANUARY 19TH, TUESDAY NIGHT, AT 7 P.M. AT COY WILEY'S HOME.

There was a special executive meeting held at Coy Wiley's home to prepare for the Annual Shareholder's meeting. The board members were present. Sandra Browning was unable to attend this meeting. An agenda was formulated and each board member was given an assignment to present at the meeting. Meeting was adjourned.

Leeds Domestic Waterusers Assn.

152 Vista Ave.
PO. Box 460627
Leeds, UT 84746-0627

PRESIDENT:	RON FOWLKS	879-2350
VICE PRESIDENT:	COY WILEY	879-2723
BOARD OF DIR:	FRED FRIES	879-2387
BOARD OF DIR:	DAVID COON	879-2685
BOARD OF DIR:	GEORGE L. FRIDELL	879-2733
SEC. TREASURE:	SANDRA BROWNING	879-2345
WATER MASTER:	JIM PARNELL	879-2854

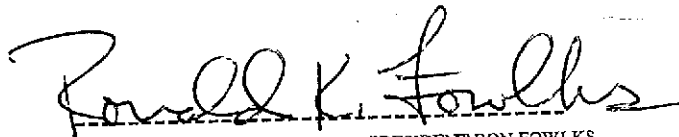
ATTENTION LDWA SHAREHOLDER

In accordance to LDWA Bylaws notice of annual shareholders meeting to be held.

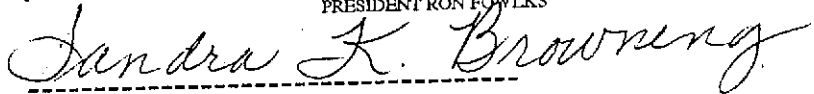
FEBRUARY 2, 1999
AT 8:PM
LEEDS TOWN HALL

ELECTION OF TWO MEMBERS FOR BOARD OF DIRECTORS
VOTE ON CHANGE OF BY LAWS [ENCLOSED]
LDWA BROCHURE [ENCLOSED]

ALL SHAREHOLDER'S ARE ENCOURAGED
TO ATTEND THIS ONCE A YEAR
MEETING AND PARTICIPATE
AND VOTE.



PRESIDENT RON FOWLKS



SECRETARY SANDRA BROWNING

The Annual LDWA Shareholder's meeting - February 2nd, 1999

Place: The Town Hall of Leeds at 8 p.m.

Those in attendance: Board members, Ronald K. Fowlks, Coy Wiley, Fred Friese, George Fridell, David Coon, and, Secretary Sandra Browning. Approximately 30 people were present.

Twenty four shareholders signed in and collected their voting ballots and the income and expense statement for the year 1998.

Greeting: Ron Fowlks

Prayer: Susan Savage

MINUTES: The minutes were read by Secretary Sandra Browning. Ron called for corrections or additions and there were none. Fred Friese moved to approve the minutes and David Coon seconded the motion and all approved.

Question:

Don Goddard stated that in the minutes it said a proof had been filed with the State. He received a letter saying the proof had not been completed yet. Don asked if it has been completed.

Ron explained to Don that the State has come down and looked at the diversion works and has agreed that it is the appropriate rate of water to satisfy the 39.2 acre feet.

Don asked if there was some construction there. Ron replied, there is a water flow at the base of the freeway which the State has used as the diversion works for the allocated water. It goes off the hill, down along the freeway and into a culvert. They measured the amount of water and determined that it was an appropriate diversion. The water can't be used on Alene's property since the point of diversion is under the freeway. With the States acceptance, the engineer is working on this plan.

FELT AND WESTHOFF'S WATER: Our 1999 Budget includes payments to Paul Felt and Steve Westhoff for the purchase of some of their water rights in Hogan Springs. These payments are contingent upon us getting the proof filed. Once these proofs are submitted and filed, the first initial payments come due.

We received a change order from the State on the Felt and Westhoff purchase and we requested a reconsideration for two items that were listed on the change order.

1. One was considering our relationship with the Town of Leeds and how it was stated in the change order. We felt the State had unfair requirements on the change application concerning our relationship with the town and the operation of the water system.

2. There was also a consideration to deplete the Felt and Westhoff water rights by 50%. Depletion on water is an item that comes into play when you convert irrigation water to culinary water. Once a control collection for a sewer system is put into place or if there is a possibility of one being put in to place the state feel the water will be removed out of the area. With a septic systems the water stays in the ground and is not lost.

Ray Beal asked why the State would require that the LDWA and the Town of Leeds be in agreement or the water rights would be voided? Ron said the State Division of Water Rights does not like a private water entity serving a public entity.

Don Stephens explained that if a private water company and a town has a disagreement and the private entity could take its water and the town would be left without water. But in Leeds the water is owned by the citizens of Leeds and the chances to pull away from the Town is so far fetched that we ought not be discussing it.

FINANCIAL STATEMENT: The shareholders received an income and expense statement from January 1998 through December 1998.

Commercial income.....	6,880.05
Tap income.....	40,076.69
Total revenue from sales.....	47,076.69
Total expenses.....	30,110.04
Total income from operations.....	16,966.65
Other Income	
New certificate sales.....	12,500.00
Interest on CD's and money market.....	8,807.26
Note receivable interest.....	3,937.67
Total Other income.....	21,307.26
Total Income & Other Income sales.....	61,828.72
Net Income.....	38,273.91

Ron discussed the Income and Expense Statement received at the door by the shareholders. The shareholder's were also reminded that they received the approved 1999 Budget in their "Notice of Meeting" and this was discussed.

VOTING BALLOTS: One item to be voted on was a by-law change deleting the 10 tap limit and allowing the Board Members to make the decision in each individual situation.

The other item to be voted on was two seats vacated by board members who term expired.

PROJECTS ACCOMPLISHED IN 1998 BY FRED FRIESE:

1. Water Lines were extended to the South end of town on Mr. Furrow's property.
2. Also water lines were extended on the Babylon Road. 4,160 feet to David Stirling's property. A valve and tee was installed to the line to connect Valley to Babylon for future growth.
3. Continued maintenance of the Spring Water Line such as, repairing the air vacs, cleaning and disinfecting the water line.
4. The insulating coat on the cement tank was repaired.
5. Extended water line on Cherry to Valley then north on Valley. (Approximately 300 ft.)
6. Drained, Cleaned, and inspected the pink tank. Vandal proofed the water level indicator on the tank.
7. Insulated the meters for the winter.
8. Installed three new connections.

WATER RIGHTS PURCHASED: DAVID COON

1. An additional 16.2 acre feet purchased from Hogan Springs. The change order to our well has been approved and completed and completion on the proof is in progress.
2. Completed on the proof of 39.2 acre feet transfer is in progress.

OPERATIONAL ACCOMPLISHMENTS: GEORGE FRIDELL

1. Approved and adopted by resolution a cross connection control policy and program. This is required by the Federal Government.
2. Applied for and received an extension for the submittal of our Source Protection Plan on the well. We have contracted Alpha Engineering to do our Source Protection Plan.
3. Jerry Browning resigned as water master to work with the State Rural Water and Jim Parnell was hired as the new water master. Jim resigned his position on the board and David Coon was asked to fill the remainder of Jim's term.
4. Jim Parnell plans to become trained as a certified water master.
5. Board members attended seminars and training throughout the year.

WATER QUALITY: COY WILEY

1. Report on tests: We have had problems with some bad water, but correction have been made and so far our water tests have all been good.
2. New standard from Safe Water Drinking Act.

GOALS FOR 1999: DAVID COON

1. We plan to install valves on main street to help control flow in town. We need to be able to shut down sections on the water lines and not the whole system to do repairs.
2. We also plan to install pressure regulators/ reducers on Main Street with the goal to feed directly from the upper tanks.
3. We will compile a Consumer Confidence Report to be distributed by October 1st.
4. Develop a Capacity and Use Plan to help in future development requirements and line upgrades.
5. Work to develop a master plan with five, ten, and 20 year goals.

QUESTIONS AND DISCUSSION - VOTING ON BY LAW CHANGE TO ELIMINATE THE 10 TAP LIMIT.

Don Stephens asked how many taps have been sold in 1998? Ron told Don that three taps were sold last year. Don asked how many times in the last few years has the LDWA sold 10 taps in one year. He was told In the last few years we have not sold ten taps. Don Stephens asked why it should be changed if it is not been a problem.

Alene Cuff said that if we could sell more than ten taps in a year and make a little money that way we should do it.

Susan Savage stated that the reason for ten tap limit was put in was not to stop growth, but it was done for financial responsibility as well as legal responsibility. There are at least nine people with prior water rights that could be effected. Susan said that if their water rights were effected she could not afford not to pursue it legally. For they have put so much money in developing their properties. The ten taps limit slows the process.

Elvin Braman stated that the Town and LDWA should do everything they can to be able to work together .

ELECTION OF TWO BOARD MEMBERS: Three shareholders were selected by Ron to assist in picking up the ballots and counting them: They included Don Stephens, Elvin Braman, and David Stirling.

Four shareholders were nominated for board members, Ronald K. Fowlks, George Fridell, Colleen Empey, and Scott Hayes.

NEW BOARD MEMBERS: Ron Fowlks and Scott Hayes.

MEETING WAS ADJOURNED.

EXECUTIVE SESSION: An executive session was held to select the new president and vice president. Ron Fowlks was elected the new president for the 1999 term and Coy Wiley was elected as the vice president. Then the new board members took "The Oath Of Office".

The executive session was adjourned.

LDWA SPECIAL EXECUTIVE MEETING

THURSDAY, FEBRUARY 11, 1999 AT 7 P.M. AT THE TOWN HALL

Those in attendance: Ron Fowlks, Coy Wiley, Fred Friese, Scott Hayes, Dave Coon, Jim Parnell, and Sandra Browning

Welcome: Ron Fowlks

Scott Hayes was welcomed as the New Board member.

The Purpose of this meeting was to meet with The Silver Reef Highland Developers to discuss the possibility of their development becoming part of our water company and other issues that would be involved in said venture. The developers did not show up so other items were addressed.

UP DATE ON NEW DEVELOPMENT: Scott asked Ron to up date him on this new development. Basically, Ron told Scott that they are annexing a 40 acre parcel of land in the town. And with this land they are proposing to develop 18 building lots. They are supplying water rights to our well and their engineer has put together three options to get this water to their development. 1. The first option was to just hook on to our line and try to get by with the pressure that is there. We feel that this will not work for there is not enough pressure 2. The second option is to put in booster pumps with a primary and a secondary booster pump. The first for culinary needs and the second for fire protection. 3. The third option was to participate in the building of a new storage facility with all the fixtures and piping and everything else to hook on to our existing well. They would be serviced by this new tank. With this option the developers offered \$60,000 which would be about half the cost of a new tank and we would have to come up with the rest; if we decided to go this option. (They are also annexing 3 other 40 parcels of land, but they are Utah School Trust Lands.)

Adjustments in water rates and gallons provided may have to be made with the approval of this development. This will be discussed at a later date.

BAD DEBT: Ron told the board that 8 certified letters were sent out to those who have not paid on their water bill in 90 days or more. They were told unless a payment was made in 15 days that their water would be shut off. They were also told to contact Ron if we could help them rectify this problem. The board will have to take action on or around the 24th of February. We have already received a few payments in the mail.

METER FIXED: Jim Parnell told the board that Bill Stratton's meter has been repaired. Dave Stirling put in his own meter and now is having problems with it and asked if the LDWA would fix it. But since it was his own meter, the water company is not responsible for his meter and he will have to fix it himself.

MULTIPLE DWELLING PROPOSAL:

There was a discussion on the multiple dwelling proposal. A multiple dwelling that is served by one tap will be considered a commercial tap and will be billed as such. Which is \$16.00 per month for the first 20,000 gallons, the next 20,000 gallons will cost sixty cents per 1,000 gallons and for each 1,000 gallons over the 40,000 gallons per month, the cost will be \$1.00.

The board was divided on the multiple dwelling issue and it will be address at next month's meeting of the board.

METER MOVED: Brant and Amy Jones' meter was moved out of the corral and placed by the gate for easier reading and away from standing water that could contaminate. This was done by Jim Parnell.

BLUE STAKES: It was decided that we would continue on with Blue Stakes as we are now doing. They will call Jim Parnell when a water line needs to be marked and then they can mail or E-Mail a copy of this information to Sandra Browning.

BAD METER: Isabelle Washburn called and said that her meter was read wrong and she does not owe the amount the meter readers recorded. Jim Parnell will go over and check her meter.

MEETINGS: Rural Water Association of Utah will be having their Spring Conference in St. George at the New Dixie Center, February 23, 24, 25, and 26th. Four board members plan to attend, Coy, Ron, Fred, and Jim .

Also there will be a "Water Users' Work shop" to be Held March 9-10 at the Holiday Inn in St. George and 3 board members plan to attend this meeting, Ron, Coy, and Jim.

ALPHA ENGINEERING: Ron met with Alpha Engineering Company concerning a survey they will be doing on the physical capabilities of our system and they are also looking to do a financial study which looks at our current water rates and impact fees we are charging to take care of the impact these water sales have on our system. The need for future expansion will be considered. They are going to work up a study and see if we are where we should be. They will make some suggestions to improve our situation.

COX CONSTRUCTION: Cox Construction will be billed for water used out of the hydrant across from Don Fielding's home soon. The rate for payment is \$1.25 for 1,000 gallons.

The meeting was adjourned.

MARCH 11, 1999

The monthly meeting of the Leeds Domestic Wateruser's Association.

Those in attendance: President Ron K. Fowlks, Vice President Coy Wiley, Scott Hayes, David Coon, Fred Friese, Water Master Jim Parnell, Secretary, Sandra Browning and Don Fawson, District Fire Chief. Jerry Browning of Rural Water Association of Utah was also in attendance.

WELCOME: Coy Wiley

PRAYER: David Coon

MINUTES: The minutes for January 14th. were discussed and Fred Friese moved to approve and Coy Wiley seconded the motion and all approved. The minutes were discussed for February 11, 1999 with Coy Wiley moved to approve the minutes and Scott Hayes seconded the motion and all approved.

FINANCIAL STATEMENT: The Financial Statement was reviewed and Scott Hayes moved to approve the Financial Statement and Fred Friese seconded the motion and all approved.

WATER RIGHTS: We made our first payments to Steve Westhoff of \$12,000.00 and Mrs. Paul Felt of \$4500.00 for the water rights we are buying from them. (Earlier we paid Steve Westhoff a deposit of \$1500.00 which would take the place of the interest on the \$24000.00).

RURAL WATER ASSOCIATION OF UTAH: Coy Wiley expressed his gratitude to Jerry Browning of the RWAU for the great training meeting that was put on in March. Coy attended a class on board members and how they should function and he got many ideas. The classes that he attended were all worth while. Fred Friese mentioned that all but one class was very good and this class was on "chlorinators and alternatives" to keep culinary water clean. The man said that chlorinators are the best for the alternatives are to expensive. He sells chlorinators so he talked about them, and not on any alternatives. Coy Wiley asked about getting mileage for attending training meetings. The board agreed that mileage can be claimed.

DRAW DOWN: The draw down will be done in March and the well will be monitored for 24 hours. Jim Parnell will be over this and Coy will assist.

QUALITY WATER: Coy told the board that he wrote a letter to Dave Hansen of the Division of Drinking Water, trying to get our rights back as far as approval ratings. Mr. Hansen said that he would get the ball rolling and he would be sending information to the city of Leeds. Coy has been down to the city building twice this pass week but has been unable to contact Joy Stevens, secretary of the town of Leeds, to find out if the town has received any information from Mr. Hansen.

BAD DEBT: We have delinquent accounts and the board members will go out and contact the people. Coy and David plan to set up a date to go together. Ron suggested that the delinquent bills be hand delivered and if no payment is made the water will be shut off. The shareholder is responsible for the water payment if a renter is delinquent in paying. If the renter does not pay his water bill then the owner should receive a copy of the billing and be told of ~~his~~ responsibility to pay.

his

RESIGNATION: Ron Fowlks has handed in his letter of resignation to Coy Wiley. Ron has become the new bishop of the Leeds First Ward and can not handle both positions. Ron did volunteer as a shareholder to attend the meeting with the other water board companies in our area to represent our water board and bring back the information and report to the LDWA. Ron will be a conduit between the water boards and the LDWA.

We need to replace a board member to replace Ron seat and the by-laws state that any shareholder can be used.

Some of the suggested names for new water board member were Russ Peine, Del Butterfield, and Bert Leany. The board will work on finding a new board member.

COY WILEY WELCOMED DON FAWSON, THE SPECIAL SERVICE DISTRICT FIRE CHIEF IN OUR AREA.

TIME WAS TURNED OVER TO DON FAWSON IN REGARDS TO THE NEW DEVELOPMENT "SLIVER REEF HIGHLANDS DEVELOPMENT" or ELT.

Don said there was two things that he would like to bring up.

#1 the relief valve up at the splitter box was sucking air and not working right. Coy told Don that it had been taken care of, he already asked Jim Parnell to go up and tighten the valve.

#2 Don put up a map on the wall of the proposed preliminary plat for the Silver Reef Highlands Development or ELT and stated that the local fire district is not comfortable with the design of the water system. The fire district officials are concerned with the maintenance costs and backup facilities required to insure the availability of fire flows through the proposed system. Therefore, the fire district is not willing to sign off on the proposed design. After listening to Don the Board agreed with the fire districts reservations. Don stated that any time you get into a mechanically charged system; you see lots of maintenance, costs, and time commitment. The developer talked of putting in an expensive system, of an electric pump with a diesel backup; because they have to be able to flow a 1,000 gallons a minute for 30 minutes at a 20 lb. residual pressure; anytime they have a fire situation.

What that means is there needs to be 20 lbs. of static pressure in to the system while that 1,000 gallons is being drawn out for a fire. Based on what the State requires.

Walmart has a system similar to this proposed system and it is very costly with much maintenance required. They have a 300,000 storage tank and they have a pump system for this well. The pump system has to be pumped weekly to show that the system is in working order. 52 times a year someone has to go up and run the pump. You also have to worry about fuel. And you have to worry about fuel going bad on you. You are going to have to pump out and pump in fuel if you have the diesel backup. Fred can testify of the mechanical issues involved with those kind of things. Also, where you will house the system is another matter. Above ground is best for the engines for under ground there could be moisture problems. The system should be on an automatic devise that if in fact large volumes of water being pulled out will actually start flowing so we don't have to go in as a fire department and mechanically turn these things on. We need to forget about this type of a system and go to a gravity driven tank.

The State requires 800 gallons per day of water per lot as the basic usage requirement. (Culinary). This development is starting with 18 lots, which will be 18 times 800 gallons and then you have to figure 30,000 gallons above that for fire control.

We need to know the development's potential growth plans. The State requires a five year plan for growth. Eventually they plan on obtaining and developing 500 acres. This could put a big impact on our system. Dave Coon stated that we may have to install a larger well pump to take care of the extra water.

It would be cheaper to put in a larger tank at this time than have to put in another tank later on. The tank needs to be at least 100 feet above their highest building. Also Don told the board that he told the developers that the lines need to be looped so there are no deadends that would harbor bacteria.

The developers has 59 acre feet of water available, but have offered us 18 acre feet. Don also stated the we need to be sure to be able to tie into the town for an emergency. We need to list all the things that will cause an impact on our system with this new project and add them up to find the over all cost.

WELL: Coy stated that he will push use of the well if we have any other bad water readings. Coy said if the well is used, then we will have to check the well every day it is used.

COX CONSTRUCTION COMPANY: Coy and Dave asked if the Cox Construction Company has been billed. And if we have received any money. Sandra told the board that she and Jerry went to the meter and took a reading on 2/20/99 and it was 1,232,800 gallons. The amount was timed by 1.25, the rate agreed upon, which amounts to \$1,541.25. There was an amount of 30,000 gallons of unmetered water that was also timed by 1.25 and amounted to \$37.50. The two items were added together for a total of \$1,578.75. This billing was send to Cox Rock Pro in Centerfield, Ut. We have not as yet received a payment.

A Sub Contractor that works for Cox wants to use water by the Walton Plaza for three weeks and Ron said that they could and we would estimate the amount of water used. It is estimated that they will use 30,000 gallons a day. Scott Hayes stated that we need to get a meter and meter their water.

Also if there is a hardship on the town during the summer months for lack of water we are under no obligation to the Cox Construction CO. and can cut the water off.

Jerry Browning of the RWAU suggested that the LDWA consider installing a chlorinator voluntarily to be used as it is needed. Otherwise, the State might come in and have the LDWA put in a chlorinator and insist it be on line all the time. The chlorinator would cosapproximately \$1700.00. We would probably use two cylinders of chlorine gas a year. A building to house it would also be needed. Coy asked the board members what they thought about this proposal. Dave Coon said that he would rather volunteer putting in a chlorinator and use it as needed. Fred said that there are alternatives to Chlorine, such as, Ultra Violet and ozone that don't have the by products like THM and etc. Jerry explained that the State only approves Chlorine. The other systems are expensive and experimental. Coy will get what information he can on the chlorinator for the boards information. Coy asked Ron if he approved of a chlorinator and Ron said if it is the cheapest and most cost effective way. At least by having it in place and being able to add chlorine as it is needed is a better and more healthy way than the way we have been doing it.

CHECKING THE LINE: Jim wants to walk the water line and Coy suggested that the board all participate. Also Coy asked Jim to check the Spring area and cleanup the weeds as he does his water reading.

David Coon moved to adjourn the meeting.

Leeds Domestic Waterusers Assn.

PO. Box 460627

Leeds, UT 84746-0627

PRESIDENT: COY WILEY 879-2723

VICE PRESIDENT: SCOTT HAYES 879-2357

SEC. TREASURE: SANDRA BROWNING 879-2345

BOARD OF DIR: FRED FRIESE 879-2387

BOARD OF DIR: BERT LEANY 879-2901

BOARD OF DIR: DAVID COON 879-2685

THE MONTHLY MEETING OF THE LEEDS DOMESTIC WATERUSER'S ASSN.

Friday, April 9, 1999 At the Leeds Town Hall at 7 p.m.

THOSE IN ATTENDANCE: President Coy Wiley, Bert Leany, Scott Hayes, Fred Friese, David Coon, Sandra Browning, and Jim Parnell was excused. Mr. Robert Patch, a shareholder, was also present.

WELCOME: Coy Wiley welcomed, new board member, Bert Leany to the LDWA.

PRAYER: Scott Hayes

MINUTES: The minutes were discussed and Scott Hayes moved to approve the minutes with Fred Friese seconded the motion. All board members approved.

FINANCIAL STATEMENT: The financial statement was not approved for there were double entries and it will be corrected and approved next month.

BAD DEBT: The board members will contact delinquent accounts. Sandra will check to see if any payments have been put into the payment box at Coy's home, so they will not contact those who have already made a payment. David Coon suggested that the board divide into groups and each group take some names to be contacted.

We received a note from Greg Palmer expressing his displeasure as to the way he was treated in regards to his billing. Coy discussed this with the board and plans to contact Greg.

UNDERPASS TO SILVER REEF: Coy asked Sandra if Blue Stakes calls Jim Parnell when they get an alert that someone is going to dig in our area. A company by the name of Gerber, who is a sub contractor for Cox Construction, was working and digging under the underpass north of town, but Jim did not receive notice to mark our water line. Sandra told Coy that Blue Stakes will call if they received the information. Apparently, the Gerber Company did not notify Blue Stakes. Coy explained that we have an 8 inch line there and he checked on the work being done several times to make sure they did not hit our line. Eldon Stirling and Ray Beal, both helped to find where the line was situated. Coy talked with the man in charge and explained where our line was placed.

MAPS: Coy stated we need to updated our maps of our water lines so when we have a problem such as we had at the underpass. Then we will know exactly where the lines are located.

LETTER TO RWAU: The LDWA has been helped many times by RWAU with water problems that occur in a small water system. So Jerry Browning asked the LDWA for a letter expressing the helpfulness of RWAU in our behalf. The letter will be taken back East by Jerry's boss, Russ Donoghue, to present it to government water entities as he strives to get more money for RWAU to continue to help small water companies in Utah. More help will be needed as the EPA requires more projects and paper work to be done. Coy and Sandra composed a letter and Board members read it. A copy will be attached to the minutes.

DRAW DOWN: Coy Wiley and Jim Parnell did the Draw Down on the well, probably saving the water company about \$1500.00 if someone else was hired to do the test. They went to Bert Leany and ask him to give them help on this project (this was before he was put in as a board member). They went up to the well and got things squared away to do the test. They had to drop a measuring devise (a plastic tape with an electronic wire on it that goes into the pipe and makes contact with the water. The devise was lowered into the pipe 207 feet when the test was started. At the end of the 24 hours it read 209 feet. Our well only dropped 2 feet in 24 hours. (Bert said that was the water level and there may be oil on top of that). Coy felt it was accurate because it read the same through out the test. Fred asked what the amount of 332 was and Coy explained that was how many gallons our well pumps per minute.

Bert provided the data for the board members of the well test done in 1975. Sandra will make copies for the board members and see that they get a copy. We appreciate Bert for his great help and all of the information he provided.

ELT: Coy said that he ^{has} ~~has~~ had not heard from the ELT. However, Fred Friese stated that a notice was put in the paper a while ago by the ELT that they wanted to put their irrigation water into the LDWA's well. Fred had a copy of the newspaper and Sandra took the paper to make copies for the board members. Fred was thanked for the notice he found in the paper.

Bert Leany said Don Goddard asked him if our well pump would be big enough to pump 18 acre feet so Bert figured it out and it came out to 16,070 gallons per day, and 670 gallons per hour, and 11 gallons per minute to service the 18 acre feet. And then the 18 acre feet is converted to 392,000 gallons and to make 14.96 taps. Fred was concerned because our bylaws state a shareholder will receive 392,000 gallons and the ELT will not be providing enough water for the 18 homes they intend to build, only 14.96 homes. Coy explained that the 392,000 gallons provides for leakage and fire protection and it is really about 302,000 gallons of water for each home. Bert Said that the amount of water given to shareholders can be changed in the by-laws. Fred did not think we should change the by-laws and he responded that it is just like having \$200.00 in your bank account and each month you take out \$5.00 and in 40 Months all the money will be gone. We would be doing the same thing with our water, slowly giving it away.

SOURCE PROTECTION PLAN: Coy went to see the Alpha Engineering yesterday and asked when the Source Protection Plan will be completed and was told it would be ready in two weeks. It is due to the State the first of July and Alpha will help us get our reimbursement from the State for half of the engineering fee of \$3500.00. This is for the well only.

When we do the Source protection on the Spring, Silver Reef will pay half of the engineering bills. The engineering firm will be checking for every possible contamination that could happen. The Source Protection plan on the spring is due next December.

WATER TESTS: Coy contacted Dave Hansen at the Division of Drinking Water and told Dave that he promised to go to bat for us to get the approval rating back on our water if we did not have any bad tests in April. Dave Hansen admitted to Coy that SUU may have done the tests wrong. And if the tests were not done properly, Coy wondered how they could hold them against our water company even if the test was bad.

Coy took a test on the well and it was bad, but it was only investigative and does not count. So Coy will have to take another in a week. The regular test was good and won't have to be redone.

The water testing is now different and the test is called Colilert. You only fill the test bottle partly full and they take the lid off and put into the bottle a powdered food substance then put the lid on and shake it up and put into an incubator for 18 hours and then they check it for color and use a fluorescence light to check for ecoli. Coy talked with the people down at Quail Creek and the man there said that if the test lasts longer than 18 hours it is a invalid test.

COX CONSTRUCTION: Coy asked Sandra if we have received any money from Cox Construction for use of our water. Sandra said that we have not received any money so far. We need to look into this and make sure that we get paid.

CHLORINATOR: Coy has looked into the price of a chlorinator and it could cost as much as \$3500.00 to \$8,000.00.

WATER PRESSURE: Pat Sheneman does not have any water pressure and we need to find out what the problem is.

ELECTION OF NEW VICE PRESIDENT: Fred Friese suggested that Scott Hayes be put in as Vice President for he has had so much leadership training and experience. The board had a short discussion and Coy asked for nominations and Dave Coon nominated Scott Hayes and all approved. Scott Hayes is now the new vice president.

DEFINING MINI SUBDIVISION AND SUBDIVISION: We as the LDWA need to have a definition of mini subdivision and subdivision. The town has changed their subdivision ordinance many times and we need to go to the town and get their latest ordinance on mini subdivision and subdivision and review it as a board. We need to have all the people who are building subdivisions to bring in their own water by the same rules. Scott said that we have to go by the town rules, and we need to know what the ordinances are. Scott said years ago if you had land without water, it was not worth anything. Also Scott said the property owners that are in the town limits right now, where ever it is annexed, are the people that got our water company where it is right now and our town where it is right now and as far as he is concerned they have paid their dues. They should be considered first; especially to providing water, by the LDWA, in supplying water for building. And we need to support that. Sandra suggested that this can be put into a proposal to the by-laws. It can be put into proper language and put into a proposal and voted on. Scott will do this.

BAD DEBT: Coy feels that the shareholder should be billed for the water bill and not the renter. We need to consider this and address it later on.

PRESSURE REGULATOR VALVES: Coy will make a appointment with Jerry Browning and Ken Orton of the RWAU to discuss the placement of the Valves and how to go about it.

ASSIGNMENTS FOR BOARD MEMBERS: Coy would like the board members to take on projects that need to be completed. 1. Maps of our water line location is a big project that needs to be done. This can be done a section at a time. 2. Water Testing should be assigned to a board member to learn the procedure and work with Coy. 3. Another project is to work with the Meter Readers, the Johnson's, and Fred Friese said that he will work with them. 4. Chlorinator Project. 5. Coy volunteered to continue to work with the Water master.

Board members need to pick the project they would like to work on. Bert would be good on the Chlorinator project. Coy will check with The Division of Drinking Water when he is up in Salt Lake in a few weeks about a chlorinator.

Dave Coon suggested that we put the projects we are doing, in the billing so the shareholders will know the good things that are being accomplished. This will help them have a better attitude towards that LDWA. We need to make a paper trail of good things being done.

ALBERTA LEE : Dave Coon suggested that we check the Alberta Lee Project and make sure we are not losing money because of the water depletion from the irrigation water shares we bought from Mr. Felt and Mr. Westhoff. Sandra told the board that the time limit is nearly over for this project and we can redo our agreement with her.

THE CONSUMER CONFIDENCE REPORT: The EPA is requiring all the small water companies to create a Consumer Confidence Report for our shareholders. We are to have it finished by October and a copy sent into the State. Sandra attended a schooling on how to do this report at Cedar City. The program was put on by the RWAU and was done very well. Sandra said that she will do the report and then bring it to a shareholder's meeting and let the board look it over and make any corrections they feel that is needed. This is a yearly report and will have to be redone each year.

SHAREHOLDER: Robert Patch attended our meeting and when it was done he asked a few questions and then complimented the Board of the fine job they are doing.

THOUGHTS ON THE NEW DEVELOPMENT AT SILVER REEF: Fred said that we need to consider these things before we accept this new development. First, we need to know exactly how big the development will be now and in the years to come. Second, if we need a booster pump to use on the well, that will cost more. Third, the cost of monitoring this project by our water master (at \$10.00 an hour.) will be strictly at their expense. Four, if a new tank is needed, we may have trouble with the water pressure. Five, Chlorination will be a factor because this development will need a separate system.

Fred Friese moved to adjourn

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Leeds, UT 84746-1194

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Sec. Treas.	Sandra Browning	879-2345	Brd. Direct.	Fred Friese	879-2387

LEEDS DOMESTIC WATERUSERS ASSOCIATION MONTHLY MEETING
Friday, May 14, 1999 at Coy Wiley's Home at 5 p.m.

THOSE IN ATTENDANCE: President Coy Wiley, Scott Hayes, Fred Friese, David Coon, Bert Leany, Water Master Jim Parnell, and Secretary, Sandra Browning.

WELCOME: Coy Wiley

PRAYER: David Coon

MINUTES: Minutes of the April 9th meeting were discussed with one correction made and Bert Leany moved to approve the minutes with Scott Hayes seconding the motion and all approved.

FINANCIAL STATEMENT: The financial statement from April 9th was discussed and Scott Hayes moved to approve the financial statement and David Coon seconded the motion and all approved. The financial statement from March was discussed; (for there were double entries made) A corrected financial statement for March was handed out and Fred Friese moved to approve the corrected financial statement and Bert Leany seconded the motion and all approved.

TOWN MEETING: Coy and Jim reported to the board about the meeting at the town hall on the sewer. The sewer project may be abandoned because of the great cost to home owners and businesses.

SOURCE PROTECTION PLAN FOR THE WELL: Coy told the board he met with Alpha Engineering (Russ) and he told Coy they would be finished with the report by early June. After the project is completed, Alpha will help us get half of the money back that we are paying Alpha Engineering from the State. The project on the spring will be due in December and Silver Reef will pay half of this expense.

WATER QUALITY: Our water tests have been all good for the last few months. We did do a test on the well that was bad, but it did not count because it was an investigative test and not the regular test. Coy found out that the St. George Treatment Plant in Bloomington does water tests and Ken Bousfield said they are qualified to do the tests for the State. Coy decided to go to Bloomington for our tests for it is closer and the tests cost less. He also felt that they seemed to know what they were doing. They promised that the test will not be run any longer than 18 hours and that we should not leave samples for testing on the weekends.

NEW TAP: Paula Pearce is going to build a new home in Leeds and put \$500.00 down on a water tap. Dave Stirling finished paying for his water tap by giving Coy \$500.00.

TWO VALVES PUT IN: Russ Peine has finished putting in two valves; one on Main Street & Cherry and one on Mulberry Street.

PROJECTS FOR BOARD MEMBERS: Coy suggested that the board members drive over to Scholzen's Products in Hurricane and see what they have in information on chlorinators and the kinds of chlorinators they sell. Angel Springs bought their chlorinator at Scholzen's. We still need to decide where we are going to put our chlorinator so it ties into the spring and well. Coy thinks a building behind the two green tanks is a good place for it.

PRESSURE REGULATOR VALVES: We also need to decide the placement of the pressure regulator valves in town and proceed on this project.

MAPS: Coy Wiley has a son in law, Kenneth, that is a draftsman who works for a company in Bountiful, Utah who can make updated maps of water systems. They would make the big maps and put in everything such as, valves, hydrants, size of water lines, air vacs and etc. We could start at the green tanks and go down to town. Bert said that we may have some of this already done. Coy explained that we don't have to go with this company unless we want to, but the up date needs to be done. Kenneth said he could make big maps, but more than that, he could break them down into quadrants and put them in book form and the pages would be 11 by 14. He said that he could put the book together for \$30.00 an hour and it might take around 100 hours or less.

Bert Leany said the board could do it if we could get some flag maps to work on or the board could do a lot of the work so it won't take so many hours, maybe 10 to 20 hours. Scott suggested that we need to get past water board members together that know where the water lines are and set down at a big table and take a couple of hours and put it together. Coy's son in law will be down here a week from today so maybe we can meet with him then. Bert said that we can find out what he needs to make the book at that time. Gene Hansen, Eldon Stirling, and Russ Peine should meet with us. Coy asked Bert Leany to chair this project and he accepted. Coy will contract Kenneth and make an appointment next Friday if possible.

A few years back, Coy was asked to copy some of the maps we have of our system. They were given to Scott Hayes and Coy asked Scott if he knew the whereabouts of the maps. Scott said that he thought they were given to Ray Beal to work on. Scott said he would check to see if Ray has the maps.

WATER METER READINGS: Coy asked Fred Friese to work with the meter readers monthly and see they get the readings a couple of days before the first and then see that the readings are collected and taken to the secretary as soon as possible. Also check the work to make sure the readings are done correctly.

CHLORINATE THE WELL: Coy and Jim put a large amount of chlorine in the well to try and get rid of the coliforms and e-coli that showed up in the last investigative water sample from the well. The chlorinated water was run out on the ground and then Jerry Browning and Coy went up to the well and tested for chlorination and there was no chlorination present.

WATER BILLING: Bert suggested that we not charge Pat Sheneman for two months of water or reimburse him that amount, because he did not have any water pressure for a couple of months until the problem was solved. The board discussed and accepted this proposal.

JIM'S REPORT: Bert Leany and Jim went to the top of town and they ran the fire hydrants. Jim did not think they would get any water pressure, but they did. Walton Plaza has 50 pounds of pressure and across the street Pat Sheneman has about 55 pounds of pressure. Bert said they did not use the same meter and the same meter should be used for proper comparison.

The fire department is worried about not having enough water pressure for fires this summer. Bert feels there is an air lock in the line. After Jim and Bert bled the line they had more water pressure.

Scott felt the board should know that fire hydrants are to be at least three feet away from any structures. The hydrant at David Stirling's place is too close to a out building.

THE SPRING: Jim went up to check the spring and said we may be loosing water. To correct this problem we could put in another spring box or put in a drain that would empty into the spring box. Scott thought it would be a good idea to look into one of these ideas. With the dry winter we have had, David Coon felt we should do what we can to utilize all the water at the spring.

Scott attended a RWAU's training seminar and at the meeting he remembered an attorney talking about a law that was being considered and if it passed would prevent any improvements or changes to any creek or any water source for this would make an environmental impact. We need to consider making needed improvement now before the law goes into effect.

LDWA'S TWO IRRIGATION SHARES: The LDWA owns two irrigation shares of water. We paid our assessment of 27.50 per share or \$55.00 for the year. The town usually uses our shares to water the park at the back of the city building. The irrigation line was broken and so they are not using the water. David Coon and Coy Wiley both would like to use a share if available, and will reimburse the LDWA for the yearly assessment.

BAD DEBTS: Scott and Coy will go together to collect some delinquent accounts, Sanders, Lewis, and DeMille. Also Mr. Randles, Broadbent, Stolks, and Bundy need to be contacted. Fred said need to contact the people and if they do not pay, then we need to shut off the water. David Coon with another board member will contact Broadbent and Bundy.

THE TOWN'S MINOR SUBDIVISION OF LAND: The board was presented with a copy of the towns Minor subdivision of Land. Board members went over paper and made changes that would be better for the LDWA. A copy will be attached to the minutes to note changes that were made.

ELT: Scott told the board that the article put in our paper, several weeks ago, The Specturm, was put there by our Lawyer, Kendrick Hafen. And what he is saying is, yes, we are looking forward to having that water transferred into our well under the stipulation that they meet our conditions.

COX: We have received a water payment for our first billing to Cox Construction, but we have sent two other bills to them and have not received any compensation for them.

VALVES: The board wants Ken Orton to come down and change the location of a valve (faucet tap) on the well head so it will work properly.

BERT MOVED TO ADJOURN

Leeds Domestic Waterusers Assn.

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Vice Pres.	Scott Hayes	879-2357	Brd. Direct.	David Coon	879 2685
Sec. Treas.	Sandra Browning	879-2345	Brd. Direct.	Fred Friese	879-2387

JUNE 10TH, 1999

Those in attendance: President Coy Wiley, Vice President Scott Hayes, Fred Friese, David Coon, Bert Leany, Water Master Jim Parnell, and Secretary Sandra Browning

WELCOME: Coy Wiley

PRAYER: Coy Wiley

MINUTES: The minutes were discussed and no corrections were found. Scott Hayes moved to accept the minutes and David Coon seconded the motion and all board members approved the motion.

FINANCIAL STATEMENT: There was a discussion on the Financial Statement and questions asked. Fred Friese made a motion to approve the Financial Statement as corrected and Bert Leany seconded the motion and all approved.

Last month the board asked about the amount of \$650.00 written to Rick Hafen for legal services. Sandra ran off a copy of the billing and Coy showed board members that it consisted of Rick meeting with Ron Fowlks, past president, about the ELT Development.

BAD DEBTS: The delinquent accounts were gone over and board members were assigned people to contact about their bad debts. Coy and Scott were assigned to contact Mr. Randle & Chai Sanders. Bert and Dave to contact Kreugers and Stolks. Jim and Fred will contact Bundy, Steve Lewis and Mullens.

LDWA'S IRRIGATION WATER SHARES: The town does not want to use the LDWA's two irrigation water shares, because some of the irrigation water line are broken and would cost them around \$200.00 to repair. Coy Wiley and Dave Coon volunteered to reimburse the LDWA for the yearly fee of \$27.60 for each tap and use the water so it won't be wasted. Scott Hayes suggested that Coy and Dave pay for the water shares now if they want to use them so no one would think they are using them illegally. Coy and Dave each paid \$27.60 and a receipt will be issued to them by the secretary.

DEPOSIT ON WATER TAPS: Miles Cunningham has a water deposit on a piece of ground that is nearly three years old. It was suggested that we write Miles and if necessary refund his deposit. Sandra will look into her files and see if he was under a 18 month limit to build a new home. Coy asked Sandra to go through her files and see what information we have on Mr. Cunningham.

Mr. Haslem has a \$500.00 deposit on a water tap also. He owns about 5 or 6 acres. Mr. Haslem wants to transfer his water tap from one piece of land to another. Other shareholders have been allowed to transfer water taps to other pieces of land so we will probably have to allow him to do it also. We also need to find out what information we have on Mr. Haslem.

WATER BILL: Debbie Lefler called and said that she was not credited for payments made and Sandra will look into it and see what the problem is.

WATER MASTER'S REPORT: Jim told the board that Russell Peine's meter was not working and had to be replaced. Also David Stirling's meter has not been working for quite some time. Dave took the meter to Plumber Supply and they replaced the parts inside the meter. It still was not working so Jim took the meter to Plumber Supply and got them to replace the parts inside again. It was still under warranty. It is working now.

Jim told the board that the Cement tank keeps overflowing, for the bladder valve is not shutting off as it should. RWAU plans to help correct this problem by installing a new valve.

A short time ago the water in the spring was getting low and the water levels in our tanks were down also the well had contamination in it so we could not use it, so Coy told the Cox people not to use water from our hydrants any longer because of the shortage. The Cox Company was using approximately 45,000 gallons a day. This was part of the reason why our tanks were so low.

Coy talked to the people at Quail Creek about correcting the problem of contaminants in our well and they came over and flushed out the well with two 30 lbs. of a super chemical called "Pool Shock". Gave it a shock treatment and eliminated our problem.

As long as there was chlorine in the line Jim and Coy cleaned the lines and pumped the water for 24 hours into the desert. The well is sanitized, working, and was tested with an absence of contaminants.

Coy asked Sandra to send up to Division of Drinking Water our two good tests from the well and the spring.

EXPRESSING THANKS: Bert Leany told the board that he would like to express his thanks for the great job, Coy and Jim did on handling the water shortage and getting the well disinfected and ready for use.

ROAD REPAIR: The road to the well is terribly rough and needs to be leveled out to save damage to board members' trucks as they travel to the well. It was suggested that we haul in gravel to fill the bad holes. Bert suggested to put the larger gravel on the top and then small gravel over that and it should pack down. The irrigation company has talked to Coy about improving the road earlier, so maybe they will participate on this.

CEMENT TANK: Ray Crosby wants to use or buy a strip of land by the cement tank from LDWA to his property. The board members feel that the easement will be too close to the tank (within 50 feet) and could cause contaminants to our well. ~~The board decided not to allow a road that close to the well.~~

METER READING: Coy reread meters that the Johnson's did not read or were read incorrectly. Five were not read.

SOURCE PROTECTION PLAN FOR THE WELL: Alpha Engineering has finished the Source Protection Plan. However, they need us to answer two questions. 1. What events will necessitate rationing of water? 2. How will we deal with it? The questions were discussed and Sandra wrote down some ideas and Coy will answer the questions and return the information to Alpha.

ELT: Coy told the board that ELT Development went to Silver Reef Special Service District to try and get them to sell half of their water to them. But Silver Reef met with their board of directors and decided not to sell any water. Coy said that ELT will probably be back to try and work something out with us.

TESTS: Coy was proud to tell the board that both the well and spring were tested and came back absent of E coli and coliforms.

HICKMAN HOME: The Hickman home has been sold and we need to contact the title company to let them know that there is an amount due on the water bill and must be paid or we will shut off the water.

COX PAVING COMPANY: We have received payment for two billings that were sent to Cox. One billing has not been paid, so we will do a final reading and send the final billing to them plus a reminder that we still need to be paid for the last bill we sent them. Coy stated that with the money we have received and what we will receive from the Cox Company; we will have ample money to cover cost of the hydrant meter and valve that we bought. Scott suggested that it might be worth while to send Udot a billing for Cox to make sure they understand that we still have not received all the money due.

CONSUMER CONFIDENCE REPORT: Sandra handed out copies of the Consumer Confidence Report and Coy asked the board members to look through the report and see if there are any corrections they feel need to be made. The report was required by the E.P.A. and will be an annual report that has to be completed and sent to shareholders as they request copies. We will put in the next billing that the report is available for those who would like a copy.

KEYS: Coy asked the board members if they have all three keys to our water system. If they need keys Coy will get some made for them.

SILVER REEF: Coy said that we need to find out exactly what our agreement with Silver Reef is on the water from the spring by talking with the State and also our attorney.

MOVED TO ADJOURN SCOTT

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July 8, 1999

THE MEETING WAS HELD, THURSDAY, AT THE HOME OF COY WILEY AT 5 P. M.

Those in attendance: President Coy Wiley, Vice President Scott Hayes, David Coon, Bert Leany, Water Master Jim Parnell, and Secretary Sandra Browning

WELCOME: Coy Wiley

PRAYER: Scott Hayes

MINUTES: The minutes were discussed and two changes were made. Bert Leany moved to accept the minutes as corrected and David Coon seconded the motion and all board members approved.

FINANCIAL STATEMENT: The Financial Statement was discussed and Scott Hayes moved to approve the Financial Statement and Bert Leany seconded the motion and all approved.

BAD DEBTS: The delinquent accounts were gone over and it was suggested that a letter be taken to the most delinquent and told that their water would be shut off in 5 days if payment is not made. It was suggested that a letter be sent to all 90 days over accounts to explain that their water will be shut off in 15 days if all the bill is not paid. Jolynn Hickman has sold her home and the title company has paid the indebtedness on the water bill. Mr. Randle is behind in paying his bill and we need to contact him. Coy has been to the house and no one answered the door.

MILES CUNNINGHAM: Upon researching, we found that apparently, Mr. Cunningham did not receive notice that he must build within 18 months from the time he put a \$500.00 deposit on his water certificate or he would lose it. So Coy felt we should refund his money; so Sandra wrote him a check and mailed it to him.

PEARCE NEW METER: The money was received from Mr. Pearce for his meter and Jim Parnell installed it to his new home.

JIM PARNELL'S REPORT: Jim put a new line in the cement tank that controls the pressure switch that comes down from the green tanks. It is a little rubber hose that restricts the air in the line to the pressure switch; so now the switch is working great. And the water pressure is much better in town.

We have pumped the well twice this summer so far. Right now the tank is holding at half full. Jim feels that the spring will give us more water in two weeks because of the rain we have had. Jim took the valve and meter off the fire hydrant by Gene Hansen's home and has stored it at his home for now. Jim cleaned up the area by the spring.

Brian Hansen

NEW TAP: Mr. Walton wants to buy a water tap to put in a new house by his home. The problem is that it will not be on a frontage road.

SOURCE PROTECTION PLAN: Alpha Engineering has finished the Source Protection Plan and they have asked for a written approval of their work.

HASLEM'S WATER DEPOSIT: Mr. Haslem put a deposit on a water tap years ago and there was no restriction as to how long he could take before building on this property. Scott Hayes suggested that we refund his \$500.00 deposit. We should explain to him that we have a new policy that a shareholder has 18 month to build a home or the deposit is lost. Coy will talk to him.

SUBDIVISIONS: We need to present to the town planning commission our policies on subdivisions and ask that we be contacted if there are any accepted subdivisions that differ with our policies. Coy asked that Scott put together our policies on a mini subdivision. David Coon said that we need to date our mini subdivision policy and board members need to sign it.

QUAIL CREEK: We were billed from The City of St. George for the disinfecting of our well and Coy feels it was well worth the amount we paid.

MAPS : Coy's son-in-law will make up maps of our whole water system (pipe lines) in Leeds with all valves, hydrants, label all street names, addresses and numbers of all lots, show all existing pipes, all roads, property lines, right of ways in the city limits, label all bench marks with the elevations, trailer parks and so forth. We will receive two CD copies so if we have to make any corrections we can put it in the computer. Five booklets, one for each board member. Total cost for this bid is \$2500.00. They will be finished in 6 to 8 weeks from now. All board members present voted to accepted the bid (four board members were present with one member not attending the meeting.) Scott suggested that we find all the information we can and give it to him so he won't have so much work and time involved.

We need to get all information recorded before the older members of LDWA die and we loose it.

Y2K: David Coon suggested that we get prepared for the y2k problem and if there are any supplies we need to order this should be done now. Also Dave feels that we need to contact Alberta Lee and if the contract has expired; we should let her know that we will not sell her water at the price that Ron Fowlks quoted, but it will be much higher.

CAR AUCTION: Coy said that a man came to him and said that he bought property and is planning to have a car auction in town. He will need to have water ~~for~~ and it will be a commercial tap.

WATER TESTS: Coy picked up the water test bottles, when he was in Salt Lake, for the last 4 test of this year. All we have left is bacterial tests.

Coy received a call from a man who has land in Leeds over across the high way, by our water line going to the cemetery and he wanted to know were that line was for he was going to do some digging in that area. Coy had the man call Jim Parnell and he came over and found the line.

THE MEETING WAS ADJOURNED.

Leeds Domestic Waterusers Assn.

105 South Main St.
PO. Box 461194
Leeds, UT 84746-1194

Pres.	Coy Wiley	879-2723	Brd. Direct.	Bert Leany	879-2901
Vice Pres.	Scott Hayes	879-2357	Brd. Direct.	David Coon	879 2685
Sec. Treas.	Sandra Browning	879-2345	Brd. Direct.	Fred Friese	879-2387

August 12th, 1999, Thursday, 5:30 p.m. at Leeds Town Hall

THOSE PRESENT: President Coy Wiley, Vice President Scott Hayes, David Coon, Bert Leany, Fred Friese, Jim Parnell (Water master) , and Sandra Browning (Secretary). Mr. and Mrs. Dick Parry were in attendance also.

WELCOME: Coy

PRAYER: Fred Friese

MINUTES: The minutes were discussed and corrections made. Scott made a motion to accept the minutes as corrected and Bert Leany seconded the motion and all approved.

FINANCIAL STATEMENT: The Financial Statement was also discussed and questions asked. Fred Friese moved to approve the Financial Statement and Bert Leany seconded the motion and all approved.

Y2K: Coy reminded the board that David Coon suggested last month that we get needed supplies before the end of the year in case there is a Y2K problem. Board members thought this was a good idea. Items such as paper, ink, and toner for the computer and copier, and chlorine for the well and spring will be among the items to be purchased.

NEW CONSTRUCTION: Dick Parry asked Coy earlier for time on the agenda and so he was given the floor. Mr. Parry explained to the board that he plans to build a new home by the home he is now living in. Dick wanted to put the water line down behind the homes, but Coy told Dick ^{that} the line have to go in front of the homes by the road. Also an eight inch water line is required by the State for any new construction. (Scott asked Sandra to ask Jerry Browning if the 8 inch line is a requirement. Earlier Don Fawson, the Leeds Fire Chief, told Mr. Parry he would have to put the line in front of the homes. Also Don Fawson told Dick he will need to put in two fire hydrants. Coy felt that one hydrant would be sufficient. He will talk to Don Fawson about one hydrant. Coy suggested that Dick contact Russ Peine about putting in the water lines. Dick asked if the water company would participate in putting in the line and Coy said the LDWA could not for that was Mr. Parry's responsibility.

NEW TAP: When someone comes to Coy and asks about the availability of a water tap, he gives them an application. When the customer comes back with the completed application and a check for a \$500.00 deposit, they are given a copy of the signed agreement. Sandra is given a copy of the agreement plus the deposit.

NEW HYDRANTS: Don Fawson contacted Coy and suggested there should be two new fire hydrants in town. One by Walton Plaza and one by Pat Sheneman's business. Coy told the board the hydrants would have to be put into next years budget. It was suggested that property owners should participate. Bert suggested that the line be prepared by cutting the line and putting in the tee and let the property owners put in the hydrants. That is what the LDWA did for Ned Sullivan. Bert said it would cost about \$3000.00 to put in two hydrants. Coy tabled the hydrants for tonight.

CHLORINATOR: Coy asked Fred Friese to head a committee to find out about putting in a chlorinator, such as, method of installation, cost of project and etc. Bert Leany was asked to help and Coy said that probably Jerry Browning of the Rural Water would help.

ELT: Coy met with the County Commissioners earlier this week about ELT combining with Silver Reef to develop their new housing project. The commissioners are in favor of the combination and the State does not want any more small water companies and will not allow ELT to form their own water Company. There will be a meeting with ELT developers and Silver Reef, August 19th, Thursday, at 7 p.m. at the Leeds town hall and Coy asked all board members attend. Mr. Tim Anderson, the lawyer for ELT and the head of the project Mr. Doyle, will be present.

David Coon asked what possible benefit would we receive by combining with ELT, and sharing their costs. Fred Friese said we would be subsidizing a subdivider.

A copy of the "Five County Division of Governments" was handed out to board members to become familiar with this handout before the meeting on Thursday, August 19th. There is a section that proposes that small water companies in the area would combine and come under the leadership of The Town of Leeds. This would be Silver Reef, LDWA, Eldorado Hills, Casa Del Ora, HomeSpun, and Angel Springs. They would be annexed into one water system in the town of Leeds. Jim told the board if we formed an alliance with small water companies in the area the County would cooperate and work with us much better and not try to get us to combine with the Town of Leeds.

If the LDWA has to supply water for ELT, Fred suggested that we propose impact fees so they will pay for their own costs and we will not have to raise our water fees.

WATER LINE ON PECAN STREET: Coy is concerned about connecting Dave Lefler's line into our water lines. The Bullards are on the other side of the street and hook into the line there, but Coy is afraid that connecting in Lefler's line might be a problem. We need to find the best way to connect Dave's line in properly.

MONTHLY MEETING: Coy asked the board if they would consider meeting on Thursday nights at 6 p.m. at the Town Hall. All board members agreed.

IRRIGATION WATER: Coy Wiley asked Sandra if she would write a check to David Coon and his self to reimburse their money for the irrigation water. The town decided that they wanted to use our irrigation shares.

BAD DEBT: The bad debts were discussed and it was agreed that after the meeting tonight several board members will accompany Coy over to a shareholder's home and tell her if she does not pay her water bill that her water will be shut off. She has not paid any money since before the first of the year. She will have five days or her water will be turned off Tuesday afternoon, August 17th. at 5 p.m. Craig Mills can not pay any money for a couple of months, but will pay in full when he gets his money. The board felt that they could wait for a short time, if he will pay in full. He is disabled and will received a benefit check.

Coy told the board that the Town of Leeds does not want to pay the fee for using our irrigation shares to water the city's park and around the city building. Coy explained to them that we have to pay a yearly fee to the Irrigation Company of \$55.20 and if they use our irrigation water it is only fair for them to pay the fee.

Scott moved to adjourn the meeting.



ALPHA ENGINEERING COMPANY

148 East Tabernacle, St. George, UT 84770 • (435) 628-6500 • Fax: (435) 628-6553

August 26, 1999

Coy Wiley
P.O. Box 461194
Leeds, Utah 84746

Re: Proposal to Complete a Feasibility Study for Culinary Water System Improvements in the Leeds/Silver Reef Area.

Alpha Engineering Company is pleased to present our proposal to complete a Feasibility Study for culinary water system improvements in the Leeds/Silver Reef area. Alpha Engineering is in the process of completing culinary water Capital Facility plans for each of the four individual systems in the area, however, a consolidated analysis was not performed. We understand that board members from Angell Springs SSD, Leeds Domestic Water Users Association, El Dorado Hills Mutual Water Company and Silver Reef SSD have requested that a study be conducted to determine the feasibility of consolidating their water systems and of developing a new water source capable of serving all four systems.

PROPOSED SCOPE OF WORK

- 1. Economic Analysis** - Alpha Engineering will compare the cost of upgrading each company's system independently, as recommended in the Capital Facilities Plans, to the expected cost of constructing the infrastructure that would be needed if all the four water companies were to consolidate. The analysis will include:
 - Required upgrades needed at present
 - Required upgrades needed to meet buildout demands
 - Operation and maintenance costs for each system
 - Operation and maintenance costs for a consolidated system
- 2. Source Feasibility** - We understand that a couple of the water systems have had hydrogeologic reports completed to evaluate the feasibility of drilling new wells for their systems. We also understand that several potential well sites have been selected. Upon approval by the water companies to use the available hydrogeologic reports, the feasibility of developing a single source that would supply the combined needs of the four water systems will be analyzed. We will also evaluate the possibility of extending and/or enlarging existing wells. If feasible, associated costs will be provided. The costs will include well drilling and installation, pumps, pumphouse, transmission lines from the well, required valves and connections, automation and the cost of running electrical lines to the well.

- 3. Distribution Feasibility** - Alpha Engineering will construct a computer model of the proposed consolidated system to analyze the feasibility of connecting each system without having to replace the existing piping of any of the water companies. Scaled maps of each water company will be overlaid on an U.S.G.S 7.5-minute topographic map to determine the relative location of each water company. Alpha Engineering will then develop a model of the proposed, connected water system in *WaterCAD v.1.5* by Heastad Methods. Elevations of key locations will be determined by our GPS survey system, as required. Peak instantaneous and fire flow demands will then be modeled to determine the adequacy of existing piping.

We have attempted to obtain drawings of the Silver Reef Special Service District system and were referred to the engineering firm that designed the system. The firm indicated that a fee of \$500 to \$1,000 would be charged for the drawings. For this proposal, we assume that Silver Reef Special Service District would provide necessary drawings without additional cost to Alpha Engineering.

- 4. Storage Capacity** - Alpha Engineering will compare the storage capacity needs of the existing systems, operating independently, with the needs that will exist under a consolidated system. The recommendation of Kimball Wallace, consultant to the Five County AOG, that 100,000 gallons of fire suppression storage be available, will be used to determine needed storage facilities, both for water systems operating independently and for a consolidated water system. The existing storage tanks for each system will also be evaluated to see how they would function in a consolidation scenario and to determine pressure zones that may be required. The feasibility of constructing a larger tank at a higher elevation capable of serving all four systems will also be evaluated.
- 5. Water Rights Assessment** - The Capital Facilities Plans prepared for each water company contains a listing of water rights owned by the respective water companies. The sum of these water rights will be compared to the number of water rights that would need to be transferred to a new well to determine if additional water rights will need to be acquired.
- 6. Proposed Funding** - Alpha Engineering has recently assisted Glendale, Kanab, and the Kane County Water Conservancy District in obtaining funds for culinary water projects. We are also in the process of assisting the Pine Valley Water Company with funding to expand their culinary water system. County, State and Federal agencies will be assessed as potential funding sources.

CONDITIONS, SCHEDULE AND FEES

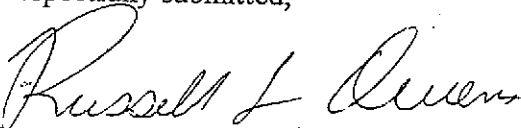
Alpha Engineering Company proposes to undertake the above scope of work on a LUMP SUM basis in accordance with the terms and conditions presented in Attachment "A". We have presented two costs based on varying scopes of work. Costs can be somewhat reduced depending on whether elevations of tanks and other structures are extrapolated from USGS quadrangle maps or determined by GPS survey. Based on the scope of work presented above, our fees to complete the work are as follows:

~~Study with GPS Survey~~ Study with GPS Survey { \$4486 }
Study using USGS Topography - \$3,958

Our completed study will be issued within two weeks from the notice to proceed.

If you have any questions regarding the proposed scope of work or any other aspects of our proposal please call.

Respectfully submitted,


Russell L. Owens, P.E.
ALPHA ENGINEERING COMPANY

Attachments:

- A. Engineering Services Agreement

ATTACHMENT "A"

ENGINEERING SERVICES AGREEMENT
BETWEEN OWNER AND ENGINEER

- A. **REQUIRED INFORMATION:** It is the owner's responsibility to provide the engineer with all information in his possession pertinent to our completion of this project.
- B. **OWNERSHIP OF INSTRUMENTS OF SERVICE:** All reports, plans, specifications, field data and notes, and other documents, including all documents on electronic media, prepared by the Engineer as instruments of service shall remain the property of the Engineer.
- C. **SERVICES OFFERED:** This proposal does not include a traffic study, environmental study, cultural study, NPDES, tortoise survey, landscape plans, irrigation plans, site lighting plans, electrical load calculations, "as-built" drawings, ALTA, survey control monuments, inspection, or testing unless specifically addressed in the proposal or any other service not specifically addressed.
- D. **CONDITIONS OF PROPOSAL:** This proposal expires if not signed within thirty days from the proposal date. An increase in fees will be negotiated if notice to proceed is not given on all items within 180 days of the proposal date.
- E. **UTAH LAW:** Any litigation, controversy or adversary proceeding will be governed by the laws of the State of Utah.
- F. **LIABILITY:** The owner agrees to limit the Design Professional's liability to the owner and to all construction contractors and subcontractors on the project, due to the Design Professional's negligent acts, errors or omissions, such that the total aggregate liability of the Design Professional to all those named shall not exceed \$50,000.00 or the Design Professional's total fee for services rendered on the project, whichever is greater. The design professional will not be liable for consequential damages of any kind, nature, or description.
- G. **PAYMENT:** Progress payments shall be made in proportion to services performed. All payments shall be due within 30 days of the Engineer's submittal of his invoice. Any invoiced amounts not paid within 30 days from date of presentation of the invoice shall commence to bear an interest of 18% per annum. Alpha Engineering is entitled to suspend the performance of any and all obligations under this agreement if payment is not received within 30 days from engineer's submittal of invoice. If the amount is not paid and must be placed into the hands of a collector or attorney, additional charges will be due for the cost of collection, interest costs, and attorney's fees.
- H. **COSTS:**
1. Additional work and reproduction expenses will be invoiced per our Standard Rate Schedule.
 2. Should any proceedings be brought against the engineer because of any failure or alleged failure to perform, error, omission, or negligence and if not successfully prosecuted, client agrees to pay the engineer any and all costs of defense.

Leeds Domestic Waterusers Assn.

105 South Main St.
PO. Box 461194
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Vice Pres.	Scott Hays	879-2357	Brd. Direct.	David Coon	879 2685
Sec. Treas.	Sandra Browning	879-2345	Brd. Direct.	Fred Friese	879-2387

September 16, 1999

THURSDAY, AT 6 P.M.
LEEDS TOWN HALL

THOSE IN ATTENDANCE: PRESIDENT COY WILEY, V.PRESIDENT SCOTT HAYES, DAVID COON, BERT LEANY, FRED FRIESE, JIM PARNELL, AND SANDRA BROWNING. ALSO IN ATTENDANCE DALLIN GARDNER AND ENGINEERS FROM BUSH AND GUDGELL REPRESENTING ELT AND JIM BRAY REPRESENTING ELDORADO HILLS, DICK PARRY, AND FIRE CHIEF DON FAWSON .

WELCOME: Coy Wiley

PRAYER: Coy Wiley

Note : The minutes and financial statement were discussed at the end of the meeting to give those on the agenda time to present there presentations and be excused.

ELT: Coy told the LDWA Board that Dallin Gardner, representing ELT and Tim Anderson who was unable to attend, will present a proposal for water to their development for LDWA's consideration.

ELT has presented other proposals to LDWA that were not satisfactory, and on one proposal, the mechanical and electrical pump was not accepted by the fire district, with Fire Chief Don Fawson stating "gravity never faileth".

The option ELT is presenting tonight, they feel, is the best researched and most expensive proposal yet. Bush and Gudgell, an engineering firm, has done the research and will present the proposal. Dallin passed out a written proposal to those present and turned the time over to the Bush and Gudgell engineers to explain their proposal and a map they prepared showing how the water system would be laid out. The engineers said they had three option: one, working with LDWA, second, working with Silver Reef and third, creating ELT's own water company, and the State would not okay the third option, so they were back to working with LDWA or Silver Reef. Bush and Gudgell tried to find the best way to work with the two water systems and meet everybody's needs. The proposal will help solve some of Silver Reef's problems, such as, adequate water pressure for fire protection. Silver Reef has a 6 inch line from the tank to the distribution system, causing friction losses in the line and limits the amount of fire protection. About 600 gallons per minutes can be expected out of the hydrants at Silver Reef. And that was fine when the system was put in, but since that time the State and County requirements have raised from 500 gallons to 1,000 gallons per minute of water flow from the hydrants. Any new development must have 1,000 gallons per minute. Another problem that Silver Reef has is they only have one water source at the spring and this would be solved by pumping water from the LDWA's well back up to the Silver Reefs tank in the 8 inch line. The Engineers decided that an eight inch water line needed to be run parallel to the Silver Reef 6 inch line. Also the length of the second line would need to be about 3800 feet long to provide the amount of water pressure for proper fire protection and peak daily demands. This is based on line sizes, the altitude between the tank and Silver Reef , and water flow. The second problem was to provide a second source for the system if the first source failed. This solution could be solved by having a joint agreement to pump

water out of the LDWA's tank (the ELT's water rights are already in LDWA's tank) if and when there is a lack of water from the spring, the pump would turn on and water would be pumped back up to the Silver Reef's tank for distribution. A pump will be put on the LDWA's tank for this purpose. ELT would then be adding an additional line for Silver Reef and also a pump station at the LDWA's tank or any place of agreement by the parties involved. There would be several agreement that would need to be worked out on pumping costs, electrical costs, and etc. The map was explained to those present.

Fred asked why the 8 inch line did not go clear up to the Silver Reef Tank. The engineer replied that it could, but would have about ¹⁵⁰⁰1500 pound of pressure instead of 1,000. ELT will tie into the existing 6 inch line, but could tie into the tank and then tie into the 6 inch line. Fred also asked who would stand the maintenance costs and pump replacement, if it were to fail. The engineer explained that the 18 new homes would some how stand the costs by an agreement between LDWA and the new homes. David Coon asked who would be maintaining the pump and the engineer suggested that LDWA take care of the pump. Dave also asked the size of homes, and Dallin said that the square footage would be around 2400 feet.

Coy remarked that he does not see any advantage for LDWA in this proposal. He is worried about the cost it will incur the Town of Leeds. The engineer said that he understood and that arrangement would have to be made with the 18 new home owners to make up the expense. Coy stated that he was at a meeting a few weeks ago at the Tabernacle Towers and Tim Anderson was referring to the LDWA's well as his well. That is not ELT's well and Tim felt because he had 18 acre feet in our well it became his. Dallin said that the State put the ELT's water in the LDWA's well. They can use a change application and put the water where ever ELT needs it put.

Don Fawson explained that from a Fire Chief's point of view, this new proposal with the 8 inch line would benefit Silver Reef and give them more water pressure in case of a fire. At the present time, even if Silver Reef does have access to the LDWA's well, they would not have the pressure needed for fire fighting if their water from the spring was cut off.

Fred Friese said that we need a document from the State and ELT that there would not be any more growth in this development. Also, the water shares transferred to our well are irrigation and not culinary so we would require a letter from the State Engineers stating we would get the gallons that is proposed in this agreement. This must be done before any papers are signed. Here again, that pump may fail sometime down the road and we will be stuck with this impact amount. Dallin Gardner explained that LDWA will need to build into the new 18 homes monthly base rate an extra charge to pay for such unforeseen things as this. Scott asked if ELT has does some figuring on pump prices for this proposal. The engineer explained that they have used prices from other developments and this would be something to be checked out if the proposal is accepted.

Don Goddard mentioned that ELT does not have a right to spring water, but only well water. However, then the pump would have to be used and there would be a large electricity bill. Don asked the engineers why ELT is planning to put in a 100 gallon per minutes pump when there is a need for 1,000 gallon for fire protection. Don questioned why Silver Reef would not get water pressure from our tanks as they are set up now.

The engineer explained that they took the peak amount of water needed and it was 92 gallons per minute and that was the figure for the 100 gallon per minute pump. (The State demands that your source meets your peak day demand.) The 100 gallons per minute would be coming out of the LDWA's tank. Dallin Gardner asked that the proposal be studied. He stated that this is a discussion paper and that we are looking for the best possible solution for all parties.

Scott suggested that we go over the proposal and then research such things as, spring rights, annexation, and actual size of Silver Reef's tank and then come to a conclusion. Dallin Gardner and the engineers asked to be dismissed.

Jerry Browning, of the RWAU, talked to ELT and made these suggestions for LDWA:

He suggested the 8 inch line go all the way to the Silver Reef Tank, the pump be closer to the Silver Reef Tank, and an automatic turn on be put on the pump. So when the water is low it will turn on immediately. It was also suggested that ELT not only supply the water for their development, but also each home pay an impact fee of \$2500.00.

LEEDS FIRE CHIEF: Don Fawson, Leeds Fire Chief told, the board there is a need for two new fire hydrants in town. One hydrant should be put by Pat Sheneman's Business, across from the Walton Plaza and also the Walton Plaza needs a hydrant and should be placed by CatFish Charlies Restaurant. Coy Told Don that the hydrants have not been budgeted for this year and asked if there were any funds from the fire district that could help pay for these hydrants. The cost per hydrant and labor will be close to \$2500.00. Don said that the fire district is "US" and we need to protect ourselves. There are no funds set aside for hydrants. A fire hydrant should be placed every 500 feet. The LDWA and the Town should work together to make sure this is done. The town approves the building in town and hydrants should be required.

RICHARD PARRY: Richard Parry was hoping that if the LDWA and the Eldorado Hill Water Company put a line between their companies for an emergency, that they will participate on the cost of the line to his new home and use that as the connecting line.

ELDORADO HILLS: Jim Bray of the Eldorado Hills Water System attended our meeting and said that they are putting together a water contingency plan for the State and it requires that they have two water sources in case their existing water supply is interrupted. Jim wanted to know if there is any benefit for LDWA to have a joint dry line between our two systems. In case of an emergency either water company could provide water for the other if one company's water service was disrupted. The board was very interested and plan to look into this proposal. It was suggested that if we run a line to Richard Parry's new home we could use that line as a connection to Eldorado Hills. We could all pay a part of the line. It was suggested that we increase the line to 8 inch and we would pay for the extra 2 inches. Eldorado Hills and Richard Parry could split the rest of the cost. Also Jim Bray told the board that 4 parcels of land in Eldorado Hills are in the Town of Leeds and asked if Eldorado Hills could buy a water tap for each parcel of land. The board said that it was very possible and they would discuss this proposal and get back with Jim Bray after some study. Bert Leany stated that if the line was put in; that a loop could be put in the line so there won't be contaminants. He also stated that we need to start cooperating with other water companies. It was stated that this is the only way the small water companies can survive. Coy told Jim Bray that we would get back to him.

BAD DEBTS: Craig Sullivan paid the \$2000.00 left due on the water certificate for the home he built. Jim Parnell will hot tap it in and Craig will do the digging so there won't be any cost in putting the meter in.

COX CONSTRUCTION: Cox Construction asked the town to use our water again for a week to chip and seal the hiway. Coy got the board's approval so if Cox comes to the water company; Coy will have their okay.

WATER TESTS: David Coon did the water testing this month on the spring and the well. The spring test was good, but the well had coliform present. David called Jim and he was up at the well at 7 a.m. the next morning and chlorinated the well and ran the pump and had it ready for testing in a couple of hours. The new well test was a good one. Coy feels the problem is that we need to run the well before we take a water test. Jim was asked to now run the well once a month before we test. Jerry Browning suggested that we put in a water line from the well to the ditch to replenish the water to the irrigation company.

We now have our testing done in St. George for the cost is only \$5.00 a test.

ALBERTA LEE: Alberta Lee went to the Town of Leeds and told them that LDWA promised her plenty of water for her development. She told Coy that she had it in writing from Ron Fowlks. So Coy got a copy of the agreement from our attorney and Sandra copied it, so each board member could study the document and Coy asked the board to meet and discuss the agreement in a week.

SPECIAL MEETING: Coy asked the board members if they would meet next Thursday, September 22rd at 4 p.m. at his home. All board members agreed to meet then.

TOWN OF LEEDS: Coy asked the board what they thought about giving the Town of Leeds free water up to 20,000 gallons for the town hall, plus 20,000 gallons for the new cemetery. we are already providing 20,000 gallons for the old Leeds Cemetery. Then they could put in grass and make the cemeteries look much better. The board was all in favor as long as the town pays any overage that they incur.

WATER LINES: We have an 8 inch water line and other supplies that are sitting out in the weather by the trailer and it was suggest that Jim get some tarps and cover them for protection.

MINUTES: The minutes were discussed and corrections made and Bert Leany moved the minutes be accepted as corrected and David Coon seconded the motion and all approved.

FINANCIAL STATEMENT: Scott Hayes moved to approve the financial statement and Bert Leany seconded the motion and all approved.

Scott Hayes moved to adjourn.

SPECIAL MEETING OF THE LDWA
THURSDAY, SEPTEMBER 22nd. AT COY'S HOME.
AT 4 P.M.

Those in attendance: President Coy Wiley, V. President Scott Hayes, Fred Friese, Bert Leany, David Coon, Jim Parnell, and Sandra Browning. Plus, representatives from Silver Reef Special Service District.

Coy Welcomed those in attendance.

CROSBY DEVELOPMENT: After a brief discussion it was decided the LDWA Board would not approve Ray Crosby's request to use our land by the cement tank for a road to his development. The road being so close to the tank could cause contaminates. We don't want to take the chance.

ALBERTA LEE DEAMER PROJECT: At our September meeting Coy handed out a legal document that our attorney had written up for Ron Fowlks, our previous LDWA President, and Alberta Lee Deamer in regards to buying water for her new development. Coy asked the board members to study this document and be ready to discuss it at this special meeting, September 22rd.

Coy told the board that Alberta Lees project has gone from 17 homes to 14 homes. Also she has a partner, Russell J. Limb, who she will be working with.

Ron had made some changes he wanted to be added to the document with Alberta and it was never finished or signed, but there was a verbal agreement between Alberta and Ron. Coy plans to have the changes made and there are a few things he wanted to be made more clear. Such as, there will be a time

limit on the document and the price of the water shares will have to be raised to include all costs that we paid to buy the water from Alene Cuff. This will be researched out, so we can come up with a figure for legal fees, state costs, engineer fees and etc. Also the amount of an acre foot of water is 1,203 feet or 392,000 gallons. And not 1,000 acre feet, so Alberta will have to purchase more water for each of the 14 homes. Coy will put together the cost figures and we will meet with Alberta at our October monthly meeting.

ALLIANCE OF SMALL WATER COMPANIES: Oct. 7th a group of small water companies plan to meet and discuss how they can form an inter local agreement or an alliance together, for greater protection from larger water companies that want to take over the small water companies in the area. Working under the alliance will give them a better chance for survival.

SILVER REEF: Glade Dalton, Dick Freeman, Larelle Dalton, and Pam Freeman were present and Glade handed out a written proposal as to how Silver Reef would like to change the water systems to make room for the ELT Development. Also Glade handed out maps to show how the changes could be made. And not just a Band-Aid for a temporary cure.

Since the LDWA, Silver Reef, Angell Springs, and Eldorado Hills water companies are actively pursuing an "inter-local Agreement" as suggested by 5 County, Washington County, & State groups to upgrade and simplify water systems. SRSSD's proposal is based on this agreement.

Here is Silver Reef's Proposal:

1. Inter-local agreement. Run an 8 inch line from the top of LDWA's tank to the LDWA's pump with shut off valves "in line" and at the tank.
2. With all 4 companies in agreement, will construct a 500,000 gallon tank or larger, 300 yards from the now existing well (uphill), to a point above 4, 100 feet, approx. the same height as the existing Silver Reef tank, then connect the LDWA (spring water) line directly to the "Super Tank", bypassing the now existing LDWA tank at 3932 feet. Altitude valves must be used.

Several things would be accomplished:

1. Gravity feed from spring to all tanks with full high pressure.
2. No booster pumps or mechanical devices needed.
3. Existing well to be upgraded to "Super Well", (if possible), to maintain water level at super tank 300 yards away.
4. This would serve the present needs of 4 water companies. and allow for future expansion.
5. Eldorado Hills can now connect for full services, & pressure.
6. Angell Springs can now connect for full services & pressure.
7. Each company will remain independent, but enjoy joint benefits of services, maintenance, testing, meter reading, and etc. to be work out.)
8. All 4 companies will have a ~~redundancy~~ back-up system, (which will be a government requirement within a few years.)

The rest of the proposal and the map is connected to the minutes and can be reviewed.

There was a discussion time and then the representatives of the Silver Reef left.

It was suggested that LDWA not go to such a large expense, but put in a smaller tank in the near the Silver Reef tank and not involve the other water companies at this time. Scott called the Stout Company who put in our last tank and he found that they would install tanks as follows :

- 100,000 gallon tank for \$56,000.00
- 140,000 gallon tank for \$67,000.00
- 360,000 gallon tank for \$110,000.00
- 500,000gallon tank for \$145,000.00

It was suggested that we contact ELT and see if they will be willing to put in a water tank instead of the proposal to Silver Reef. Coy will put the proposal together and contact ELT. The meeting was adjourned.

Special meeting Sept 23 1999
Thursday

SILVER REEF SPECIAL SERVICE DISTRICT PROPOSAL

Sept. 23, 1999

ELT is proposing a new subdivision, of 18 homes, adjacent to Silver Reef. This can, and will be a good addition from what we see of the plot plan. We understand they have given, or will give LDWA about 21 acre feet of water rights to be held in the LDWA well. But to get "actual" water, the Silver Reef water tank is the only one, at present, to give adequate water pressure, (gravity feed). Suggestions were made to use constant run or demand pumps on the low lying LDWA tank to get pressure, but this was not appealing to LDWA, because of electrical/ mechanical failure & maintenance. So Silver Reef's tank & delivery system was suggested. But the delivery system is a 6" line, too small by today's standards to give adequate fire protection. Also, Silver Reef's water is all spring water, and a choice commodity.

At present LDWA, SRSSD, Angell Springs, & Eldorado Hills water companies are actively pursuing an "Inter-local Agreement", as suggested by the 5 County, Washington County, & State groups to upgrade & simplify water systems. Our proposal is based on this agreement. The following is our approach to solving this problem:

SRSSD PROPOSAL

I. Inter-local Agreement

We recommend running an 8" line from the top LDWA tank to the LDWA pump with shut off valves "in-line" and at the tank. See drawing.

II. All four companies, in agreement, will construct a 500,000 (or larger) tank 300 yards from the now existing well (uphill), to a point above 4,100 feet, approximately the same height as the existing Silver Reef tank, then connect the LDWA (spring water) line directly to the "Super Tank", bypassing the now existing 3 LDWA tanks. The supply line will then run back from the super tank to pressurize the 3 existing LDWA tanks at 3932 feet. *rise altitude values -*

THIS WOULD ACCOMPLISH SEVERAL THINGS:

1. GRAVITY FEED from spring to all tanks with full high pressure.
2. No booster pumps or mechanical devices needed.
3. Existing well to be upgraded to "Super Well", (if possible), to maintain water level at super tank 300 yards away.
4. This would serve the present needs of the 4 water companies, and allow for future expansion.
5. Eldorado Hills can now connect for full services, & PRESSURE.
6. Angell Springs can now connect for full services & PRESSURE
7. Each company will remain independent, but enjoy joint benefits of services, (maintenance, testing, meter reading, etc. to be worked out).
8. All 4 companies will have a redundancy back-up system, (which will be a government requirement within a few years.)

SILVER REEF SPECIAL SERVICE DISTRICT PROPOSAL TO ELT & LDWA

Sept 23, 1999

1. In order to eliminate electrical & mechanical devices from our water system, we recommend a new 8 inch line be installed from the Silver Reef storage tank to the valve station at the top of Silver Reef. The Silver Reef tank is at such an elevation that Silver Reef now has in excess of 125 p.s.i. pressure. This would allow Silver Reef and the proposed ELT subdivision to meet the new State requirements for 1,000 GPM for fire protection.

2. Silver Reef will give ELT the right to connect to our infrastructure and water system IMMEDIATELY, if the following is acceptable:

A. ELT agrees to pay to SRSSD \$150,000, which would enable us to install and upgrade water lines and valves from the tank to the valve station, and enable ELT to connect. This will help pay: 1. Costs of Inter-local agreement share 2. Redundancy for ELT & SRSSD (but eliminate the need for a pump and mechanical/electrical systems)

B. ELT agrees to put a loop on the water lines which are dead-ended on their plans.

C. The County Commission agrees that there will be no further expansion of the Silver Reef Special Service District, and all future water needs will be met through the new "Super Well".

BENEFITS

1. ELT, if above is acceptable, will have the right, IMMEDIATELY, to proceed with development of their subdivision, and connect to the Silver Reef water system, with future redundancy system guaranteed.

2. LDWA receives:

A. 21 acre feet of water from ELT.

B. Right to collect \$45,000 in impact fees *25 x 18*

C. Monthly water payments from 18 homes

D. No additional electrical or mechanical devices to be installed, for future upkeep & failure.

3. SRSSD receives:

\$150,000 to upgrade system and help with cost of inter-local agreement, and future redundancy system

Note: LDWA will be responsible for future repair, upgrades, maintenance and/or replacement of any component of the water system related to the ELT subdivision.

ELT will be responsible for installation of the water lines and meters to each lot in their subdivision.

Leeds Domestic Waterusers Assn.

105 South Main St.

PO Box 461194

Leeds, UT. 84746-1194

Pres.	Coy Wiley	879-2723	Brd Direct.	Bert Leany	879-2901
Vice Pres.	Scott Hayes	879-2357	Brd. Direct.	David Coon	879-2685
Sec. Tres.	Sandra Browning	879-2345	Brd. Direct.	Fred Friese	879-2387

October 22, 1999

FRIDAY, AT 6 PM
LEEDS TOWN HALL

THOSE IN ATTENDANCE: PRESIDENT COY WILEY, V.PRESIDENT SCOTT HAYES, DAVID COON, BERT LEANY, FRED FRIESE, JIM PARNELL, AND IDA WILEY, ACTING SECRETARY. ALSO IN ATTENDANCE: RON FOWLKS, ALBERTA LEE AND HER PARTNERS, SETH COOK AND WIFE SHARON COOK.648-2850

WELCOME: Coy Wiley

PRAYER: Bert Leany

Note: The minutes were discussed. The motion to accept the correction of the minutes was made by Fred Freise and seconded by Bert Leany. The financial statement was tabled until Sandra returned and will be discussed at that time.

BAD DEBTS: Fred suggested that late bills owed by people should come before the water board to plead their case rather than the board members running them down. Coy said that the board should turn their water off after 90 days. Then they would show up to ask for their water to be turned on.

Mindy Broadbent moved and sold through a real estate office, Coy asked David Coon to help search through the title company to recover the money owed. Title company will be responsible for the money if they are unable to recover it from Mindy's mother. New owner is Carlyle Ollerton.

A suggestion made by Bert that LDWA help jointly with the Town to help collect water and garbage bad debts. Joe Mitchell said that a lien could be put on their house if they didn't pay.

ALBERTA LEE: Ron Fowlks explained the purchase agreement he and Alberta had made on October 10, 1998. Alberta said the reason the project was set aside was because she was waiting to see what would happen with the sewer system. At that time Ron had visited with Rick Hafen and they had gone over several items specifically water costs, connection fees, certificate fees and came up with a figure of what water was valued at that time. The cost of the water would be subject to whatever the board agrees on. Ron stated that the Hogan Springs water was purchased for the purpose of the Town of Leeds not annexed land. The property is within the boundries of Leeds. Coy had come up with costs of legal expenses incurred strictly on behalf of Alberta, engineering fees, plus the cost of the water purchased and interest.

PROPOSED SALE OF 14 WATER SHARES TO ALBERTA LEE:

Water purchased from Alene Cuff	86,500.00	
Interest paid up to 11/01/99	<u>19,086.00</u>	
	105,586.00	
		105,586.00
Amount paid to Cuff at Closing		18,000.00
Hafen legal fees		1,066.00
Engineering Fees		<u>1,064.00</u>
Total cost as of 11/01/99		125,716.00
Number of acre feet	34	
Legal fees incurred for Alberta Lec		425.00

(425.00 divided by 14 = 30.36 per share)	
LDWA cost per acre feet (1.22 acre ft per share)	3697.52 + 30.36 = 3727.88
14 water taps = 16.842 acre feet of water times 14 =	62,784.95
LDWA's cost for 14 taps	4,484.63 per tap
Installation not included	
Impact upon water system as determined by engineers unknown at time of meeting.	

Alberta submitted blue prints to be given to engineers for study on impact of LDWA water system. No time was set for the proposed agreement, until the time that the agreement is signed, nothing is set in stone. Joe Mitchell was asked what is happening with the sewer system. He said it is still on hold. Ash Creek is not willing to work with Leeds Town. Possibly will lose loan, Leeds looking at putting in our own ponds.

Alberta stated that her homes will be built in the next 5 to 7 years. She wanted to know about financing the taps. If 10 taps per year is still in effect, could she buy 5 now and some later. If Alberta buys taps over more than one year, she would have to pay the additional interest LDWA will pay to Alene Cuff for the Hogan Springs water. Alberta said that 12 to 15 years ago, her husband applied for 75 second ft. of water, she said that LDWA was welcome to apply for that water if they wanted to. A discussion developed regarding how to go about securing this extra water. Ron Thompson was discussed regarding the artesian well sold to him by Merlin Sullivan. Pressurized irrigation water would give more water for culinary use. Coy said that Ned Sullivan and Merlin were starting to talk in that direction.

Alberta was told she could pay for her water taps all at once or a few at a time. Coy said the cost of water shares may have to be raised because of the costs. A survey of the town was made and found close to 60 to 70 lots that could be built on so LDWA has to make sure there is enough water for existing lots within Leeds boundaries..

IMPACT FEES: Ron Fowlks stated that the by-laws read that to adjust an increase does not need a shareholders vote. The board can initiate it at any time with a majority vote. (Section I, Article 2).

Ron Fowlks said that Alpha Engineering had been commissioned by the state to do a study on what each water company could do to improve their water system, to see if they are charging enough in fees, etc.

Bert was asked to head up the meeting of the three water companies, let Ron know so he can attend, and continue dialogue to connect the water companies for support use.

David Coon felt that the board should act tonight on making a change in fees. The Felt and Westoff's shares are not effected by interest. There is a different setup on the purchase of their shares. Coy said that Craig Sullivan has already asked for one tap. If there is a raise in impact fees, there should be a cut off date so a builder can't come in and buy up 10 taps all at once. There was a discussion of an amount \$3,000, \$3500, \$4000 or \$5,000 to increase the fee for single lot taps. The date the fee is voted upon should be the date of the increase. Proposal for a freeze on purchasing taps until the fee is established and voted upon. David made a motion for a freeze and Scott seconded it. An additional meeting was set for Wednesday, October 27, 1999, 5:30 pm at the Wiley's home. The meeting was set for board members to sleep on the issue of the fee amount and be ready to make a vote. Discussion was also made on rather to increase monthly fee from \$16.00 to \$18.00. This issue would require a shareholders vote.

Fred volunteered to represent LDWA at the Town Council, which meets every second and four Wednesday. If he is unable to attend he should call someone to fill in.

JIM BRAY: Coy didn't call Jim about the meeting and will notify him to be on the agenda for the meeting on Thursday, November 11, 1999.

NEW ADDITION OF VALLEY ROAD: Coy asked Joe Mitchell about Valley Road. He asked for better communication between Town Council and LDWA. The water company needs to lay the pipe and T's for fire hydrants before the road is completed between Cherry and Babylon.

LDWA needs to check on who owes for the pipe laid across from Craig Sullivan and Dave Coon.

LDWA would like a member of the Planning Committee to attend the LDWA meetings.

JEFF CARTER PROPERTY: Ray Crosby sold a piece of his property to Jeff Carter. Coy sold a water permit to Jeff Carter on the 2" water line. Bert said that the 2" line is the same one that feeds into his property. When all the people turn their water on, Bert does not have any water pressure. Carter's water permit is paid for with stipulations that he will install water hydrant, water lines and water will not be turned on until house is occupied. The concern was expressed about no water during building might cause a problem in case of fire. Carter was not concerned, he said he had adequate fire insurance to cover costs. Jim Parnell was questioning the hookup to the 2" line as only a temporary hookup for building. He feels that Carter should hot tap into the 8" line.

WATER QUALITY TESTS: The last tests were taken up to Salt Lake to ChemTech Ford. It completes the last of the big tests for 1999. The only ones left are the monthly bacteria tests.

GOOD OF THE ORDER:

1. LDWA agreed to pay the difference between 6" and 8" pipeline and any other connections for hydrants, from the fire hydrant south of Hack Lewis' to tie in with Eldorado Hills.
2. Walton should have to pay for fire hydrant just like any other business has to pay. If we put hydrant in we would have to pay for Alberta's or anyother business that comes along. (Correction)
3. ELT: Bert said that Glade Dalton said that ELT had an option to 500 acres around our ~~tank~~ ^{Well}. We need to talk to BLM to get permanent pertection. Coy thanked Bert for taking the lead in facilitating well and tank agreement for running excess water out of Silver Reef's tank into ELT tank before flowing into LDWA tank. ELT would install a 140 thousand gallons tank. ELT said they would sign agreement to only one sub-division. They would build 18 homes over a period of 3 years. These homes will all be over one million dollars. This tank system would give Silver Reef more water pressure. ELT will get back with LDWA for additional agreement dialogue.

LDWA talked about increasing the size of the tank that is installed by ELT from 140 thousand to 200 thousand.

OLD BUSINESS:

1. ~~Jim~~ ^{Scott} has a pipe without a meter to be ~~corral~~. Coy asked ~~him~~ to find out for sure.
2. Jim suggested that when the well is run just to keep it activated and drain the well water into the irrigation pond especially during times of draught. This would develop a better atmosphere.
3. Scott suggested a LDWA Board dinner. Coy volunteered to have the dinner at his home. Plans to follow.
4. Phillip Peine worked to prepare the figures for the Alberta Lee proposal. Coy asked board to agree on a gift certificate to thank Phillip.
5. Coy as Fred to keep on the water meter readers to do a better job.
6. LDWA needs permit from State to install pressure regulator valves. Center Street and Main.
7. Scott asked if anyone was draining the end line behind Walton shopping center.

Dave made a motion to adjourn.

Proposed Sale of 14 Water Shares to Alberta Deemer (Lee)

Cuff 86,500.00
 Interest Paid up to 11/01/99 19,086.00
 105,586.00

105,586.00
 Amount Paid to Cuff at Closing 18,000.00
 Hafen Legal Fees 1,066.00
 Engineering Fees 1,064.00
 Total Cost as of 11/01/99 125,716.00
 Number of acre ft. 34

Legal Fees Incurred for Alberta Lee \$425.00
 \$425.00 divided by 14 = \$30.36 per share.
 LDWA Cost Per acre ft. $3697.52 + 30.36 = 3727.88$
 (One water share equal 1.202 acre ft)
 LDWA Cost for 16.828 acre ft of water **62732.77**

Impact upon water system

See attached copy from alpha engineering:

Storage fee at .45 per gallon 562.00
 Well impact 242.00
 804.00 per tap

Impact study fee from Alpha Engineering \$375.00 26.79 per tap
 \$830.79

Cost of Water \$ 4480.91 per tap
 Cost of Impact on system 830.79
 5311.70 X 14 = **\$74,363.83**

Cost of 3/4" meters and installation is \$50.00 (\$500.00)
 Cost of 1" meters and installation is \$110.00 (\$440.00)

Escrow Account for project inspection on Silver Meadows Estates II. \$1000.00
 Refunded if not used.
 Held in escrow at 1st Security Bank with expenses verified by receipts

This figure is as of January 31, 2000. Total payment is **74,363.83**

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Proposed Sale of 14 Water Shares to Alberta Deemer (Lee)

Cuff	86,500
Interest Paid up to 11/01/99	<u>19,086</u>
	105,586

	105,586
Amount Paid to Cuff at Closing	18,000
Hafen Legal Fees	1,066
Engineering Fees	1,064
	<hr/>
Total Cost as of 11/01/99	125,716
Number of Shares	34

Legal Fees Incured for Alberta Lee 425.00
 425 divided by 14 = 30.36 per share
 LDWA Cost Per Share 3697.52+30.36= 3727.88

LDWA Cost for 14 ^{AC FF} Shares = 52,190.32

Need to input impact fees.

$\frac{52,190.32}{14} = 3,727.88$
 $\frac{52,190.32}{14} = 3,727.88$
 16,842 AC FF 4484.63 per tap

KENDRICK J. HAFEN
ATTORNEY AT LAW
2766 RED MOUNTAIN DRIVE
P. O. BOX 623
SANTA CLARA, UTAH 84765

(801) 634-0244

FAX (801) 634-0078

October 20, 1998

Leeds Domestic Waterusers Association
c/o Ron Fowlks, President
P.O. Box 460572
Leeds, UT 84746-0572

Re: Development Agreement for Alberta Deamer

Dear Ron:

Enclosed please find a draft of the Development Agreement that I have prepared. I inserted the changes we discussed as well as deleting and adding throughout the document. Please review this draft and let me know of any other changes that you feel necessary. The only part that I deleted in totality was paragraph 8(c) that allowed taking a trust deed as a guarantee for completion of the improvements. I can put it back in if you desire. Please give me a call after you have reviewed this draft.

Very truly yours,


Kendrick J. Hafen

enclosure

LDWA1703.LET

THE LEEDS DOMESTIC WATERUSERS SPECIAL EXECUTIVE MEETING

AT THE HOME OF COY WILEY

WEDNESDAY, OCTOBER 27TH AT 5:30 P.M.

Those in attendance: President Coy Wiley, Vice President Scott Hayes, Fred Friese, David Coon, Bert Leany, Ida Jean Wiley, and Sandra Browning.

WELCOME: Coy Wiley

FINANCIAL STATEMENT: The financial statement was not approved at the October monthly meeting of the LDWA, because Sandra was not at that meeting to answer question about check registry and monthly financial statement. After a brief discussion Scott Hayes moved to approve the financial statement and Bert Leany seconded the motion and all board members approved.

REASON FOR THE SPECIAL MEETING: President Coy Wiley called this special meeting for board members to discuss the possibility of raising the cost of a water tap certificate from the current price of \$2500.00.

NEW RESOLUTION: Board members expressed their feelings on raising the cost of a water tap. Increase cost of water for the water company, and greater expenditures for water maintenance of our water system are reasons to increase price of membership payment fee. It was decided to increase the amount to \$3000.00 and it was put into a resolution to explain the increase.

RESOLUTION OF DIRECTORS

A meeting of the directors of the Leeds Domestic Waterusers Association was held on Wednesday the 27th day of October, 1999, beginning at the hour of 5:30 p.m. at the home of the corporate President, Coy Wiley, in the Town of Leeds, Utah, pursuant to notice duly given. One of the matters of business discussed and required attention at said meeting was the subject of raising the said membership payment fee from \$2500.00 to \$3000.00. The reason being the escalating cost of water being purchased by the LDWA and also increase of the cost of water maintenance of our water system. Following thorough discussion regarding the subject, it was moved by Fred Friese and seconded by Bert Leany, and carried by unanimous vote that the association adopt the resolution:

It is proposed to change the membership payment fee from \$2500.00 to an appropriate increase of \$3000.00, because of increase of cost for water and maintenance of the water system by the LDWA. Effective today, Wednesday, October 27th, 1999.

Other matters were discussed and other actions taken by the board which are not relevant to this resolution.

DATED: October 27th, 1999

Sandra K Browning
Secretary, LDWA

Resolution added to Resolutions File

COMPENSATION TO LDWA PRESIDENT: Coy suggested at sometime the board consider giving the president of LDWA compensation for the many hours that must be put in to keep the water company functioning smoothly. This would take a by-law change and also a special vote of the shareholders. The board members thought it was a good idea.

ELT: Coy liked the idea of ELT putting the proposed tank for their development up by the Silver Reef tank and we pump up to the new tank. But Bert's suggestion that the excess water coming out of Silver Reef's Tank be run into the ELT's new tank would be even better. For we would only have to run the pump a month to a month and a half in the summer and the rest of the year would probably take care of its self. Everyone will be using spring water most of the time.

Dallen Gardner will be meeting at Coy's home tomorrow at 2 p.m. to present his plan and those board members who can attend and support Coy would be welcome. Dallen told Coy that the proposal is not quite the same as the last one. Scott said that he probably would not be able to attend the meeting but he felt that ELT should be told that if they do not accept our proposal that we would put in the system we want and then come back and talk to them. Coy stated that we do not have to give them water and we are in the driver's seat. Jim Doyle likes a challenge and we must be very careful and protect ourselves. We need to get everything in writing. Coy said that if they will agree on putting in a water tank the LDWA may want to increase the size of the tank and we pay the difference and use that water to supply Alberta Lee's development. ELT was talking 140,000 gallon tank and we could enlarge it even more.

Silver Reef's tank will fill and then the over flow will go into the new (ELT) tank and then back to Leeds' tank.

We need to contact Glade Dalton and find out how we can lower the cost of electricity for pumping the well for we will be using the well a lot more with this new development going in.

NEW TAPS: Coy asked Sandra to get him a list of the all the water taps that we have sold in 1999. And also the \$500.00 deposits made in 1999. Sandra said she would. Fred said when a tap is paid in full the water is allocated and considered sold and becomes one of the 10 taps.

Coy expressed his feeling that Alberta's water is different because she is buying the water from us and should not be considered part of the 10 taps. Bert Leany stated that Don Goddard said we are setting a precedence by selling Alberta water and other developers could come in and tell the LDWA that since we sold Alberta water we would have to sell them water.

Bert told the board, we do have an out, because Alberta told us about 75 acre feet of water that we can file on. This could be part of our agreement with her even if nothing comes from the filing. It was also stated that we do need to selling our excess water or the state could come in and take it away from us if they feel we are not utilizing it.

ALBERTA LEE DEAMER DEVELOPMENT: A the monthly LDWA meeting, Alberta said her husband filed on 75 acre feet of water that was available, but the state told her an individual could not get the water, but it would have to go to a water association that needs water. This amounts to approximately 60 water taps. Since she could not obtain the water, she commented that we would be welcome to go after this water. Coy will look into filing on this water. Fred Friese made a motion to pursue the 75 acre feet of water and David Coon seconded the motion and all approved.

BAD DEBT: David Coon told the board that he contacted Mindy Broadbent about the amount of money she still owes on her past water bill. Dave said she put a check in the mail, but does not know if it is correct. So far Sandra has not received the check.

Scott Hayes moved to adjourn.

Leeds Domestic Waterusers Assn.

105 South Main St.

PO. Box 461194

Leeds, UT 84746-1194

Pres.	Coy Wiley	879-2723	Brd. Direct.	Bert Leany	879-2901
Vice Pres.	Scott Hayes	879-2357	Brd. Direct.	David Coon	879 2685
Sec. Treas.	Sandra Browning	879-2345	Brd. Direct.	Fred Friese	879-2387

November 11th, 1999

Place: Leeds Town Hall

Time: 5 p.m.

Those in attendance: President Coy Wiley, Vice President Scott Hayes, Bert Leany, David Coon, Fred Friese, Jim Parnell, Sandra Browning, Pat Sheneman, and Seth Cook (Alberta Lee's partner).

WELCOME: Coy Wiley

PRAYER: Scott Hayes

MINUTES: The minutes were discussed and corrections made and Bert Leany made a motion to approve the minutes as corrected and David Coon seconded the motion and all approved.

FINANCIAL STATEMENT: The income statement and check register was reviewed and questions asked. Scott Hayes made a motion to approve the financial statement and Bert Leany seconded the motion and all approved.

BAD DEBT: Several home owners are delinquent in their water payments and the board members discussed this problem. Mindy Broadbent Saxton has sent a payment of \$30.00. Also Mr. Bailey Muir, the home owner, will pay Tammy Stolks' water bill and he had asked Coy if he could pay \$100.00 instead of \$130.00 due and it was agreed that LDWA would accept the \$100.00 if Mr. Muir will pay the water bills from now on and not his renters. Mr. Muir agreed to this arrangement. Coy asked Sandra to send a water bill to David Stirling for he is back in town and should be billed. There are several others who should be contacted by board members. Bert and Coy will contact those who are over 90 days behind in payment.

WATER OVERAGES: Issy Washburn has had large overages and Jim has been over to try and help her; also some of the neighbors have tried to find the leak. Also Joanne Thornton's water bill is consistently high. She does not feel she has used that much water and has asked that Jim check her lines out.

JIM PARNELL'S REPORT: Jim told of a water line that needed to be dug up and Craig Sullivan called Blue Stakes to have it marked. The line was not completely marked, and as Craig dug, they hit a telephone line. Clayton was charged for the broken telephone line and he gave the bill to Jim. We need to find out who is responsible and if it is us; then we should pay for the line to be fixed. Blue Stakes did not have it all marked and it could be their fault. Scott Hayes told Jim that it would be a good idea to call Blue Stakes and clear up this problem. Coy also feels we should for who is responsible.

Also one of the water lines by the cement tank broke and Jim had to fix it. Coy also helped. Coy called Gene Hansen and Eldon Stirling to help find the shut off valve and they came up and found it.

Coy told the board members that Jim Parnell has been taking a schooling to certify as a water operator for the State of Utah and he has just taken the test. Coy feels that we should reimburse Jim for his schooling and the cost of the certified water operator's test in the

amount of \$100.00. Bert Leany made a motion that the LDWA pay for Jim's schooling and test. Fred Friese seconded the motion and all approved.

Carrie Carpenter
ALBERTA LEE'S DEVELOPMENT: Alberta has 14 lots in her development. There could be four 4 plexes and 10 homes or one 4 plex and 13 homes. Scott Hayes stated that if there are 4 plexes in this development the owner of the 4 plex is responsible for the water payment and not each renter. Alberta Lee's partner, Mr. Seth Cook, is planning to build Alberta's 4 plex and would like to get started as soon as possible and would like to have a letter from the LDWA to present to the Town of Leeds that there is water for this development. What the LDWA is waiting for is a contract drawn up by our Attorney, Rick Hafen, and also the study that Alpha Engineering is putting together to figure out the impact that this development will have on our water system and an actual figure in terms of money that Alberta needs to pay to LDWA for this impact.

Seth stated they are only going to build one 4 plex and see how things go. They will build more 4 plexes only if it goes well, but if it does not, they may not build any more. The roads and water lines will be put in all at once.

Our application for a tap states that for a 4 plex the owner pays the original cost of a tap plus \$500.00 for each rental unit. But the board did not feel that this applies to Alberta for she will be buying the water from us and should not be charged twice.

Pat Sheneman stated all the paper work is done for this development and as soon as the LDWA submits a letter that there is water available it will be a done deal. *wrong*

Coy feels that the ground work should be done and all prices agreed upon before we submit a letter. This would include the feasibility Study that Alpha Engineering is doing at the present time and also the contract our Attorney is putting together. We would also like to have written into the contract that Alberta offered that we were welcome to file on water shares that Alberta's husband filed on. Coy said he would get the paper work from the engineers and the attorney and get back with Alberta and Seth.

Scott Hayes made a proposal "I propose that we draft a letter approving the sale of water to Silver Meadows Estates (Alberta Lee Deamer and Seth Cook development) and have the contract written up by the lawyer and be notarized, and will include the 75 acre feet of water proposal that Alberta Lee said we could file on. Also the impact study done by Alpha Engineering. The development will contain one commercial and 13 residential taps."

Coy and other members of the board will meet with Rick Hafen, our lawyer, and Alpha Engineering to get this done quickly, so Seth can get this project started. Coy will contact Alberta as soon as LDWA has everything completed.

✓ Bert told Seth to check with Alberta about the document on the 75 acre feet of water for us to file on for it is quite important that we get that in our agreement with Alberta.

ALPHA ENGINEERING IMPACT STUDYS: It was suggested to Coy by Jerry Browning to run our own impact study on the ELT and Silver Meadow Estates. And it would not be so costly, but board member Bert Leany said that he would feel better if Alpha did the study and also Dave Coon expressed that we need an outside opinion. The cost of the studies would be \$325 for Silver Meadows Estates and over \$400 for ELT. Fred also felt that the engineering firm should do the impact studies. All board members agreed that Alpha should do the impact studies and Coy will get in touch with them.

TOWN OF LEEDS PLANNING COMMISSION CHAIRMAN: As the chairman of the planning commission Pat Sheneman told the LDWA board that he has seen a better spirit of cooperation between and the town and the LDWA. Coy has tried very hard to communicate and the board members have tried very hard to communicate and Pat feels it is important that both entities need to know what the other is doing and work together for the good of the town. Pat said that the town has a person who attends the planning commission meetings and that helps to coordinate they efforts. Maybe the LDWA could have a member attend the planning commissions meeting also. Coy told Pat the town has

Joseph Mitchell coming to the LDWA meetings, but it might be a good idea for a board member to attend the planning commission's meetings. Pat suggested one member of the town council run for the LDWA's board.

WATER TAP: Pat Sheneman came to the LDWA's meeting to protest the price change of a water tap from \$2500 to \$3000 and not allowing people to be alerted to the change in advance. Pat wanted to buy a certificate for some property he owns at the \$2500.00 price. Coy told Pat at the October monthly meeting of the LDWA, the price of the water tap was discussed and board members could not agree on the amount of money a water tap should be raised to. So Coy suggested that the board members take a few days and consider the amount increase and another meeting was scheduled on October 27 at Coy's home to make the change of price. It was also decided to put a freeze on the sale of water taps until the board could agree on a price. Also it was decided that the rate hike would go into effect upon the day the vote was taken at the October 27th Special Meeting. This was in the October minutes and was read to Pat. Sandra also read the proposal from the Special October meeting as to the rate increase. Pat still did not feel it was fair for LDWA to do this without a notice to the town, but he accepted the ruling. Pat reminded us that the application for a water tap needs to be updated. Coy asked that Sandra get the certificate updated as soon as possible and take it to the town clerk.

BUILDING PERMIT: Coy also asked Pat if the planning commission approves building plans for a residential home in Leeds. Pat replied that the planning commission only looks at the commercial plans. The Town of Leeds has contracted Dennis Mertlich, the City of St. George building inspector to take care of all the building other than commercial. A person who wants to build a home contacts Joy at the city office for a building permit and Dennis checks out their building plans.

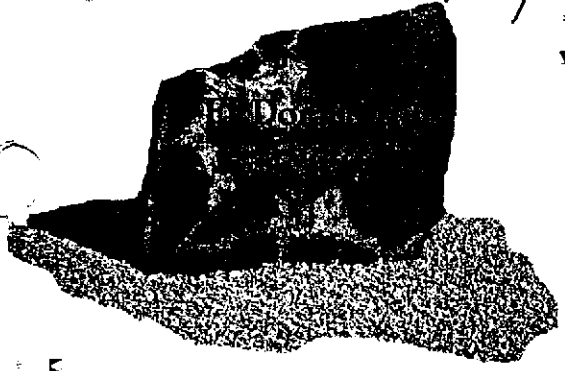
TAPS SOLD IN 1999: There were six taps sold and paid for in 1999 and went to Jeff Carter, David Lefler, Robert Bernard, Robert Russ, Craig Sullivan, and Paula Pierce. Two \$500.00 deposit on taps were paid by Dick Parry and Seth Larsen.

ELDORADO HILLS: Jim Bray left a proposal with Coy for he was out of town and was unable to attend tonight's meeting. Coy gave the board members a copy of the proposal and asked them to study it so we can work with Eldorado Hills on this project. Coy reminded the board that they had decided to up grade the line that Dick Parry is putting in from a six inch line to an eight inch line and pay the additional amount for the 2 inches. Eldorado Hills will pay for four connection fees and share the cost of the water line. Bert suggested that we study the proposal and get back together after we have gone over it.

WATER TEST: David Coon stated that he traveled to St. George to take a water sample this month.

Fred Friese moved to adjourn.

Cost Duck Ferry. Share Cost of Lewis Hydrant - 8" 5,65
6



The El Dorado Hills Mutual Water Company

November 10, 1999

Mr. Coy Wiley
President
Leeds Domestic Water Association

Subject: Connection of El Dorado Hills and Leeds Domestic Water along Silver Hills Road.

The following outline is provided for discussion of the subject connection with the LDWA Board.

Description: About 1500 ft of 8" line from your hydrant (6" line) North on Silver Reef Rd., then east on Silver Hills Rd, then North on Bonanza Rd., to connect with our Hydrant (8" line) at South corner of 880 Bonanza Rd.

~~TL~~(3) 4" by pass Valve

El Dorado Hills to pay four connection fees and take up to 200,000 gals per month. Summer usage would be close to 100%, while winter usage would be less than 50%.
120000

Feasibility: Jim Bray met with Ken Orten last Friday. Ken said it would work just fine. El Dorado would install an altitude valve at their tank to prevent over fill, and a manual valve at the connection to their system. This manual valve could be adjusted to allow a controlled flow from LDWA to approximate whatever amount of water was desired. El Dorado's well would produce the bulk of their system needs.

Costs: El Dorado to pay for four connection fees, and its share of the 8" line. Hydrants along this line to be paid for by LDWA. LDWA to receive all connection fees along this line. LDWA to determine El Dorado's share after considering fees of future users of this line. El Dorado to pay monthly fees for water consumption for four connections.

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When: Have Russ Peine install line, in late winter to early spring (Feb 2000).

Who: El Dorado will manage this job, or is willing to let LDWA manage it, or work in any capacity desired by LDWA.

Future: Consider exploring, merging all assets of El Dorado into LDWA during 2000 after this line connection.

Benefits: Provides emergency water supply via different sources to both systems. Storage capacity, and system flexibility is increased. New 8" line added down Silver Hills Rd. to provide for future development in Town of Leeds.

Cov, our board has approved the above outlined proposition. We feel this will be of benefit to both our systems, and our present and future water users.

Sincerely,

Jim Bray, President
435 879-2108

Leeds Domestic Waterusers Assn.
105 South Main St.
PO. Box 461194
Leeds, UT 84746-1194

Pres.	Coy Wiley	879-2723	Brd.	Bert Leany	879-2901
			Direct.		
Vice Pres.	Scott Hayes	879-2357	Brd.	David Coon	879 2685
			Direct.		
Sec. Treas.	Sandra Browning	879-2345	Brd.	Fred Friese	879-2387
			Direct.		

December 9th, 1999

Place: Leeds Town Hall

Time: 5:30 p.m.

Those in attendance: President Coy Wiley, Vice President Scott Hayes, Bert Leany, David Coon, Fred Friese, Jim Parnell, Sandra Browning, Joseph Mitchell, representing the Town of Leeds, & Jim Bray of Eldorado Hills.

WELCOME: Coy Wiley

PRAYER: Bert Leany

MINUTES: The October 27th. minutes were discussed with corrections made and Fred Friese made a motion to approve the minutes as corrected and David Coon seconded the motion and all approved. The Minutes for November 11th were discussed with corrections made and then Scott Hayes moved to approve the minutes as corrected and Bert Leany seconded the motion and all approved.

FINANCIAL STATEMENT: The income statement and check registry were discussed and Fred Friese moved to accept the income statement and check registry and Scott Hayes seconded the motion and all approved.

BAD DEBT: The bad debts were gone over and Coy assigned Bert Leany to contact one shareholder and Coy will go with him. Fred Friese and David Coon will contact another shareholder that is over 90 days in the rears. We still do not have all the money from Mindy Broadbent Saxton. David Coon is working on this problem.

ALBERTA LEE DEVELOPMENT: Coy told the board that Alberta left a message on his answering machine and he has tried to get back to her, but so far he has not got her. Coy expressed his feelings that the water application Alberta Lee offered LDWA to pursue, should be in the contract that Rick Hafen, our attorney, is putting together. Without it we may have to go back and renegotiate the contract.

OLD BUSINESS: The dead end water line by Gene Hansen's home needs to be looped into another line close by, so bacteria will not grow and contaminate the water. Coy said it is a health hazard and we need to take care of it as soon as possible.

NEW BUDGET FOR 2000: The new budget for 2000 needs to be compiled and approved by the board, before the first of the year.

MAPPING PROJECT: Coy's son in law, Kenneth R. Bactz, has sent some of his work he has completed on the mapping project he is doing for us. The board will go over some of this material later in the meeting and make corrections as needed. Kenneth will be up for Christmas and he would like to meet with the board members to make any additional corrections needed, either the day before or the day after Christmas. A time will be set up. Kenneth will provide 11 by 14 books with the material in them for each board members also a large map will be provided that will be laminated, plus some other maps and materials.

JIM PARNELL REPORT: Jim found two bad meters, one up at the spring and one belonging to Silver Reef down in the vault at Silver Reef. Jim got a new part for Silver Reef's meter and it is working now.

Jim went over to Scholzen's Product to find a solution for the spring meter and found a better meter that Scholzen's provided for free and it seems to be working much better. Also Jim cleaned around the cement tank.

Jim installed a meter at 108 Pecan St. for David Lefler's new home on December 4th. We can bill them for December.

Coy said the Forest Service will be straightening the road up by our splitter box by blasting the hill by our 4 inch line. To protect our line they plan to cover our line with sand and rock. It will be good to get our line covered there.

AGREEMENT: Jake Bullard ran a line from the road on main street to his new home and it cost him \$6000.00 then when Mr. Bytheway put in his home he paid \$3000.00 and when Todd Arnold put in his home, he paid his share of the bill and then Butch Bullard build and paid his share. David Lefler tapped into this same line so he will pay around \$1200.00. It is not our obligation to collect the money.

RADON GAS: The EPA, through the State, has come up with a Radon Rule to check Radon gas in water lines. We received a letter on this and it is quite extensive. Jim Bray said that he has also received a letter on this and has written a letter of protest to the State. The test its self cost \$3500.00 every five years. Jim Bray said that if you have to put in a treatment plan it will cost you over \$300,000.00. No one can afford this and all water companies need to protest this program. Scott Hayes said this is a way to eliminate the small water companies. Jim Bray said the amount of Radon they are testing for it less than the amount of Radon in the air we breath. The EPA is asking to test for 300 pci/l and the State says 4,000 pci/l will be the average in the air we breath. The State is saying, raise the testing standard. Right now 70% of the water systems in the state will fail the testing standard. This should be a clean air problem and not a water problem.

ELDORADO HILLS: Jim Bray of Eldorado Hills came to discuss their proposal with LDWA. The State requires that each water company have two water sources in case one source is not able to provide water. Eldorado Hills would like to tie in to LDWA for their second source. And even though LDWA has two sources, there may be a time LDWA would need another water source and Eldorado Hills could provide their water to us. At some time Eldorado Hills may want to combine with LDWA to form one water company.

David Coon asked if they would want to annex into to the Town of Leeds proper. Jim explained that they do not want to annex into Leeds to start with. Jim said that in this particular proposal, they are only talking about 4 of their lots that are in the city limits of Leeds. Eldorado Hills would like to buy three connections, for three homes already build and one connection for a lot that is undeveloped and for sale. It could be less than 4 connections. The biggest stumbling block is annexing Eldorado Hills into the town. Our by-laws require that if we provide water to an area it needs to be in the town of Leeds' boundaries. Our by-laws can be changed. Also with the new development going on, Eldorado Hills may want to annex. In the future Jim said they may turn everything over to LDWA.

Eldorado Hills water billing is \$15.00 a month. And their impact fee is \$2450.00. They are debt free. There are 2 and one half acre lots in Eldorado Hills and have 52 parcels of land. Eldorado Hills would pay \$3,000.00 for each new connection and their portion of the line.

Dave Coon stated that LDWA furnishes 32,666 gallons a month for each shareholder in a 12 month period. Jim Bray stated that they would not use that much water in a years time. But there are times when they will use more than others. In the summer they may want to use all of the water provided.

Coy said we are talking three connections or 40,000 gallons per month per connection or 120,000 for three connections.

To connect the two water company lines, Ken Orton told Jim Bray, the meter valve would be a four inch by pass valve off of an eight inch line. So you could work on the valve anytime and not have to shut down the line. He said that the valve can be throttled down manually so you can let as much water in as you want. If you put an eight inch valve in; it not only costs at lot more, but is much harder to maintain and harder to throttle down. We will put an altitude valve at the tank to prevent it from

overflowing. We will throttle it down so it will run approximate 50,000 gallons instead of 120,000 gallons. As water is used, their pump will kick on and will pump water into the tank and keep pumping the tank full and our water will keep coming into the tank as needed. Bert said the altitude valve will keep the tank from running over, but you will be operating on more pressure. Ken Orton told Jim Bray it will work really well. We would like to use Russ Peine to do the connecting of the lines and Ken will come and help us install the valves. We can install it anywhere in the system. Jim suggested that we go to the end of Silver Hill Road where it makes a left turn up Bonanza and we put it there. Any future developments can tie into this clean eight inch line without any problem.

COST: Coy said we need to decide on the cost incurred by each party involved. The LDWA plans to pay for the difference in the size of the line that Mr. Parry is putting in. We want an eight inch line, so we will pay for the difference in price from 6 inch to an 8 inch line. Mr. Parry will pay what a 6 inch line will cost and his hydrant. Jim Bray said Eldorado Hills will pay for the valves. Eldorado Hills will buy the two valves, one is about \$800.00 and the altitude valve is \$1200.00 plus their portion of the water lines. Which is 1700 feet of line. Russ Peine will put in the water line for \$5.00 a foot for labor. It will run around \$20,400.00 plus the valves. It could cost even more. Jim Bray asked how the LDWA wants to proceed. The Eldorado Hills has a person that could be over the project, and Scott suggested that LDWA would want Jim Parnell involved in this project also. When Jim Bray gets drawings from Ken Orton of the valves he will get copies to LDWA. Jim Bray said that he will consider this a go ahead deal unless he is told other wise by Coy.

CONSOLIDATION OF WATER COMPANIES: David Coon asked Jim Bray a question about the amount of money we are charged on our taxes to the county water conservancy. They don't do anything for us so how can they continue to tax us? Is there any way that we can kick them out and use that money for our own water company? Bert Leany said we need to protect ourselves from them also. Jim said he has been investigating the possibility to consolidate small water companies. That was his assignment in the last meeting with the small water companies that Jim attended. Jim did find that the legislature is trying to pass a law that would allow municipalities to withdraw from conservancy districts. But he don't know if it has to be a true municipality or if we as combined small water companies could be considered as a municipality. It could be that the Town of Leeds could file a petition and then have an election in the town boundaries. If the election passes then you can withdraw. Then form your own service district. We don't want a government service district.

LOGO: Does LDWA have a Logo? In the by-laws it says that LDWA should have a Corporate Seal. The association shall have a seal with in a circular form within its circumference the words "Leeds Domestic Waterusers Association. Utah Non-Profit Corporation". and the year of its incorporation 1932. Coy felt that we need some type of a logo to put on our correspondence.

GOOD TO THE ORDER: The Christmas Party with the town of Leeds will be held at the Cosmopolitan at 7 p.m. on Dec. 13th for LDWA board members, officers and spouses.

ELT: "Environment Land Development" Bert, Coy and Russ Owens, from the Alpha Engineering, met with ELT and Bush and Gudge Engineering. They wanted to know what the impact will be for them and LDWA. The amount for ELT to provide for this project is around \$172,000. ELT suggested we take care of the pump and they take care of the size of the tank.

MAPS: Dec. 26th the board will meet about the maps. Coy showed the board some of the work his son in law has completed for their approval. The price is \$2500.00 for all of his work when completed.

Fred Friese moved to adjourn