

Sandra

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

President
Vice President
Secretary/Treasurer
Water Master

David Coon 879-2685
Scott Hayes 879-2457
Sandra Browning 879-2345
Jim Parnell 879-2854

Bert Leany 879-2901
Russell Peine 879-2358
Merle Gier 879-2903

January 12, 2000
The Leeds Town Hall
Wednesday, at 6:30 p.m.

Those in attendance: President Coy Wiley, Scott Hayes, Bert Leany, Fred Friese, David Coon, Jim Parnell, Sandra Browning, Jerry Browning of the RWAU, and Dick Parry.

WELCOME: Coy Wiley
PRAYER: Scott Hayes

MINUTES: The minutes were reviewed and corrections made. Bert Leany moved to approve the minutes as corrected and Dave Coon seconded the motion and all approved.

FINANCIAL STATEMENT: The monthly profit and loss statement and the check registry were gone over and then Scott Hayes moved to approve the financial statement and Dave Coon seconded the motion and all approved.

BAD DEBT: Dave Coon reported that Mindy Broadbent will not pay her delinquent water bill, so Dave intends to contact the title company and tell them that they are responsible for the amount not paid by Mindy, for they did not contact us before the home was sold to the new owner. David said that we may have to go to the small claims court, billing the title company and they will go back on Cindy.

SHAREHOLDER'S MEETING: Coy told the board members that the shareholder's meeting should be held on the first Tuesday in February, however, since the town hall is not available on that date, the first Wednesday will be used at 8 p.m.
(The meeting was changed back to February first because the town was not using the town hall that night and also the time was changed to 7 p.m. so board members could attend.)
A two year term will expire in February for Fred Friese, Coy Wiley, and David Coon.

RWAU: (Rural Water Association of Utah) wrote LDWA a letter to encourage us to write a letter of protest to the EPA and also the State of Utah in regards to the new ruling on the Radon Gas testing that will come into effect soon. Sandra said she will get a letter written. The time limit for this protect has been extended to February 4th, 2000. If the Radon testing level for the EPA stays at 300 pCi/1MCL, we will fail this standard. The State of Utah has suggested that a more realistic level would be 4,000 pCi/1MCL and this amount will not present a health risk. If we are unable to meet the levels that the EPA requires now; we would have to spend thousands of dollars on tests and aeration equipment. We probably would not be able to survive as a water company.

BLUE STAKE: We are being billed by Blue Stakes for the whole area around Leeds, whether it is in our boundaries or not. We are going to give them our boundaries and we hope that this will lower the amount of tickets we are charged for monthly.

JIM PARNELL: Jim has been overseeing the Silver Meadow Development (Alberta Lee) and they covered up some of the water line before Jim could examine them. After he talked to the workers they have been cooperating better. Jim must inspect the water line for the pipe they are using needs a lot of packing around it so it won't rupture. There was a water leak at 175 N. Main and Jim fixed it. Jim ran the well for four hours before the water test.

David Coon took the water tests and they were ok. Jim has been bleeding the fire hydrants that are on the 8 inch lines that are dead ended.

NEW CONSTRUCTION: Jeff Carter was required to extend the water line on the west side of the road for fire prevention and we will add another 100 feet. This will cost the water company approximately \$500.00. We will put in additional 5 lengths of 8 inch pipe to get rid of the 2 inch line in that area.

DICK PARRY: Richard Cosby, Mr. Bluth, and Dick Parry put in about 700 feet of water line to get to their properties which included a fire hydrant on a 6 inch line, cost them about \$7000.00. Dick felt that Eldorado Hills should pick up some of that cost if they decide to connect to this line. Don Goddard said that utilities usually charge people that add on to their systems within 5 years, but after that amount of time they do not have to pay.

We plan to participate in Mr. Parry's line and we will pay the difference between an 8 inch and a 6 inch water line that he is putting in. Dick will be putting in 889 feet of line to the hydrant. And Eldorado Hills (if they go in with us) will be putting in 882 feet of water line.

If Dick Parry bring the water line across the road and not in front of Hack Lewis' home, Hack Lewis told Mr. Parry that he will participate in paying for part of that water line so he would not have to dig up his landscaping in his front yard.

RESOLUTION: David Coon suggested we put into resolution that we will not participate in enlarging any shareholder's new water line to make it a 8 inch pipe, because of the elevated cost of the water lines. And also the State is requiring an 8 inch line as code. Coy said that upgrading a water line is for our own benefit as a water company and we should shoulder some of the cost. Coy suggested that we table this issue and go home and think about it and discuss this matter at a future time. And everyone agreed.

SILVER MEADOWS II UPDATE: The contract for water purchasing from Alberta Lee is being put together by our Attorney, Rick Hafen. We want \$1000.00 put in escrow for Jim Parnell to inspect the work on the project as it proceeds. David Coon also explained that Alberta needs to show us a bond on the project. (we require \$10,000) and also title insurance on the project.

Alberta is having four, one inch meters installed in the duplex that will be built. Coy plans to make an appointment with our attorney and get this contract completed and he would like some of the board members to go also. Coy plans to contact Philip Peine to make sure the amount of the contract is enough to cover our expenses. Coy also stated if Alberta decides not to pay the full amount up front for her water, she will be charged more money for interest on the water.

ELDORADO HILLS: Don Goddard suggested that we contract with Eldorado Hills to run their system and charge them for services that we provide. We will look into this. Jim Parnell suggested that we just put in a dry water line to Eldorado Hills for emergency purposes only for now.

MAPPING: The board members have seen some of Coy's son in law, Kenneth Baetz, work and hopefully the project will be done within the next week, before the shareholder's meeting. Fred asked if changes can be put on the maps and Coy explained Kenneth will make changes for 4 or 5 months and after that time there will be a fee. He would like us to share his work with others and maybe others will be interested in having maps made.

OFFICE EQUIPMENT: Sandra's computer printer quit working after using it for many years for LDWA bookkeeping. So Fred Friese made a motion that LDWA will replace this printer for the Brownings for around \$500.00 and Scott Hayes seconded the motion. And all approved.

Then Scott suggested that LDWA start buying their own computer equipment. A printer would cost around \$500.00 plus tax, a computer will cost the LDWA around \$1200.00.

Also It was suggested that we spend around \$300.00 for a UPS for brown outs and power failure. The board is in favor of having their own equipment.

BUDGET FOR 2000: Coy handed out copies of last years budget and proposed figures for the 2000 budget. Board members gave their input on the new budget. A copy will accompany the 1/12/00 minutes. The Budget for 2000 will be sent with the notice of the shareholder's meeting.

CUFF PAYMENT: It was asked if we could pay off Alene Cuff early so we won't have to pay so much interest on the water we bought from her. Her contract states we are to pay six payments annually of \$18,711.28. She also received five water taps valued at \$3000.00 a share. Board members may approach Alene about an early payoff.

PROPOSED PROJECTS FOR 2000:

1. Two pressure regulator valves at Center and Main.
2. Complete 8 inch line on Valley (Babylon to Cherry).
3. Dead-end line at Gene Hansen (Crossover)
4. Dick Parry/Eldorado Hills projects.
5. Chlorinator
6. One new fire hydrant at Walton Plaza.
7. Upgrade of spring.
8. Upgrade electrical to well.

Coy asked to meet with the board, Monday, January 17th, at 3:15 p.m. to plan for the shareholder's meeting plus other pressing matters. We will meet at Coy's home. Don Goddard suggested that someone from the board attend the town meetings to keep in touch with what is going on.

TIME OF MEETINGS: Coy suggested we meet the second Thursday of the month at 6 p.m. for our monthly LDWA meeting. All approved.

Scott Hayes moved to adjourn.

From Leeds town Zoning/subdivision Ordinances

Town Attorney; and reserve strips or non-access at the end of any street or at the exterior boundary of the subdivision, shall be dedicated unconditionally to the Town, when required.

- hh. A tentative tract of preliminary plat map shall provide for at least two (2) different standard routes for ingress and egress. A standard route is a road which is dedicated to the Town and has a minimum paved width of 24 feet.

5. water.

- a. The subdivider, as a condition of approval of a preliminary plat map, shall provide and install adequate water supply facilities, either within and/or outside the subdivision. All water requirements and improvements shall be developed to the satisfaction of the Utah Department of Environmental Quality Division of Drinking Water and the Town Engineer. The developer shall provide culinary water and water lines to each lot in the subdivision, and provide water rights, wells, pumps, storage tanks, water and fire systems per the Utah Department of Environmental Quality Division of Drinking Water and the Town Engineer.
- b. All water system plans shall be approved, in writing by the Utah Department of Environmental Quality Division of Drinking Water and the Town Engineer prior to construction.

6. Fences and Guards.

- a. In locations where land subdivision abuts or is adjacent to public or private grazing land, a fence of material and quality satisfactory to the Planning Commission shall be affected around the outer limits of the subdivision as it is shown on the subdivision map. The Commission may also require the installation of cattle guards on any street entering the proposed subdivision from other existing streets.
- b. A subdivider, as a condition of approval of a tentative map, for a subdivision located within an area subject to high wind erosion shall comply with the following standards.
- (1) A solid masonry wall with a height of 6 feet and subject to design and materials approval by the Planning Commission and Town Council shall be constructed on the peripheral boundary of the subdivision to protect it from the prevailing wind. Where the required wall extends over a future street opening, a fence, 6 feet in height, and subject to design and materials approval by the Planning Commission and Town Council, may be substituted for the masonry wall;
 - (2) Lots within and/or outside of the subdivision that have had soil disturbed during construction shall be covered with protective landscaping material, subject to the approval of the Town Engineer; and,

L.D.W.A. ANNUAL SHAREHOLDERS MEETING

February 1, 2000

Welcome to the year 2000 annual shareholders meeting of the Leeds Domestic Waterusers Association.

Prayer: Scott Hayes:

Presentation of the annual report: **Budget for 2000** (copies are available for income & expense report)

Minutes of January meeting.

Reports of projects completed for 1999:

- | | |
|---|-----------------|
| 1) CC & R | Sandra Browning |
| 2) Water Quality & testing (b) E.L.T. | David Coon |
| 3) Water valves at Cherry & Mulberry, (b) Silver Meadows Estate II
© Proofing up on Hogan Springs | Scott Hayes |
| 4) Eldorado Hill/L.D.W.A. Agreement
Forming of an water alliance with S.R., LDWA, Eldorado Hills, &
Angel Springs | Bert Leany |
| 5) Meters on Oak Groves Spring (b) Certified Operator (Water master) | Jim Parnell |
| 6) Mapping of Water System, (b) Source Protection Plan on Leeds Well
© Upgrading of Leeds Well | Coy Wiley |
| 7) Training of board members (Rural Water Conference) | Fred Friese |
| 8) Projected goals for the year 2000 | Fred Friese |

Election of Directors

Election of Directors for the year 2000. We need 3 new members. Voting shall be by ballot. No proxy voting shall be allowed. We need at least four nominations.

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THE ANNUAL LDWA SHAREHOLDER'S MEETING

PLACE: The Town Hall of Leeds

TIME: 7 p.m.

DATE: Tuesday, February 1st, 2000

THOSE IN ATTENDANCE: Board members, President Coy Wiley, Vice President Scott Hayes, David Coon, Fred Friese, Bert Leany, Jim Parnell, (Water master), Sandra Browning (Secretary), and Joseph Mitchell a representative of the Town of Leeds. Approximate 30 people were in attendance.

Twenty-two shareholders signed in and collected their voting ballots and the income and expense statements for the year 1999. Shareholders received earlier, in their notice of meeting, the budget for the year 2000.

GREETING: Coy Wiley

PRAYER: Scott Hayes

MINUTES: Sandra Browning read the minutes and Coy called for any corrections or additions and Susan Savage stated she would like to explain the reason for the 10 tap limit being put in the by-laws, and that was to make sure the level in our water aquifer would not be effected by over selling of water taps by LDWA. Scott Hayes moved to approve the minutes and Bert Leany seconded the motion and all approved.

REPORTS OF PROJECTS COMPLETED FOR 1999

CC & R REPORT: By Sandra Browning: The New Consumer Confidence Report is an annual project required of all water companies by the State and Federal Government. It is designed to inform LDWA Shareholders about the quality of our water and water services provided during the past year and is available upon request. The report contains water testing for contaminates, tests results, and, how problems were eliminated.

WATER QUALITY AND TESTING AND THE E.L.T. DEVELOPMENT

BY DAVID COON: We have had good results on our water tests last year, we did have one questionable test in August and within two days four more samples were tested with no problem found. We tested for nitrates and VOCs (Volatile Organic Compounds that checks for gasoline and oil.) Tests were also done for lead and copper and radionuclides. All testing was good.

E.L.T. Environmental Land Technology is an organization that has a parcel of land which they plan to annex into Leeds. The land will be divided into 18 lots and the homes will be in the million-dollar range. We have been working with ELT for over a year and have come up with an agreement that will not impact the LDWA's water system. The developer will pay all the costs. ELT will bring 21 shares of water to our well and that amounts to 1 .202 acre feet for each house or 392,000 gallons per year. They plan to put in a new tank that will store 150 to 210 thousand gallons of water. Bert Leany was instrumental in the placement of the tank and it will be using gravity flow so there will be no pumping costs. ELT will install all the lines and the telemetry that goes with it to turn the pump on and off. It will be an automatic system so the tanks will fill, as water is needed. The total cost to the developer will be \$192,000.00. We may add additional gallonage to this new tank's size for future growth. We also get \$675.00 per home as each lot sells from the Title Company for the impact fees on our well for storage and use of our well. We will have another 100,000 gallons of fire fighting water that we can use and will loosen up another 100,000

gallons in our other tanks to use for other things. We probably will have to upgrade the pump in our well or put in a new one.

WATER VALVES AT CHERRY AND MULBERRY, SILVER MEADOWS ESTATE II, AND PROOFING UP ON HOGAN SPRINGS BY SCOTT HAYES: We have completed putting shutoff valves in at Cherry and Mulberry. Now when repairs are necessary we will not have to shut down the whole town, but only the area that is being worked on.

The proofing up on Hogan Springs is completed and put into our well and will provide more water for future growth.

Silver Meadow Estate II is another development we have been working on in the North part of town. There has been a lot of negotiations, but most problems have been worked out, including the impact fees and cost of water.

ELDORADO HILLS/LDWA AGREEMENT: BY BERT LEANY

ALSO FORMING AN ALLIANCE WITH SILVER REEF, LDWA, ELDORADO HILLS, AND ANGEL SPRINGS: We are working on a plan with Eldorado Hills to put a dry connection at the end of their line by Jim Bray's home and we will connect the two lines with a valve so we can run water to them or they can run water to our system if needed. We are also talking with Eldorado Hills about planning a merge in the near future and it looks like it might work. Because LDWA is a private water company with unique and beneficial ties to Leeds; it limits our ability to serve only the people within the boundaries of Leeds. This merge would require annexing Eldorado Hills into the town.

Small water companies in the area Silver Reef, Eldorado Hills, LDWA, and Angel Springs are meeting as an committee (two representatives from each company) trying to satisfy the Federal and State Government's mandate to have more fire storage and a backup water source. Each company will have to provide their own fire storage and backup water source, but if these companies form an alliance, they can share one fire and water storage facility. Their aim is to join hands and systems to help each other with problems that arise.

METER ON OAK GROVES SPRING AND CERTIFIED OPERATOR AS A WATER MASTER BY JIM PARNELL. The meter at the Oak Grove Spring was not functioning so Jim took the meter out and Scholzen's helped replace the internal parts and Jim replaced the meter and it works accurately now. The State requires the amount of water used monthly and at the end of the year so we must have accurate meters.

MAPPING OF WATER SYSTEM, SOURCE PROTECTION PLAN ON LEEDS WELL, AND UPGRADING OF LEEDS WELL. BY COY WILEY

As president of the LDWA Coy wanted to accomplish one specific thing and that was to have maps and drawings that show the location of water lines, hydrants, meters, and valves in the water system. Coy has a son-in-law that does drafting and he told Coy that he could do this project. The board got information together and met with Kenneth, Coy's son in law to get things as correct as possible. Gene Hansen, Eldon Stirling, Russell Peine, Paul Densley, and board members were a great help in putting things together. The maps and books are done and Coy showed the finished product to the shareholders. Don Goddard asked if the material could be reduced to 8 by 11 for the fire department's use. It was suggested to folded over the materials so they would not be too small to read.

The Source Protection Plan on the well has been completed (a required report for the state) and the Source Protection Plan on the Spring is in the process of being completed.

Last summer the spring water became low and so Coy and Jim went up to the well to take a test to make sure it was absent of bacteria. The water test was contaminated so Coy hired a waterman from St. George to chlorinate the well so we could use our well. From then on the board decided to run the well pump before testing so it would be free of contaminates.

TRAINING OF BOARD MEMBERS AT THE RURAL WATER CONFERENCE BY FRED FRIESE

The Rural Water Association of Utah puts on a training conference each year in St. George and board member of the LDWA attended last year and received much information on water development, quality, and so on. This year the board members who can, will attend the conference again.

PROJECTED GOALS FOR THE YEAR 2000 BY FRED FRIESE

1. Regulator valves on Main Street. By putting in pressure reducers valves we can increase water pressure on the north end of town by Walton Plaza and still maintain proper levels in the South end.
2. We plan to put an 8-inch line from Babylon to Cherry Road.
3. Down by Gene Hansen's place; we plan to put in a cross over under Main Street and tie in with the line on the other side so this creates a loop and helps prevent contamination.
4. We are working on a line to Dick Parry's property and then possibility to Eldorado Hills to make this dry connection that was talked about earlier.
5. We plan to put in a chlorinator on a voluntary basis so if we do have problems we can use the chlorinator as needed. If we have bad tests and the State makes us put a chlorinator in then we have to leave it on all the time. And we don't want to do that.
6. One new fire hydrant near Walton Plaza.
7. Upgrade the spring to get the maximum water flow.
8. Upgrade the electrical to the well so it will work more efficiently.
9. On going training with RWAU and attend their conference in March.

NOMINATION FOR THE NEW DIRECTORS OF THE LDWA.

There are three directors going off the board: Coy Wiley, Fred Friese, and David Coon. They were given a special thanks by Jim Parnell for the many hours of work they have put in the last year.

Six shareholders were nominated for the board of directors:

Joseph Mitchell, Robert Coxey, David Coon, Russell Peine, Merle Gier, and Harold (Hack) Lewis.

Three shareholders were asked to pick up the ballots and count them. They were Susan Savage, Janice Coon, and Dale Barnes.

The count showed that there was a tie for the third place director so another ballot was handed out and a revote was done for the third place director. The tie was between Joseph Mitchell and Merle Gier.

FINAL RESULTS OF THE VOTING:

DAVID COON, RUSSELL PEINE, AND MERLE GIER were voted in as the new directors.

The meeting was adjourned.

EXECUTIVE SESSION: Sandra Browning gave the newly elected officers the Oath of Office. Scott Hayes, acting vice president turned the voting over to the board for the president and vice president. David Coon was unanimously voted in as the president of the LDWA and Scott Hayes as Vice President again for the year 2000.

Vice President Scott Hayes suggested the members going off the board meet with the new board and give them their LDWA materials. Then Scott suggested the wives be invited and we have a party for the outgoing members with refreshments and a plaque of appreciation. Merle Gier was asked if we could use his home for the party and he will check with his wife. Also Merle agreed to get plaques for Coy Wiley and Fred Friese. Sandra Browning will take care of the refreshments. The date of the party was tentatively set for Thursday, February 10 at 7 p.m. Directors will check their calendars and get back with David Coon.

President David Coon asked the board to set a date and time for the LDWA'S Monthly Meeting. It was agreed the meeting would be held on the second Thursday of each month at 7 p.m. in the Leeds' Town Hall.

David Coon also informed the board that we will be meeting with Alberta Lee Pace of the Silver Meadows Development, at the Town Hall, Monday, February 7th, at 10:30 a.m. in the Leeds Town Hall. Board members were invited to attend.

David stated he would like the monthly meetings to last only an hours and this can be done by doing some organizing, such as, having a plan to deal with our delinquent accounts. If we will call the delinquent account first, then send a letter with an date to shut off their water and then a visit and shut off water, if necessary ..

David said each board member need an assignment and he would like them to research the assignments and decide which one they would like to be assigned.

Jim Parnell told the board that he talked with the Forest Service and told them the LDWA was planning, in the future, to put in new lines down from the Oak Grove Spring and they suggested LDWA get an applicant in for this work as it is getting harder to get permission to dig. David will call Phil Hipp to help us get a permit for this project.

Russell Peine moved to adjourn the meeting.



The El Dorado Hills Mutual Water Company

February 17, 2000

Mr. Kerry Carpenter
Regional Engineer, State of Utah
P.O. Box 506
Cedar City, Utah 84721

Dear Mr. Carpenter:

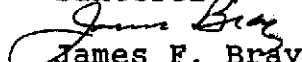
The El Dorado Hills Mutual Water Co. Inc. (EDHMWC), and Leeds Domestic Waterusers Association (LDWA) have agreed to merge into one company to be known as the Leeds Domestic Waterusers Association. The merger will occur, as soon as possible, after approval of the State Engineer, Division of Drinking Water, Public Service Commission, and annexation of users of EDHMWC to the Town of Leeds.

This merger is being undertaken to facilitate meeting the ever increasing requirements (knowledge and expense) of operating our small water companies. The elimination of duplicate infrastructure and administrative expenses, along with the increased size to support paid operators, will benefit our users with greater stability, safety, and economy.

We would like a preliminary approval of this merger, from The State Engineer, prior to completion of annexation action to the Town of Leeds. Our desire is to preserve the municipal status of LDWA water rights and to have EDHMWC rights also classified as municipal rights. Find attached a listing of water rights currently being proofed to EDHMWC. We would like them held in trust for the residents of Leeds Town on the same basis as LDWA existing rights. Once we receive preliminary approvals, we plan to proceed with annexation action of the area served by EDHMWC to Leeds. For your information, we are requesting separate preliminary approvals from the other above mentioned agencies.

Please advise at your earliest convenience. Thanks in advance for your assistance.

Sincerely,


James F. Bray
Board Member
435 879-2108

cc Mr. David Coon, LDWA
Mr. Kent Sundberg, EDHMWC

P.O. Box 461111 Leeds, Utah 84746

EL DORADO HILLS MUTUAL WATER COMPANY, INC.

<u>DATE</u>	<u>AMOUNT CONVEYED</u>	<u>DESCRIPTION OF WATER RIGHT</u>	<u>TOTAL WATER</u>
1/12/93	9 Ac Ft	WOC 81-2185 (A36933,C10213,A15050)	31.0 Ac Ft
	22 Ac Ft	A-36933 Application A-6359 (81-675) Change Application A-11754 (81-2185) Change Application	
10/22/93	.772 Ac Ft	81-3821 (A 17384)	.772 Ac Ft
12/30/94	7.5 Ac Ft	81-3886 (A32318aaa) Cert.#10545	10.2 Ac Ft
	2.7 Ac Ft	81-3886 (A32318aaa) Cert.#10545	
6/27/97	1.7 Ac Ft	81-3886 (a18728)	1.7 Ac Ft
12/5/97	5.65 Ac Ft	81-1518 (a18082) *	5.65 Ac Ft
TOTAL WATER			49.322 Ac Ft

* Combined transactions of 2.25 Ac Ft plus 3.4 Ac Ft. = 5.65 Ac Ft.
 Contract with Perry Keller 8/14/97 81-1518 (a18082) for \$7,875 where
 Perry paid 1/2 (\$3,937.50). Computation: 5.65-2.25 = 3.4 Ac Ft.

LDWA EXECUTIVE MEETING AGENDA
February 24, 2000

Place: Leeds Town Hall
Time: 7 p.m.

WELCOME: President David Coon

1. Compensation adjustments for employees
 - A. Sandra Browning
 - B. Jim Parnell

 2. SCOTT HAYES:
 - A. Assignments - Meter Readers
 - B. Work with Fred Friese on chlorine.
 - C. Report on Alene Cuff payoff.
 - D. Alberta Lee - Flag lot (Fire worthy?)

 3. BERT LEANY:
 - A. Assignment - Projects.
 - B. Report on well pumps & telemetry.
 - C. Water pressure north end of town. Extend line to cement tank.

 4. RUSSELL PEINE:
 - A. Assignment: Day to Day projects.
 - B. Report on new pressure valves on main and center street.
 - C. New 8" to Parry's Home - approximate 380 ft.
 - D. Blue Stake - one fire hydrant.

 5. MERLE GIER:
 - A. Assignment: Water testing - monthly & yearly.
 - B. Bad debt.Thanks to Merle & Norma for the party at their home.

 6. JIM PARNELL: Report.
 - A. Jim Randles letter to LDWA.
 - B. Water pressure by Walton Plaza.
 - C. Pressure adjustment Winter and summer.
 - D. Amount of money needed to inspect Lee's Subdivision.
 - E. Rural Water - 10 valves - two fire hydrants.
 - F. Adjust pressure valves

 7. DAVID COON: Report.
 - A. E.L.T. - Contract and annexation.
 - B. Eldorado Hills - merger
 - C. Alberta Lee - contract (\$5000.00 Bond).
 - D. Forest Service permit - water.
 - E. Source Protection on the spring. (Alpha Engineering)

 8. SANDRA BROWNING: Report.
 - A. Number of taps sold and names and addresses.
 - B. Felt, Westhoff payoff - 1st of march.
 - C. Rural Water Conference - three tickets. February 29th, March 1st, 2nd, and 3rd.
 - D. Broken water line accident at Jeff Carter's construction site. Catitol Building Materials responsible. \$150.00. (Kirt Alberts) Have been billed.

 9. NEW BUSINESS:
- Motion to adjourn meeting:

- B. Felt, Westhoff payoff - 1st of march.
- C. Rural Water Conference - three tickets. February 29th, March 1st, 2nd, and 3rd.
- D. Broken water line accident at Jeff Carter's construction site. Catitol Building Materials responsible. \$150.00. (Kirt Alberts) Have been billed.

9. NEW BUSINESS:

Motion to adjourn meeting:

U.S. DEPARTMENT OF AGRICULTURE Forest Service SPECIAL-USE PERMIT Authority <u>Federal Land Policy Management Act</u> <u>10/21/1976</u>	Holder No.	Issue Date	Expire. Date
	1516.01	SEP 10 1998	12/31/17
	Type Site(s)	Authority	Auth. Type
	915	676	20
	Region/Forest/District		State/County
	04/07/01		49/053
	Cong. Dist.	Latitude	Longitude
	01	37-16-00	113-22-30

LEEDS DOMESTIC WATER USERS ASSOCIATION of 45 SOUTH MESA VIEW AVE
 (Holder Name) (Billing Address - 1)

PO BOX 460627 LEEDS UT 84746
 (Billing Address -2) (City) (State) (Zip Code)

(hereinafter called the Holder) is hereby authorized to use or occupy National Forest System lands, to use subject to the conditions set out below, on the Dixie National Forest, Pine Valley Ranger District.

SEE ATTACHED SHEET FOR AREA DESCRIPTION

Is issued for the purpose of: Transmitting culinary water to the town of Leeds.

The above describe or defined area shall be referred to herein as the "permit area".

TERMS AND CONDITIONS

I. AUTHORITY AND GENERAL TERMS OF THE PERMIT

- A. **Authority.** This permit is issued pursuant to the authorities enumerated Title 36, Code of Federal Regulations, Section 251 Subpart B, as amended. This permit, and the activities or use authorized, shall be subject to the terms and conditions of the Secretary's regulations and any subsequent amendment to them.
- B. **Authorized Officer.** The authorized officer is the Forest Supervisor or a delegated subordinate officer.
- C. **License.** This permit is a license for the use of federally owned land and does not grant any permanent, possessory interest in real property, nor shall this permit constitute a contract for purposes of the Contract Disputes Act of 1978 (41 U.S.C. 611). Loss of the privileges granted by this permit by revocation, termination, or suspension is not compensable to the holder.
- D. **Amendment.** This permit may be amended in whole or in part by the Forest Service when, at the discretion of the authorized officer, such action is deemed necessary or desirable to incorporate new terms, conditions, and stipulations as may be required by law, regulation, land management plans, or other management decisions.
- E. **Existing Rights.** This permit is subject to all valid rights and claims of third parties. The United States is not liable to the holder for the exercise of any such right or claim.
- F. **Nonexclusive Use and Public Access.** Unless expressly provided for in additional terms, use of the permit area is not exclusive. The Forest Service reserves the right to use or allow others to use any part of the permit area, including roads, for any purpose, provided, such use does not materially interfere with the holder's authorized use. A final determination of conflicting uses is reserved to the Forest Service.
- G. **Forest Service Right of Entry and Inspection.** The Forest Service has the right of unrestricted access of the permitted area or facility to ensure compliance with laws, regulations, and ordinances and the terms and conditions of this permit.

H. Assignability. This permit is not assignable or transferable. If the holder through death, voluntary sale or transfer, enforcement of contract, foreclosure, or other valid legal proceeding ceases to be the owner of the improvements, this permit shall terminate.

I. Permit Limitations. Nothing in this permit allows or implies permission to build or maintain any structure or facility, or to conduct any activity unless specifically provided for in this permit. Any use not specifically identified in this permit must be approved by the authorized officer in the form of a new permit or permit amendment.

II. TENURE AND ISSUANCE OF A NEW PERMIT

A. Expiration at the End of the Authorized Period. This permit will expire at midnight on December 31, 2017. Expiration shall occur by operation of law and shall not require notice, any decision document, or any environmental analysis or other documentation.

B. Minimum Use or Occupancy of the Permit Area. Use or occupancy of the permit area shall be exercised at least 365 days each year, unless otherwise authorized in writing under additional terms of this permit.

C. Notification to Authorized Officer. If the holder desires issuance of a new permit after expiration, the holder shall notify the authorized officer in writing not less than six (6) months prior to the expiration date of this permit.

D. Conditions for Issuance of a New Permit. At the expiration or termination of an existing permit, a new permit may be issued to the holder of the previous permit or to a new holder subject to the following conditions:

1. The authorized use is compatible with the land use allocation in the Forest Land and Resource Management Plan.
2. The permit area is being used for the purposes previously authorized.
3. The permit area is being operated and maintained in accordance with the provisions of the permit.
4. The holder has shown previous good faith compliance with the terms and conditions of all prior or other existing permits, and has not engaged in any activity or transaction contrary to Federal contracts, permits, laws, or regulation.

E. Discretion of Forest Service. Notwithstanding any provisions of any prior or other permit, the authorized officer may prescribe new terms, conditions, and stipulations when a new permit is issued. The decision whether to issue a new permit to a holder or successor in interest is at the absolute discretion of the Forest Service.

III. RESPONSIBILITIES OF THE HOLDER

A. Compliance with Laws, Regulations, and other Legal Requirements. The Lessee shall comply with all applicable Federal, State, and local laws, regulations, and standards, including but not limited to, the Federal Water Pollution Control Act, 33 U.S.C. 1251 *et seq.*, the Resource Conservation and Recovery Act, 42 U.S.C. 6901 *et seq.*, the Comprehensive Environmental Response, Control, and Liability Act, 42 U.S.C. 9601 *et seq.*, and other relevant environmental laws, as well as public health and safety laws and other laws relating to the siting, construction, operation, and maintenance of any facility, improvement or equipment on the property.

B. Plans. Plans for development, layout, construction, reconstruction, or alteration of improvements on the permit area, as well as revisions of such plans, must be prepared by a qualified individual acceptable to the authorized officer and shall be approved in writing prior to commencement of work. The holder may be required to furnish as-built plans, maps, or surveys, or other similar information, upon completion of construction.

C. Maintenance. The holder shall maintain the improvements and permit area to standards of repair, orderliness, neatness, sanitation, and safety acceptable to the authorized officer and consistent with other provisions of this authorization. If requested, the holder shall comply with inspection requirements deemed appropriate by the authorized officer.

D. Hazard Analysis. The holder has a continuing responsibility to identify all hazardous conditions on the permit area which would affect the improvements, resources, or pose a risk of injury to individuals. Any non-emergency actions to abate such hazards shall be performed after consultation with the authorized officer. In emergency situations, the holder shall notify the authorized officer of its actions as soon as possible, but not more than 48 hours, after such actions have been taken.

E. Change of Address. The holder shall immediately notify the authorized officer of a change in address.

F. Change in Ownership. This permit is not assignable and terminates upon change of ownership of the improvements or control of the business entity. The holder shall immediately notify the authorized officer when a change in ownership or control of business entity is pending. Notification by the present holder and potential owner shall be executed using Form

FS-2700-3 Special Use Application and Report, or Form FS-2700-3a, Request for Termination of and Application for Special-Use Permit. Upon receipt of the proper documentation, the authorized officer may issue a permit to the party who acquires ownership of, or a controlling interest in, the improvements or business entity.

IV. LIABILITY

For purposes of this section, "holder" includes the holder's heirs, assigns, agents, employees, and contractors.

A. The holder assumes all risk of loss to the authorized improvements.

B. The holder shall indemnify, defend, and hold the United States harmless for any violations incurred under any such laws and regulations or for judgments, claims, or demands assessed against the United States in connection with the holder's use or occupancy of the property. The holder's indemnification of the United States shall include any loss by personal injury, loss of life or damage to property in connection with the occupancy or use of the property during the term of this permit. Indemnification shall include, but is not limited to, the value of resources damaged or destroyed; the costs of restoration, cleanup, or other mitigation; fire suppression or other types of abatement costs; third party claims and judgments; and all administrative, interest, and other legal costs. This paragraph shall survive the termination or revocation of this authorization, regardless of cause.

C. The holder has an affirmative duty to protect from damage the land, property, and interests of the United States.

D. In the event of any breach of the conditions of this authorization by the holder, the Authorized Officer may, on reasonable notice, cure the breach for the account at the expense of the holder. If the Forest Service at any time pays any sum of money or does any act which will require payment of money, or incurs any expense, including reasonable attorney's fees, in instituting, prosecuting, and/or defending any action or proceeding to enforce the United States rights hereunder, the sum or sums so paid by the United States, with all interests, costs and damages shall, at the election of the Forest Service, be deemed to be additional fees hereunder and shall be due from the holder to the Forest Service on the first day of the month following such election.

E. With respect to roads, the holder shall be proportionally liable for damages to all roads and trails of the United States open to public use caused by the holder's use to the same extent as provided above, except that liability shall not include reasonable and ordinary wear and tear.

F. The Forest Service has no duty to inspect the permit area or to warn of hazards and, if the Forest Service does inspect the permit area, it shall incur no additional duty nor liability for identified or non-identified hazards. This covenant may be enforced by the United States in a court of competent jurisdiction.

V. TERMINATION, REVOCATION, AND SUSPENSION

General. For purposes of this permit, "termination", "revocation", and "suspension" refer to the cessation of uses and privileges under the permit.

"Termination" refers to the cessation of the permit under its own terms without the necessity for any decision or action by the authorized officer. Termination occurs automatically when, by the terms of the permit, a fixed or agreed upon condition, event, or time occurs. For example, the permit terminates at expiration. Terminations are not appealable.

"Revocation" refers to an action by the authorized officer to end the permit because of noncompliance with any of the prescribed terms, or for reasons in the public interest. Revocations are appealable.

"Suspension" refers to a revocation which is temporary and the privileges may be restored upon the occurrence of prescribed actions or conditions. Suspensions are appealable.

B. Revocation or Suspension. The Forest Service may suspend or revoke this permit in whole or part for:

1. Noncompliance with Federal, State, or local laws and regulations
2. Noncompliance with the terms and conditions of this permit.
3. Reasons in the public interest.
4. Abandonment or other failure of the holder to otherwise exercise the privileges granted.

C. Opportunity to Take Corrective Action. Prior to revocation or suspension for cause pursuant to Section V (B), the authorized officer shall give the holder written notice of the grounds for each action and a reasonable time, not to exceed 90 days, to complete the corrective action prescribed by the authorized officer.

D. Removal of Improvements. Prior to abandonment of the improvements or within a reasonable time following revocation or termination of this authorization, the holder shall prepare, for approval by the authorized officer, an abandonment plan for the permit area. The abandonment plan shall address removal of improvements and restoration of the permit area and prescribed time frames for these actions. If the holder fails to remove the improvements or restore the site within the prescribed time period, they become the property of the United States and may be sold, destroyed, or otherwise disposed of without any liability to the United States. However, the holder shall remain liable for all cost associated with their removal, including costs of sale and impoundment, cleanup, and restoration of the site.

VI. FEES

- A. Termination for Nonpayment. This permit shall automatically terminate without the necessity of prior notice when land use rental fees are 90 calendar days from the due date in arrears.
- B. The holder shall pay annually in advance a sum determined by the Forest Service to be the fair market value of the use granted by this authorization. The initial payment is set at \$ 86.00 for the remainder of the calendar year. Subsequent payments shall be determined by the use of an annual fee schedule. The Forest Service may adjust the amount of payment annually by an appropriate indexing factor to reflect more nearly the fair market value of the use. At certain intervals the Forest Service shall review the fee and adjust the fee as necessary to assure that it is commensurate with the fair market value of the authorized rights and privileges, as determined by appraisal or other sound business management principles.
- C. Payment Due Date. The payment due date shall be the close of business on January 1st of each calendar year payment is due. Payments due the United States for this use shall be deposited at Collection Officer, FS, Intermountain Region, PO Box 60000, File #61657, San Francisco, CA 94160-1657 in the form of a check, draft, or money order payable to "Forest Service, USDA." Payments shall be credited on the date received by the designated Forest Service collection officer or deposit location. If the due date for the fee or fee calculation statement falls on a nonworkday, the charges shall not apply until the close of business on the next workday.
- D. Late Payment Interest. Pursuant to 31 USC 3717, and regulations at 7 CFR Part 3, Subpart B, and 4 CFR Part 102, an interest charge shall be assessed on any payment or financial statement not received by the due date. Interest shall be assessed using the most current rate prescribed by the United States Department of Treasury's Financial Manual (TFM-6-8020) Interest shall accrue from the date the payment or financial accounts, administrative costs to cover processing and handling of the delinquent debt will be assessed.
- E. Additional Penalties. In the event of permit termination pursuant to provisions VI (A), and prior to the issuance of a new permit, a penalty of six percent per year shall be assessed on any fee amount overdue in excess of 90 days from the payment due date. This penalty shall accrue from the due date of the first billing or the date the fee calculation financial statement was due. The penalty is in addition to interest and any other charges specified in the above paragraph.
- F. Disputed Fees. Disputed fees are due and payable by the due date. No appeal of fees will be considered by the Forest Service without full payment of the disputed amount. Adjustments, if necessary, will be made in accordance with settlement terms or appeal decision.
- G. Delinquent Fees.
1. Delinquent fees and other charges shall be subject to all rights and remedies afforded the United States pursuant to Federal law and implementing regulations (31 U.S.C. 3711 et seq.).
 2. The authorized officer shall require payment of fees owed the United States under any Forest Service authorization before issuance of a new permit.

VII. OTHER PROVISIONS

- A. Members of Congress. No Member of or Delegate to Congress or Resident Commissioner shall benefit from this permit either directly or indirectly, except when the authorized use provides a general benefit to a corporation.
- B. Appeals and Remedies. Any discretionary decisions or determinations by the authorized officer are subject to the appeal regulations at 36 CFR 251, Subpart C, or revisions thereto.
- C. Superior Clauses. In the event of any conflict between any of the preceding printed clauses or any provision thereof and any of the following clauses or any provision thereof, the preceding printed clauses shall control.
- 1) X-33. Improvement Relocation.
This authorization is granted with the express understanding that should future location of United States Government-owned improvements or road right-of-way require the relocation of the holder's improvements, such relocation will be done by, and at the expense of, the holder within a reasonable time as specified by the authorized officer.
 - 2) X-74 Water Rights.
This authorization does not convey any legal interest in water rights as defined by applicable State law.
 - 3) X-18 Superseded Authorization.

This authorization supersedes a special-use authorization designated: Leeds Domestic Water Users Association, issued 05/06/85.

(USE THIS SIGNATURE PAGE FOR INDIVIDUAL(S), PARTNERSHIPS, BUSINESSES, AND ALL NONCORPORATE ENTITIES)

This permit is accepted subject to the conditions set out above.

REEDS DOMESTIC WATERUSERS ASSN. U.S. DEPARTMENT OF AGRICULTURE
(Holder Name) Forest Service

By: Ronald K. Foulke, Pres. By: Ralph Rawlison
(Holder Signature) (Forest Supervisor)

Date: 9-10-98

(Holder Signature)

Date: Aug. 31, 1998

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082.

The information is needed by the Forest Service to evaluate requests to use National Forest System lands and manage those lands to protect natural resources, administer the use, and ensure public health and safety. This information is required to obtain or retain a benefit. The authority for that requirement is provided by the Organic Act of 1997 and the Federal Land Policy and Management Act of 1976, which authorize the Secretary of Agriculture to promulgate rules and regulations for authorizing and managing National Forest System lands. These statutes, along with the Term Permit Act, National Forest Ski Area Permit Act, Granger-Thye Act, Mineral Leasing Act, Alaska Term Permit Act, Act of September 3, 1954, Wilderness Act, National Forest Roads and Trails Act, Act of November 16, 1973, Archeological Resources Protection Act, and Alaska National Interest Lands Conservation Act, authorize the Secretary of Agriculture to issue authorizations for the use and occupancy of National Forest System lands. The Secretary of Agriculture's regulations at 36 CFR Part 251, Subpart B, establish procedures for issuing those authorizations.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.

Public reporting burden for collection of information, if requested, is estimated to average one (1) hour per response for financial information; average one (1) hour per response to prepare or update operation and/or maintenance plan; average one (1) hour per response for inspection reports; and an average of one (1) hour for each request that may include such things as reports, logs, facility and user information, sublease information, and other similar miscellaneous information requests. This includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, AG Box 7630, Washington D.C. 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB # 0596-0082, Washington, D.C. 2050).

LEEDS DOMESTIC WATER USERS ASSOCIATION
Water Transmission Description

Summarized Area Description

1. Original 3-inch Pipeline
A right-of-way 10-ft. wide by approximately 27,192 feet (5.15 miles) in length across Sections 16, 21, 22, 26, 27, 35 and 36, T40S, R14W, SLBM. Total acres 6.24.
2. Three Parallel 4-inch Pipelines (Two running from main line to storage tanks, and one as an over-flow pipeline running from storage tanks to irrigation ditch)
A right-of-way 15 ft. wide by approximately 749.45 ft. in length across Section 36, T40S R14W, SLBM. Total acres .26.
3. Lateral 6-inch Pipeline (From well off Forest to storage tanks)
A right-of-way 15 ft. wide by approximately .30 ft. in length across Section 36, T40S, R14W, SLBM. Total acres .01.
4. Lateral 6-inch PVC Pipeline (From storage tanks to main line)
A right-of-way 15 ft. wide by approximately 966.52 ft. in length across Section 36, T40S, R14W, SLBM. Total acres .33.
5. Storage Tanks
An area 50 ft. by 100 ft., located in Section 36, T40S, R14W, SLBM. Total acres .11.
6. Storage Tank
A right-of-way approximately .12 acres, located in Section 36, T40S, R14W, SLBM, is a 53 ft. diameter water storage tank and associated pipelines to tie into the existing pipelines.

Total Area Involved is 7.07 acres

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**

LDWA MONTHLY MEETING AGENDA
MARCH 16TH, 2000

WELCOME:
PRAYER:
EXCUSE SCOTT HAYES

MINUTES

BUSINESS PROPOSAL: NED AND KEITH SULLIVAN

CHECK REGISTER
INCOME STATEMENT:

BAD DEBTS:

1. SCOTT HAYES
2. A. ALBERTA LEE - FLAG LOT - FIRE WORTHY
B. METER READERS =
2. BERT LEANY: PROJECTS
 - A. REPORT ON NEW WELL PUMPS =
 - B. (WATER PRESSURE NORTH END OF TOWN.) =
3. RUSSELL PEINE: DAY TO DAY PROJECTS
 - A. REPORT ON COMPLETION OF NEW PRESSURE VALVES.(NEED COSTS OF THESE PROJECTS FOR MEETING.)
 - B. NEW 8" LINES TO PARRY'S HOME APPROXIMATELY 990 FEET =
 - C. *fixed leak Pat Shaneman* -
4. MERLE GIER A. WATER TESTS -
5. JIM PARNELL WATER MASTER: -
 - A. WATER PRESSURE BY WALTON PLAZA *Hot Tap - Boobies =*
 - B. PAT SHENEMAN LOT WAIVER. = *Pat Sheneman*
 - C. CLIP BOARD - WATER PRESSURE VALVES =
 - D. FIRE HYDRANT - WALTON PLAZA
6. DAVID COON:

- A. ELT - CONTRACT & ANNEXATION
- B. ELDORADO HILLS MERGER
- C. ALBERTA LEE 1. BOND \$5000.00
2. PAYOFF \$74,363.83
- D. FOREST SERVICE PERMIT, SPRING AND LINES.
- E. SOURCE PROTECTION ON SPRING IS COMPLETE & IN.

1-RR-Engineering

- SANDRA BROWNING:
- A. NUMBER OF TAPS FULL OR \$500.00 DOWN.
 - B. BROKEN LINE - CAPITOL BUILDING MATERIALS.

- NEW BUSINESS: A. BUY NEW COMPUTER.

MOTION TO ADJOURN MEETING.

Mailing Address:

548 West 1325 South
Indian Hills Subdivision
Edgar City, UT 84720

ESTIMATE

Date Mar. 11, 2000

Shop Address:

563 Airport Road

RHODES BROS. **PUMP SALES and SERVICE**

(435) 586-8312

CUSTOMER Attn. Dave Coon, Leeds Water Company

ADDRESS P.O.Box 46-1134, Leeds, UT. 84746

Job Name and Location of Well

Inside Diameter of Well	<u>15½</u> Inches	PUMPING CONDITIONS	Depth of Well	<u>400</u> Feet	
Static Water Level	<u>205</u> Feet	Lift Above	<u>42</u> Feet	Pump Speed	<u>3500</u> R.P.M.
Probable Drawdown	<u>20</u> Feet	Friction Head	<u>3.6</u> Feet	Pump Capacity	<u>155</u> G.P.M.
Total Lift Below	<u>225</u> Feet	+ Total Lift Above		= Total Pumping Head	<u>270.6</u> Feet

Size of Pump _____ Type _____ Curve No. _____ Impeller _____ H.P. at Pump _____ Shaft _____
 _____ Inch I.D. Discharge Flange

Run Bailer in Well to Bail out Oil on Water

QUANTITY	DESCRIPTION	TOTAL
2	15 H.P. 3500 R.P.M. Sub. MOTOR	
	220 VOLT 3 PHASE 60 CYCLE Sub Motors	
2	15 HP Sub Control Boxes with Lighting arrestors & Motor Savers and Time Clock	
500'	#6 Sub Pump Cable	
480'	4" Drop Pipe	
2	4" Tees	
2	4" Plugs	
1	18" X 3/4" Well Plate	
2	4" Ductal Iron Check Valves	
2	4" Brass Check Valves AS	
2	4" Brass Gate Valves NO	
2	4" Unions	
	Rewire Panels & Conduet to Pump	
1	Lat 4" X 8" Nipples	
	Prefab Plate for 2 Pumps	

NOTE -	Allowance on 20 HP Well Pump \$3,000.00	MATERIALS	\$ 15,045.00
	Balance on 2 Pumps Installed \$14,845.00	SALESTAX	
		LABOR	\$ 2,800.00
		TOTAL	\$ 17,845.00

TERMS-50% Down Payment Required and Balance on Delivery

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, UT. 84746-1134

President	David Coon	879-2685	Bert Leany	879-2901
Vice President	Scott Hayes	879-2457	Russell Peine	879-2358
Secretary/Treasurer	Sandra Browning	879-2345	Merle Gier	879-2903
Water Master	Jim Parnell	879-2854		

March 16, 2000

LDWA MONTHLY MEETING
PLACE: LEEDS TOWN HALL AT 7 PM.

THOSE IN ATTENDANCE: PRESIDENT DAVID COON, VICE PRESIDENT SCOTT HAYES, RUSSELL PEINE, BERT LEANY, MERLE GIER, JIM PARNELL, KEITH SULLIVAN, JOE MITCHELL,(representing the Town of Leeds), AND SANDRA BROWNING.

WELCOME: DAVID COON

PRAYER: SANDRA BROWNING

MINUTES: THE MINUTES WERE DISCUSSED AND BERT LEANY MOVED TO APPROVE THE MINUTES AND RUSSELL PEINE SECONDED THE MOTION AND ALL APPROVED.

FINANCIAL STATEMENT: THE CHECK REGISTRY, INCOME & EXPENSE STATEMENT & FINANCIAL INCOME STATEMENT WAS GONE OVER. BERT LEANY MOVED TO APPROVE THE FINANCIAL STATEMENT AND MERLE GIER SECONDED THE MOTION AND ALL APPROVED.

BAD DEBT: THERE ARE SEVERAL SHAREHOLDERS THAT NEED TO BE CONTACTED ABOUT THEIR BAD DEBTS. DAVID SUGGESTED THAT THEY BE CALLED ABOUT THEIR ACCOUNTS.

BUSINESS PROPOSAL: KEITH SULLIVAN IS IN THE BOTTLED WATER BUSINESS AND ASKED TO TALK WITH THE BOARD MEMBERS ABOUT USING LDWA'S WATER SOURCE FOR A BOTTLED WATER PLANT HE IS PLANNING TO PUT IN LEEDS. BERT LEANY READ FROM THE BY-LAWS, ARTICLE 9-SECTION 2- WATER USE " NO WATER SHALL BE TRANSPORTED OR TRANFERED FROM THE LOT OR PROPERTY WHICH HAS WATER METERED SERVICE. THE BY-LAWS COULD BE AMENDED. IF NEEDED AND WE COULD CALL A SPECIAL SHAREHOLDER'S MEETING AND VOTE ON THE CHANGE.

DAVID COON WILL CONTACT KERRY CARPENTER AND SEE IF THIS IS A FEESIBLE PROJECT. DAVID ALSO ASKED KEITH TO PUT TOGETHER A PROPOSAL IN WRITING AND BRING IT BACK TO US SO WE WILL KNOW EXACTLY WHAT IS PROPOSED; SUCH AS, GALLONS OF WATER NEEDED AND ETC. ALSO WHAT REVENUE WE COULD EXPECT.

SINCE THE IRRIGATION WATER COMES OUT OF THE SAME SPRING, IT MIGHT BE POSSIBLE TO PUT SOME OF THE IRRIGATION WATER IN OUR WATER LINES AND KEITH MIGHT BE ABLE TO USE THAT WATER. WE COULD COME TO SOME AGREEMENT WITH THE IRRIGATION COMPANY ON THIS PROJECT.

RUSSELL PEINE EXPLAINED AT TIMES IN SUMMER MONTHS WE HAVE TO PUMP THE WELL OR USE CHLORINE IN THE WATER AND THEN THE WATER WOULD NOT BE PURE SPRING WATER FOR BOTTLING AND THE WELL WATER DOES TASTE DIFFERENT FROM THE SPRING.

MERLE GIER SUGGESTED WE BE CAUTIOUS AND FIND OUT IF THIS PROJECT IS SOMETHING THE PEOPLE OF LEEDS WILL APPROVE. DAVID TOLD MERLE THE WATER WOULD BE IRRIGATION AND NOT CULINARY WATER THAT KEITH WOULD BE USING.

THIS PROJECT SEEMS LIKE A GOOD ONE FOR THE TOWN AND POSSIBILITY FOR THE PEOPLE, IF THERE ARE JOBS TO BE HAD. THE LDWA AND KEITH SULLIVAN WILL BOTH STUDY THE PROJECT AND WE WILL MEET AGAIN IN ABOUT A MONTH.

ALENE CUFF: DAVID AND SCOTT WILL APPROACH ALENE CUFF AGAIN ABOUT REDUCING THE 8% INTEREST ON THE WATER WE ARE BUYING FROM HER.

PROPOSALS: BERT LEANY MADE A PROPOSAL THAT THE LDWA WILL NOT, IN THE FUTURE, PAY THE DIFFERENCE BETWEEN A 6 AND AN 8 INCH WATER LINE FOR ANY NEW HOME OWNER OR DEVELOPER, FOR IT IS A STATE REQUIREMENT TO USE AN 8 INCH LINE ON ANY NEW CONSTRUCTION AND HAS BEEN IN EFFECT FOR TWO YEARS. ALSO BERT PROPOSED THAT LDWA WILL REQUIRE A HOME OWNER OR DEVELOPER TO LAY THE WATER LINES ACROSS THE ENTIRE FRONTAGE, FROM CORNER TO CORNER OF THEIR PROPERTY. THIS PROPOSAL WAS SECONDED BY MERLE GIER AND ALL APPROVED.

THE BOARD DISCUSSED BUYING A NEW COMPUTER AND LOOKED AT SOME MATERIAL ON THEM. DAVID SUGGESTED THAT WE TALK WITH JIM BRAY, WHO USED TO WORK FOR IBM, AND ALSO SCOTT HAYES AND SEE IF WE CAN FIND A QUALITY OF COMPUTER WE WANT AND STILL KEEP THE COST FOR COMPUTER AND PRINTER TO ABOUT \$1800.00.

MERLE GIER MADE A PROPOSAL THAT THE LDWA BUY THEIR OWN COMPUTER AND PRINTER AFTER SOME BACK GROUND WORK IS DONE. RUSSELL PEINE SECONDED THE MOTION AND ALL APPROVED.

INVESTING LDWA'S MONEY: DAVID COON SAID THAT WE NEED TO PUT SOME OF OUR MONEY IN OTHER BANKS FOR SAFETY. MERLE WAS ASKED BY DAVID COON TO CHECK OUT THE RATING OF BANKS IN OUR AREA AND WHAT PERCENTAGE OF INTEREST THE CD'S ARE GETTING AND MAKE SURE THAT THEY ARE FDIC INSURED. MERLE SAID HE WOULD.

ALBERTA LEE: ALBERTA HAS A LOT IN HER DEVELOPMENT THAT IS NOT CLOSE ENOUGH TO A FIRE HYDRANT. IT IS CALLED A FLAG LOT AND SHE MAY HAVE TO PUT IN ANOTHER HYDRANT BY THIS LOT FOR FIRE SAFETY. WE WILL WORK WITH THE FIRE DEPARTMENT OF LEEDS AND GO BY THEIR RECOMMENDATIONS.

NEW WELL PUMP:

BERT LEANY MET WITH MR. RHODES ABOUT INSTALLING THE NEW PUMPS IN OUR WELL. THE GOULD PUMPS ARE 78% EFFICIENT AND PRODUCE 470 GALLONS OF WATER PER MINUTE. HIS BID WAS A LITTLE MORE THAN SCHOLZEN'S, FOR HE WOULD PUT IN 4-INCH LINE AND SCHOLZEN'S BID A 3-INCH LINE, AND A LOT OF THE ITEMS MR. RHODES WILL USE ARE BETTER QUALITY; HE WILL DOUBLE THE ELECTRICAL DOWN TO THE PUMPS AND WILL PUT IN 10 GAUGE ELECTRICAL WHERE SCHOLZEN'S WOULD USE 6 GAUGE. SCHOLZEN'S WILL NOT INSTALL THE PUMPS ONLY PROVIDE THE MATERIALS FOR US TO BUY. THERE WILL BE TWO PUMPS WITH 15 HORSEPOWER EACH AND A SOFT START SO THE ELECTRICITY WOULD NOT BE SO HIGH. MR. RHODES SAID THE TOTAL PACKAGE WILL BE \$17,000.00 AND HE WILL GIVE US \$3000.00 FOR OUR OLD PUMP. (20 HORSE POWER.) THE \$17,000.00 BID INCLUDES THE LABOR COST OF \$2800.00. THE PUMPS WILL BE PUT ON A TIMER. WE WILL NOT NEED TO LUBRICATE THE PUMPS FOR THE BEARINGS ARE SEALED AND RUN ON A CARBINE DISC ON THE BOTTOM TO MAKE IT RUN SMOOTHLY AND IT IS WATER COOLED. IF WE LEAVE OUR OLD PUMP WITH MR. RHODES HE MAY BE ABLE TO GET MORE MONEY, BUT IT COULD TAKE SOME TIME TO SELL. MR. RHODES SAID THAT IT COULD TAKE TWO WEEKS TO GET THE SUPPLIES AND 2 TO 3 WORKING DAYS TO INSTALL THE PUMPS.

BERT LEANY SUGGESTED GIVING SUSAN SAVAGE AND DON GODDARD A CHANCE TO BUY OUR OLD PUMP FOR \$3000.00. THE PRICE IS GOOD FOR THE OLD PUMP IS IN GOOD CONDITION.

PROPOSAL: BERT LEANY MADE A MOTION TO ACCEPT MR. RHODES' BID FOR PARTS AND INSTALLATION OF THE TWO NEW PUMPS. AND EITHER LET HIM TAKE THE OLD PUMP FOR \$3000.00 OR SELL IT TO SUSAN SAVAGE AND DON GODDARD IF THEY ARE INTERESTED FOR THE SAME PRICE. MERLE GIER SECONDED THE MOTION AND ALL APPROVED.

ELDORADO HILLS ANNEXATION WITH THE TOWN OF LEEDS WAS APPROVED FEBRUARY 17TH. AND THE TOWN WILL START THE PAPER WORK TO GET THIS ACCOMPLISHED IN THE NEXT FEW MONTHS. MOST PEOPLE WANT TO JOIN IN THE MERGER. JIM BRAY WILL MEET WITH ELDORADO HILLS AND WORK OUT THE ROUGH PLACES.

ALBERTA LEE WILL MEET BERT LEANY AT SANDRA'S HOME THIS COMING TUESDAY AND SHE WILL GIVE LDWA THE \$5000.00 TO BE PUT IN ESCROW FOR PAYMENT TO JIM PARNELL AS HE INSPECTS HER PROJECT. SANDRA WILL GIVE HER A RECEIPT.

JOE MITCHELL OF THE TOWN OF LEEDS BOARD TOLD LDWA THAT ALBERTA LEE NOW WANTS TO BUILD TWO STORY 4-PLEXES, BUT THIS MAY NOT BE POSSIBLE, BECAUSE A PERK TEST MAY NOT PASS.

WATER PRESSURE ON THE NORTH END OF TOWN IS STILL NOT AS GOOD AS IT SHOULD BE. SO DAVID WOULD LIKE TO GET KEN ORTON DOWN TO ONE OF OUR MEETING TO LET US KNOW WHAT WE SHOULD DO TO GET THE PRESSURE REGULATED.

IT HAS BEEN BROUGHT TO LDWA'S ATTENTION, THAT WHEN THE LINES ARE BEING FLUSHED BY MR. JACKSON'S HOME THE LANDSCAPING IS BEING WASHED AWAY. WE WILL HAVE TO MAKE SURE THAT THIS DOES NOT HAPPEN AGAIN.

THE MONTHLY LDWA SHAREHOLDERS' MEETING WILL NOW BE HELD ON THE THIRD TUESDAY OF THE MONTH. IN APRIL IT WILL BE, APRIL 18 AT 7 P.M. IN THE TOWN HALL.

METER READINGS: JIM PARNELL HAD TO REPLACE 5 OR 6 METERS THIS MONTH FOR THEY COULD NOT BE READ. THE METER READERS WERE NOT THE PROBLEM. JIM WAS ASKED IF HE PUT IN BACKFLOW PERVENTORS AS HE REPLACED THE METERS AND JIM SAID THAT HE COULD NOT GET THE PREVENTORS IN BECAUSE THE AREA WAS TOO SMALL. RUSSELL PEINE SAID THERE IS A NEW BACK FLOW PREVENTOR THAT IS SMALL AND WILL FIT. JIM WILL GET THE NEW KIND AND PUT THEM IN.

ELT: THE TOWN OF LEEDS ACCEPTED THE ANNEXATION OF ELT AT THE TOWN MEETING. THE PAPER WORK CAN BE DONE NOW. THE BLM WILL MEET WITH BERT LEANY AT 10 A.M. TUESDAY BY THE WATER TANKS.

PROPOSAL: BERT LEANY MADE A MOTION THAT WE HIRE A CONTRACT LAWYER TO HELP US WITH THE CONTRACTS WE ARE WORKING ON AT THE PRESENT TIME AND USE RICK HAFEN AS OUR WATER LAWYER AS WATER PROBLEMS COME UP. RUSSELL PEINE SECONDED THE MOTION AND ALL AGREED. WE NEED TO FIND A CONTRACT LAWYER AND IT WAS SUGGESTED THAT WE LOOK AT SEVERAL, SUCH AS, STEVE SNOW LAWYER, FOR THE CITY OF WASHINGTON.

SOURCE PROTECTION ON THE OAKGROVE SPRING IS COMPLETED AND SENT IN BY ALPHA ENGINEERING TO THE DIVISION OF DRINKING WATER.

JAMES HASLEM: WE NEED TO WRITE MR. HASLEM A LETTER THAT HE HAS NOT PAID OFF HIS WATER CERTIFICATE AND HE MUST EITHER PAY IT OFF IN 30 DAYS OR WE WILL REFUND HIS MONEY AT THAT TIME.

WATER PRESSURE ON THE NORTH END OF TOWN: THE WATER PRESSURE ON THE NORTH END OF TOWN IS STILL NOT RIGHT AND DAVID WOULD LIKE TO GET KEN ORTON DOWN TO A MEETING TO TELL US WHAT CAN BE DONE TO GET BETTER PRESURE..

RUSSELL PEINE'S REPORT: THE PRESSURE REDUCERS ARE IN PLACE AND EVERYTHING IS WORKING. STILL DO NOT HAVE A BILL ON THE ASPHALT. RUSS FIXED A LEAK ON THE 6-INCH LINE ON THE WASH BY ALBERTA LEE'S ROCK PILE, BY PAT SHENEMAN'S PROPERTY. PAT HAD A BIG TRACKHOE GO BEHIND THE HILL TO TRY AND DIG HIM A HOLE AND IN THE PROCESS THEY WENT ACROSS THE WATER SOAKED SHOULDER AND COMPRESSED WATER LINE DOWN AND BROKE THE MECHANICAL JOINT BETWEEN THE CHECK VALVE AND THE PIPE AND IT STARTED LEAKING AND THAT HAD TO BE FIXED. BERT LEANY SAID HE HAS A BIG VALVE THAT HE WILL NEVER USE AND HE WILL GIVE IT TO THE WATER COMPANY IF THEY CAN USE IT. THEY HAVE THE MATERIALS FOR THE PARRY LINE AND IT CAN BE DIG ANYTIME. WE NEED TO USE THE EXTRA PIPE THAT IS DOWN BY THE TRAILER BEFORE IT GETS BAD.

WALTON PLAZA'S LOW WATER PRESSURE: JIM TOOK A PLUG OUT OF THE WATER LINE AT WALTON PLAZA, BUT IT DID NOT HELP. CHARLIE SCOTT WILL PULL THE PRESSURE REDUCER OUT AND SEE WHAT IS THE PROBLEM.

PAT SHENEMAN: DAVID HAD SANDRA BROWNING TYPE A LETTER TO PAT AND HAD HIM SIGN IT, WHICH IS A WAIVER THAT WE WOULD NOT GUARANTEE THE AMOUNT OF WATER PRESSURE ON THAT HILL. PAT IS SELLING THE PROPERTY AND WE NEED A BACKUP.

WATER TESTS: MERLE GIER DID THE WATER TESTS AND STATED THAT THERE IS MOSS ON THE SPLITTER BOX AND AT THE HOUSE THERE ARE RAT DROPPINGS AND DIRT. IT NEEDS TO BE CLEANED UP. AND THE BUILDING SHOULD BE SEALED OFF.

THE MEETING WAS ADJOURNED.

LDWA EXECUTIVE MEETING AGENDA
APRIL 6, 2000

MEETING HELD AT THE LEEDS TOWN HALL 7 P.M.

WELCOME: PRESIDENT DAVID COON

PRAYER:

AGENDA:

1. KEN ORTON OF RURAL WATER OF UTAH
 - A. Pressure adjustments at north end of town.

2. ELDORADO HILLS MERGER.

3. ELT CONTRACT WORKSHOP.

4. MERLE GIER
 - A. Bank investment suggestions and water tests.

5. KERRY CARPENTER
 - A. LDWA has an appointment with Kerry Carpenter, Division of *water rights* ~~Drinking Water~~, in Cedar City at 10 a.m. on April 12th.

6. LETTER TO ALBERTA LEE
 - A. No 4-plex
 - B. Fire Code on Flag lot.

7. EASEMENT ON THE TWO HOWARD'S LOTS.
 - A. Three inch dead end line abandoned.
 - B. New utility right of way for LDWA.

8. BERT LEANY
 - A. Water tap availability (approximately 50 taps).

9. PAT SHENEMAN
 - A. Bill to fix leak by the model home.
 - B. Fire hydrant for the two properties sold by Pat Sheneman.

10. Install new well pump the week of April 10-15 by Mr. Rhodes of Cedar City.

A. Six extra keys made for well pump installation.

B. Does Susan Savage or Don Goddard want our old pump?

11. LDWA received \$1225.00 from Terra Title Company for 100 ft. of 8 inch water line that LDWA installed. This was owed by Mr. Crosby and Mr. Carter and was awarded to us at the Gordon & Kathi Gunn, Holly Howard, and Helen Howard closing.

12. RUSSELL PEINE

A. 8 Inch line to Richard Parry's new home.

B. Blue staked?

13. WATER CERTIFICATES PAID

A. Helen Howard , Gordon & Kathi Gunn, and Holly Howard- \$7500.00 paid in full.

14. NEW APPLE COMPUTER (iMac DV), PRINTER, AND CABLE: \$1848.89.

15. JIM PARNELL INSTALLED APPROXIMATELY SIX NEW METERS TO REPLACE BAD METERS.

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

President	David Coon	879-2685	Bert Leany	879-2901
Vice President	Scott Hayes	879-2457	Russell Peine	879-2358
Secretary/Treasurer	Sandra Browning	879-2345	Merle Gier	879-2903
Water Master	Jim Parnell	879-2854		

EXECUTIVE MEETING

April 6, 2000

THOSE IN ATTENDANCE: President David Coon, Merle Gier, Bert Leany, Russell Peine, Jim Parnell, , Sandra Browning, plus Jerry Browning and Ken Orton of the Rural Water Association of Utah. Jim Bray of Eldorado Hills was also in attendance.

PRAYER: Bert Leany

WELCOME: David Coon

ELDORADO HILLS MERGER: David Coon told the board that Jim Bray will be coming to tonight's meeting soon and asked if the board was still in favor to continue the merger with Eldorado Hills. There has been some negative statements made in town that they are not bringing in enough water and he wanted to make sure the board was still for the merger. Bert Leany is for the merger, but said they need to fit into our system and our by-laws. So far things are going in that direction.

Proposed: Bert Leany made a motion to proceed with the merger with Eldorado Hills and Russell Peine seconded the motion and all approved.

Jim Bray is in attendance now.

David continued on by telling the board that Eldorado Hills will not short us on water. Eldorado Hills is 8 years old and has only built 23 homes during that time.

They will be an asset to the Town of Leeds for the tax base will greatly increase. They have 52 separate lots, with two extra lots owned by two shareholders, their water tank is 120,000 gallons when filled all the way to the top, but it is never filled to the top of the tank so it is more like 98,000 gallons in the tank. The CC and R recommends desert landscaping to conserve water. A few homes have lawns. Bert Leany asked how many taps are not in use. Jim Bray said It is hard to say, but there are some that have not paid for water and that money will go to LDWA. They will be bringing in \$20,000.00 cash. Eldorado Hill has a standby fee for lots not in use for \$10.00 a month. The connecting fee is \$2450.00 and this pays for the connection and the meter. Their minimum water fee is

\$15.00 a month for 15,000 gallons. The water cost go up from there. \$25.00 a month pays for 23,000 gallons. Shareholders using over 23,000 gallons are charged \$2.00 per thousand. The average use of water in the summer is 16,000 gallons. There will be 48 lots annexed into the town for there are 4 lots already in the town boundrics. The lots run from 3 1/2 to 6 acres.

Eldorado Hills is not like the town of Leeds for each lot can have only one water tap no matter the size. And there are 23 live connections including three properties on uninhabited lots. There are 49 1/3 acre feet of water rights and the well will produce this amount of water. Eldorado Hills does want to have a six month window to allow their shareholders to buy a share of water for \$1400.00 before the merge takes effect.

Connecting the two systems will take 1,000 feet of pipe and a by pass valve. Eldorado Hills is current with all State and Federal requirements.

Jim Bray was appointed to represent Eldorado Hills in the merger with LDWA. He said there is one shareholder against the merge and Jim Bray has been working with him.

To file a petition to annex requires 1/3 of the value of the area and a majority of the owners.

Eldorado Hills is sending out a news letter to their shareholders with information on the merger and they will be asked to sign the petition to merge and return to their board and then Jim Bray will put the petitions together and take them to the Town of Leeds to look over.

The time frame in the annexation should be by the end of September. Steve Snow is their lawyer. The Annexation will be pending until all legal work is accomplished.

RWAU – Ken Orton of the Rural Water Association of Utah was in attendance to help LDWA find a way to get more water pressure on the north end of town. Ken suggested that we bring the 8-inch line down to the cement tank and put in a pressure reducer at that point and reduce the pressure to whatever we feel comfortable with there and then put a check valve at the tank. He also recommended going up and tying in the 4-inch crossover line that comes under the freeway and tying it back into the system. Russ Peine said it would take less than 40 feet of line to tie the 8-inch line coming down from Silver Reef to the 8-inch line coming out of the cement tank. There needs to be a pressure reducer before the cement tank. If we extend the cinder block building it would cover the 8- inch line.

Proposal: Russell Peine made a motion to authorize Ken Orton of RWAU to proceed in regulating the water pressure on the North end of town and to investigate and see if there is a workable solution to balance the water pressure so the town won't get to much pressure and the north end will get enough water pressure. Bert Leany seconded the motion and all approved. Ken Orton and Jerry Browning will come back April 20-21 to

do the job. David wants to post a letter in the post office so the town's people will know when the work will be done.

Proposal: Bert Leany made a motion that we pay RWAU for the regulating valves that were put in at main street. Russell Peine seconded the motion and all approved. It was suggested that we write a letter to RWAU and thank them for their help on this project.

BANKS: Merle Gier checked with some of the banks in town about investing our money in CD's. Merle felt the US Bank was a very reliable bank, but he will continue to find out what the bank ratings are and the interest paid on CDS.

ELT: Upon going over the contract from ELT it was found that none of the agreements that the two companies have made in the pass year were put in the contract and so the board decided to reject the contract and David will write a letter to Dallin Gardner telling him that the contract was rejected. LDWA feels we need to start over on the contract and find a contract lawyer to help us put together a workable contract.

David said the new contract says that what is in this new contract supersedes any previous agreement. So any previous agreement in the last seven months is no longer valid. We have to be very careful and everything we want has to be in writing. Bert said LDWA thought we had all of ELT's water in our well, but the biggest share is in Eldorado Hills' well. David feels part of the water is irrigation and ELT has not converted it over. The contract states they will change the water over when needed. Dave and Bert will go to Cedar and check this out. The contract also states that they have 18 lots and they will turn their water over to LDWA, but if they have not converted the water we may not get the total amount of water agreed upon. Dave suggested ELT probably feels we can get more water out of the irrigation water shares because we are a municipal water company. So they want us to convert the shares. We also want ELT to put money in an escrow account so we can have an inspector on the job at their expense and the inspector will have the right to stop construction should construction fall short of State and County standards of building or the standards that LDWA require. Such as, 8" pipe and we want it 900 series. We want two different types of fire hydrants.

Bert suggested that we insist on having 1.203 acre ft. of water per lot, because the 1.20 acre ft. in the contract will give us 900 gallons per household per month less water.

The contract states that the developer is also the owner of water rights where domestic and irrigation users described more specifically as 43.15 acre feet of water in water rights #81:1518 (a18082) which has a point of diversion in a well operated by Eldorado Hills Water Company and (18) Acre feet under water Right #81-4262 (a23066) which currently has a approved point of diversion at the well owned by LDWA near the Town of Leeds, UT. Russell Peine suggested that we not accept this contract and redo a

contract that we can live with. LDWA can look for a contract Lawyer to rewrite the contract. Two lawyers mentioned were Snow and Enstrom. It still is in our favor to deal with them. However, this contract does not have any provision in it to prevent the contract to be sold and we need to be protected from this happening.

EASEMENTS AT SILVER REEF ROAD: The Easement is not wide enough for a road way. There needs to be an 8" line to the fire hydrant. The hydrant will cost approximately \$2500.00.

NEW HOME: Ron Whitmer has started to build his home.

NEW PUMPS: Susan Savage and Don Goddard do not want our old pump so we will trade it to Mr. Rhodes for \$3000.00 off our bill.

COMPUTER: Sandra reported that we bought a new iMac computer and printer and they are working great.

FIRE HYDRANT; Dave confronted Pat Sheneman about a fire hydrant that needs to be put by the plastic company and the office he sold. Dave will write him a letter and send copies to those involved.

NUMBER OF TAPS LEFT: Bert told the board that we have water enough for about 50 more taps to sell. Maybe even more.

ALBERTA LEE: Alberta Lee will not be building any 4 plexes for the Health Department will not approve it without a special sewer system put in. David said he is writing a letter to Alberta Lee and one point of the letter is that her water taps will always be 14 taps whether the State reduces the amount of water or not. Also we will support the Fire Departments requirements for a fire hydrant on her flag lot.

WATER SHARES: Bert went to the Division of Drinking Water in Cedar and found out that Silver Reef's water shares are in Quail Creek Springs and LDWA's shares are Oakgrove Springs. Quail Creek Springs is located 98 ft. North and 19 feet East of Oakgrove Spring.

The meeting was adjourned.

LDWA'S AGENDA FOR THE MONTHLY MEETING
APRIL 18, 2000

WELCOME: David Coon

PRAYER:

MINUTES:

FINANCIAL STATEMENT:

BAD DEBTS:

1. ELDORADO HILLS MERGER

- A. Jim Bray
- B. Spoke with Fred Friese

2. RURAL WATER

- A. Ken & Jerry – April 20th (Pressure adj.) North of town.
- B. Dig back of well house April 17-19 to install pressure valve.
- C. Check pressure. Need cell phones.
- D. Post letter – Post office – water shut off.

3. ELT CONTRACT:

4. WATER TESTS:

- A. Coliform present, new sample, letter to Division of Drinking Water.

5. NEW PUMPS ON LINE:

- A. New transformer, Utah power – no charge – 3 weeks
- B. Owe Mr. Rhodes \$14,845.00

- C. Guarantee -- one year -- parts and labor.
- D. New meter base (100 amps)

6. WATER SHORTAGE?

- A. Spring 275 GPM --120 GPM
- B. Test Spring once a week
- C. Thanks Jim -- during emergency
- D. Emergency water agreement -- Silver Reef

7. WATER RIGHTS;

- A. Kerry Carpenter -- Cedar City

8. MET WITH IRRIGATION COMPANY

9. PAT SHENEMAN LETTER

10. BANK INVESTMENT SUGGESTIONS

11. 8 INCH LINE TO RICHARD PARRY'S HOME

- A. Blue staked
- B. Use up old 8" plastic pipe - Sullivan first.

12. PURCHASED 7 VALVES -- PLUS TWO FIRE HYDRANTS FROM
MARCUS JOHSON?

13. CONTACT ATTORNEY -- BRUCE JENKINS 674-9718

MONTHLY MEETING OF LEEDS DOMESTIC WATERUSERS ASSOCIATION

APRIL 18, 2000 AT 7 P.M. IN THE TOWN HALL

THOSE IN ATTENDANCE: President David Coon, Vice President Scott Hayes, Bert Leany, Russell Peine, Merle Gier, Sandra Browning, Jim Parnell, and Joseph Mitchell (Councilman for the Town of Leeds). Also Coy Wiley (Past President of LDWA).

PRAYER: Russell Peine

WELCOME: David Coon

MINUTES: The minutes were discussed and corrections made. Scott Hayes moved to approve the minutes as corrected and Russell Peine seconded the motion and all approved.

FINANCIAL STATEMENT: The income and expense statement and the check registry were discussed. Russell Piene moved to approve the financial statement and check registry with Bert Leany seconding the motion and all approved.

MERGER WITH ELDORADO HILLS: David told the board that if Eldorado Hills comes into our water system, they will bring nearly 50 acre feet of water, also \$20,000.00 cash which will cover the cost to connect the two systems at no cost to us. The merge will also be beneficial for the Town of Leeds with a good tax base. There is a six month window for the shareholder's in Eldorado Hills to buy water taps, but after that period of time, they will have to pay LDWA \$3000.00 for a tap or the going rate.

RURAL WATER: Ken Orton and Jerry Browning of the Rural Water Association of Utah will be down on April 20 to try and find a solution to the low water pressure on the north end of town. Russell Peine said they may not have anything to do for there is no by pass line and the only 4 inch line goes under the valve house. Russ tried to dig behind the valve house so a pressure valve could be installed, but the rocks were so bad he could not dig. Also there is an eight inch line, but it is not connected and goes to the ditch. We are not ready for them to put in a pressure reducer valve and it will probably be two weeks before Ken and Jerry can come again. Russ said we should be ready in two weeks.

ELT CONTRACT: David and Bert met with Dallin Gardner and worked to correct the ELT contract, but when Dave received the revised contract it still was not as LDWA requested. So

David asked the board if they would approve Bruce Jenkins as a contract lawyer to work with LDWA to get a proper contract put together. The board approved Bruce Jenkins as our contract lawyer. His phone #674-9718. ELT stated in the contract they will pay our lawyer's fees to work on the contract for LDWA. Dave reminded the board that we are not going to participate with ELT in the size of the new water tank. We will let them put the tank in; for they are considering a larger tank so they can make a much larger development than the 18 lots that we agreed upon.

Discussing ELT's Contract: David wants to make sure that ELT will not be able to sell the contract out from under us and we not be protected. Jim Parnell suggested the contract state that the contract can not be sold. ELT also states that they plan to development as high as 76 lots and LDWA was only planning to accept the 18 lots at the present time.

Dave asked Coy Wiley to come to our meeting and Coy said that ELT offered 18 acre feet of water for their development and LDWA asked for 3 more acre feet of water and ELT agreed to provide an additional 3 acre feet. Coy also stated that ELT has added in a lot of extra items that were not in the original agreement.

Bert Leany made a motion that we engage a contract lawyer and have him write up a contract to LDWA's approval and then present it to ELT. The motion was seconded by Russell Peine and all approved. Merle Gier said we should talk to the owner of the development and negotiate with him.

WATER TESTS: On April 10th a water test done for LDWA and coliform was present in the well. David had to call the Division of Drinking Water and tell them what happened and that we could not take another water test from the well for Rhodes Drilling was installing two new pumps in our well at the present time. After the new pumps were installed, Jim Parnell shocked the well with a treatment of chlorine and then ran the pumps until all the pollution from the installation of the pumps and also the excess chlorine was pumped out. Merle Gier reported that another test was taken and the testing center made a mistake by telling us we had coliform in the well, but we did not and that problem was corrected. Monday we will test the well again and send a copy to the state.

NEW PUMPS : The amount we owe Mr. Rhodes is around \$14,845.00 for the pumps, parts, and installation. The pumps, parts, and labor are guaranteed for one year. We also have a new electrical meter base (100 amps). Dave asked if Mr. Rhodes has been paid for the project and Sandra said we have not received a billing so far.

WATER SHORTAGE: The spring is down from the normal flow of 275 GPM to 120 GPM. We may need to be careful with our water this summer. We plan to test the spring once a week for water flow.

Dave thanked Jim Parnell for the work he did during the emergency at the well.

SILVER REEF Dave checked with the Division of Drinking Water at Cedar City to see if we have an emergency agreement with Silver Reef. In case the spring does not produce the water needed and we have to use the well. Dave was told that we do not have an emergency agreement with Silver Reef and if they want one then Silver Reef needs to contact the division of drinking water and get a permit. The permit can be good for a short time or ^{one year} as long as one year. *apply for permit*
Dave will contact Silver Reef and tell them what he found out. Kerry Carpenter also told Dave and Bert that LDWA has .11 CFS or 79.64 acre feet of water in the spring. Silver Reef has 18.9 acre feet. The year around amount of water for Silver Reef 11.72 gallons per minute and Leeds has 49.37 gallons per minute. Together it comes to 61.09 gallons per minute from the spring.

IRRIGATION COMPANY: Dave and Bert met with the irrigation company about buying some of their water. Ned Sullivan, David and Merrill Stirling, and Carlyle Stirling's irrigation water rights in our spring. They would not provide a price for the water and David said he would not put the LDWA in debt for this water. They are still working on a solution. In the past we have replaced the overage of water we have used to the Irrigation Company. David asked the irrigation water company to put their water in trust for the LDWA and they would not do it. We could lease the water from the Irrigation Company and lease 24 ^{AC FT} shares to Silver Reef. The Irrigation Company wants to meet with us on May 5th at the town hall and Dave invited all the board members to be present.

We have two irrigation water rights. One share is equal to 6 acre feet, so we would have 12 acre feet to use for the new shareholders in Leeds. Coy suggested we put the irrigation shares of water in the spring.

KEITH SULLIVAN'S BOTTLED WATER BUSINESS: Dave told the board that he wants to make sure that Keith understands that at times we have to chlorinate the spring water or use the well and so our water is not strictly spring water and has a slightly different taste at times. Bert mentioned if we have to chlorinate or use the well then we would have to work with Keith and tell him, so he could stop bottling water. Keith is getting together some figures for LDWA so they can see if it will be worth their while to approve water for his business. Jim Parnell said he read somewhere that the hardness of the water in our well is around 360 ^{ppm} particles and the spring is around 177. ^{ppm} .

LETTER: Dave wrote a letter to Pat Sheneman to bill him for damage done to one of our water lines. The backhoe he rented went over a water line and crushed it. Also Dave told him that he still needs to put in a fire hydrant by the properties he sold. Dave will suggest that he involve those people he sold the properties too and also Walton Plaza across the street. Sandra read the letter to the board and they all felt it should be sent.

BANKS: Merle Gier checked the banks again and found that US Bank was the most impressive with a 4 star Rating with 571 billion in assets, plus other advantages. Zion's Bank is rated 3 1/2 star. The Bauer Group that rates the banks is an independent rating group out of Coral Gables, Florida. A four star bank has at least twice the capital required by its regulators. The US Bank is on "The Bauer bank and thrift report" and "The recommended bank and thrift report". Merle suggested that several board members go to the banks and together come to agreement.

MOTION: Merle made a motion that we contact these two banks, US Bank and Zion's Bank to determine the best place to put money of our association. Scott Hayes seconded the motion and all approved.

RICHARD PARRY: Russ is ready to put in the 8 inch line to Richard Parry's new home also he will put in a 6 inch check valve. We will need to call Blue Stakes before digging and also we plan to use up some older 8 inch line we have.

MARCUS JOHNSON: Jim went to Hurricane to check out some valves and fire hydrants that Marcus has to sell. He said they were pretty good and he told the board that the fire hydrant price is \$350.00 each and the valves around \$150.00 for the 8 inch and \$100.00 for the 6 inch. The valves are flat on one side and will need a \$75.00 adaptor, even at that; the price is good. Dave asked Russell Peine to go over and check out these items and if he thinks they are worth the price then we will make Mr. Johnson a bid.

MOTION: Scott Hayes made a motion, that after Russell Peine looks at the valves and hydrants that Mr. Johnson has to sell and Russ approves the purchase, that we buy these items. Bert Leany seconded the motion and all approved.

TRANSFER CERTIFICATE: Scott said that Glen R. Thompson will be buying a water certificate and land to build on and he wanted to know if everything was okay with this transaction. Earlier the title company called Sandra and she wanted to have this transfer checked out and would not give approval at that time for the land was on Silver Meadows and she thought it was on Alberta Lec's development. It was not on Alberta Lee's development and the sale was approved.

RON WHITMER: Ron is putting in his home in town and he is using 6 inch line because it is a dead end line. He will get the same amount of pressure as the north end of town.

Scott moved to adjourn

LDWA EXECUTIVE MEETING
MAY 4TH 2000

PLACE: Town Hall
Thursday at 7 p.m.

THOSE IN ATTENDANCE: President David Coon, Scott Hayes, Bert Leany, Merle Gier, Russell Peine and Sandra Browning

WELCOME: David Coon

PRAYER: Russell Peine

MINUTES: Minutes for executive meetings were handed out to board members to review.

RURAL WATER SUGGESTIONS; Ken Orton of RWAU sent David Coon suggestions and plans to increase the pressure on the north end of town.

Ken suggested to use the existing 4 inch line to Kathy Gunn's home on the road to Silver Reef and attach on to the existing line. This is where the water line will be when Russell Peine gets though digging it.

We will need a pressure valve and 8 inch line (50 ft. of 8 inch line @ 5.99 a ft). The Valves and fitting will cost around \$5778,00 and the labor and digging will be approximately \$6000.00

Russell Peine asked why we needed to do all this when we can use the check valve that is already there. Tie the 8 inch into the 4 inch line. David will contact Ken.

EASEMENT: We will need to put in pressure reducers as needed. Such as on Mesa Drive (by Brewers) for it is only a 2 inch line. It is also a dead end line and needs a loop in the line. At some time in the future this 2 inch line needs to be replaced

The approximate cost for this project:

1. 450 ft of 8 inch line would be approximately \$2695.00
2. Fittings \$700.00
3. Digging and labor \$2925.00
4. Total approximately \$6390.00

David talked with R.E. Heuser and he gave the LDWA permission to put an easement across his property, but only LDWA. Mr. Heuser asked that we draw up as easement that excludes all other utilities. We need to get this done. Dave will get an agreement made up and have Mr. Heuser sign it so we will be ready when we want to do the project. All the board approved.

It is 450 feet to the existing 8inch line and would eliminate a dead end line.

FIRE HYDRANT: When Pat Sheneman bought the land on main street and added a modular home for his business office, a fire hydrant was never put in. Now that Pat has

sold the building and the lot next to it, a hydrant must be put in. Pat told Dave he wasn't going to put one in because the Fire Department said he did not have too. Dave wrote a letter to Pat saying a hydrant was necessary and the LDWA was ready to install one for \$2500.00 when we get the money. Dave's letter was sent to others involved:

R&R (Plastic Plant), Mr. Howard(bought his business) Walton Plaza, Mayor of Leeds, Fire Department and Mr. Sheneman. R& R engineering (plastic plant) has already sent his share of \$625.00 for the hydrant. We plan to bill the others and take Mr. Sheneman to small claims court if he does not pay. A Hydrant needs to be put in soon because of the liability to LDWA. and before the plastic plant opens. Dave told Russ Peine this is a priority.

WATER TESTING: From now on we need to do an investigative test first on the well before we do the regular monthly test. We had e-coli and coliform in the well after the new pumps were put in. We thought the test would be okay for Jim shocked the system with chlorine. We did two investigative reports that were absent bacteria and four regular test that were okay. We will send in the good tests to the Ut. Division of drinking water.

ELT: We are in the process of redoing the contract with ELT. We have retained Bruce Jenkins, contract lawyer, for \$500.00. Dave and Bert met with him and told him what we want in a contract and a rough draft should be ready by May 8-12. The contract will be on the 18 lots only. Another contract will have to be made later on for any additions of land or lots. Bert said that Mr. Jenkins charges \$135.00 an hour. It was suggested that a bond be put on the project, to be paid by ELT at 1 to 1 1/2 times the cost.

AVAILABLE MONEY: Cash balance for all entered transactions such as, cash,cds, and account receivables. : LDWA is interested in buying or leasing water from Leeds Irrigation Company so we needed to know the money that is available at the present time. Also if we put in a new water tank or other big projects.

133,510.00

14,845.00 Minus pumps

1,200.00 Minus electrical

\$106,725.00

This is not counting new homes and hookups and monthly water fees. The by-laws state we must keep a reasonable financial reserve.

OPTION #1 Increase tank size

1. 220,000 gallons	400 X 24 H.	\$77,000.00
2. 350,000 gallons	510 X 24 H.	\$108,000.00
3. 500,000 gallons	600 X 24 H.	\$140,000.00

New steel tank complete with sand blasting, painting, and epoxy system inside and out.
Note – Not included pad construction, underground piping or valves.
The board agreed that ELT will put in their own tank and we will ^{not} participate to make it larger.

OPTION: #2 Forced irrigation system (save 40-50% of water) State ruled out using main street ditch for pressurized irrigation pipe. Need ditch for flood control. We can use a turbo to create electricity to sell. Scott suggested that we get figures and prices so we can talk with the irrigation system about a pressurized water system.

OPTION # 3 Buy or lease water from irrigation company. The board met with members of the Leeds Irrigation company and Ned Sullivan said LDWA can 1. Stay as we are 2. Lease water or 3. buy water. Ned Sullivan Carlyle Stirling, David Stirling and Merrill Stirling are considering selling their water. They are asking about \$288,000,00 for their water. (60 gallons a minute or 96.28 acre ft. a year.) Which is a lot of money for LDWA to come up with. It was suggested to lease the water. David feels that leasing is the way to go if we can come to an agreement with the irrigation company. If we could pay \$7500.00 per year, plus a small interest fee and this lease would go on forever it may work for us. The interest and amount of payment that we make will have to be worked out. The board will put together a proposal and meet with the Irrigation Company. The legal costs should be shared. We would like the option to buy in this lease. We can also lease 24 shares to Silver Reef.

Bert Leany suggested that LDWA transfer our two shares of irrigation water up to the spring . We could loose some of the water, however, none of Alene Cuff's irrigation water we purchased was lost.

OPTION: Combination of the above.

DAY TO DAY PROJECTS:

1. Mr. Parry is nearly ready to have his 990 ft. of 8 inch line in. We will pay the difference between the 6 inch and the 8 inch line
2. Alene Cuff wants her water line replaced. Dave will check with the company who crushed her line and see if they will pay for it.
2. Russell & Beckie Welch are putting a home at West Mulberry and have paid \$500.00 deposit on their water tap. They are nearly ready for their water service.

3. Kathy McKean will be leasing the home on 137 Vista and needs to pay a \$100.00 deposit. She will rent until September and then buy. The water needs to be turned on. (Bruce Brown's home.)
4. The three new homes on the road to Silver Reef are nearly ready for water service. A line needs to be dug from the fire hydrant to the property line.
5. Pat Sheneman needs a line to the tower and lot he is selling.

CERTIFIED LETTER SENT TO ALBERTA LEE:

Dave wrote Alberta Lee a certified letter explaining that she will need a 8 inch line from the cul-de-sac to the fire hydrant. Also the meter will need to be moved to an area the fire hydrant.

REFUND: Dave told the board that he got a phone call from Robert Bernard and said that he lost his house at 187 north main and wants water money refunded. The board agreed that we can not refund the money because the water goes with the house. Dave will give him a call and explain. (The by-laws state the water goes with the home and property.)

POSTER: Merle Gier suggested the LDWA put up a bulletin board in the town hall with pictures and articles on water and tell what we are doing and what we have accomplished and how this benefits the shareholders. Dave felt this is a good idea and asked Merle to chair this project and he said he would.

LDWA water shares: When Bert and Dave went up to Cedar to meet with Kerry Carpenter, he told them that we have 307 acre feet of water which gives us 256 water taps. Using the 392,000 gallons per year for each tap. (33,000 per month per shareholders.) If we would go down to 210,00 per year for each shareholder, we would have 478 taps or if we go down to the 12,500 gallons per month per shareholder, it would allow 684 taps. More than doubling the amount of taps we have at the present time. Bert said we could buy more water by helping the irrigation system put in a pressurized water system than buying additional water.

Scott moved to adjourn.

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

President	David Coon	879-2685	Bert Leany	879-2901
Vice President	Scott Hayes	879-2457	Russell Peine	879-2358
Secretary/Treasurer	Sandra Browning	879-2345	Merle Gier	879-2903
Water Master	Jim Parnell	879-2854		

May 18,2000

LDWA EXECUTIVE MEETING
PLACE: TOWN HALL AT 7 P.M.

THOSE IN ATTENDANCE: PRESIDENT DAVID COON, VICE PRESIDENT SCOTT HAYES, BERT LEANY, MERLE GIER, RUSSELL PEINE, JIM PARNELL AND SANDRA BROWNING.

PRAYER: MERLE GIER

1. WATER SAMPLING : Merle Gier took this months investigative water tests on May 17th. And the tests were fine except his home's water test had too much chlorine in it. David asked Jim to dump the fire hydrant by Merle's to eliminate the chlorine build up in the line. Merle will take the regular test next week. This will be done at the well, the splitter box and at a home. We also need to send a check to Quail Creek Treatment plant for the investigative tests.

2. RURAL WATER OF UTAH: RWUA is still planning to come down to help solve the problem of low pressure on the north end of town.

3. IRRIGATION COMPANY AND SPRING WATER NEGOTIATIONS:

Jim Parnell told the board that the spring flow is improving from a month ago. It is up from 160 gallons per minute to around 172 gallons per minute. LDWA met with the Irrigation Company May 5th about leasing or buying some of their water. Dave told the board: A. We could lease the water for 99 years with a 1% cap per year on the interest rate, going up or down. It was suggested that instead of 1% that we use .05%. B. We could also lease to purchase from 0 to 20- 25 years . C. If we lease to purchase the water; one third of the amount we pay for the water could be put into a fund for a pressurized irrigation system. City approval would be needed. D. We could lease to buy as the land is bought by new shareholders and water is paid for.

TYPE OF LEASE:

- A. We could pay a set amount yearly. The interest per year can not be raised or lowered anymore than .05% or can stay the same.
- B. Give water certificate that guarantees ownership. We want to buy out the whole spring.

4. MESA DRIVE- TWO INCH LINE REPLACEMENT.

- A. Replaces 6 inch line from Vista
- B. Replace fire hydrant to Babylon Road. Dave had Sandra type up an easement agreement and we will try to get a right of way from R.E. Heuser (400 ft.)
- C. Fire Department to do a flow check on Mesa Drive.

5. DAY TO DAY PROJECTS: JIM & RUSS

- A. Alene Cuff's water line done. We need to bill Alene.

- B. Gunn, and the 2 Howards are ready for new service and lines. The 2 Howards have paid for hookup.
- C. PARRY HOME: Mr. Parry is nearly ready for the 8 inch line to be put in. Blue stake was called, but the telephone line was not marked. When project is completed we will need to bill Mr. Parry, Hack Lewis, and the Schweers for work done by LDWA.
- D. FIRE HYDRANT BY WALTON PLAZA: Board must decide where the hydrant should be placed.
- E. MESA DRIVE: With board approval this project needs to be done soon.

6. ALBERTA LEE:

- A. Monday, May 22, 2000 the 6 inch lines will be replaced with the 8 inch line from the cul de sac to the fire hydrant approximately 250 feet.
- B. After 8 inch line is put in then we will approve the hot tap into the 8 inch line. If the water will be off when the hot tapping is done, Dave would like to put up a notice so the town's people can be ready.

- 7. ELT CONTRACT: Bert and Dave have met with our new contract lawyer and gave him the information that we want in the contract. The first draft will be completed and we will be able to review it.

- 8. WELL: Dave asked Jim Parnell if the new transformer was installed at the well and it has not been installed yet.

- 9. PAT SHENEMAN : We have billed Pat for the damage to our water line and also for the fire hydrant that should have been installed before he sold his properties. Dave will give him two weeks and then take him to small claims court.

10. SILVER REEF: Silver Reef plans to buy water from Merlin Sullivan

- A. We need to charge Silver Reef rent for use of the line from the spring for up keep and line maintenance. Also we hope this will keep them from applying for ownership on the line.
- B. We will have to meter their water at the splitter box. We need a
- C. permanent division in the splitter box to represent water ownership.

Scott Hayes moved to adjourn.

MONTHLY LDWA AGENDA
MAY 25, 2000 AT 7 P.M.
AT THE LEEDS TOWN HALL
THOSE IN ATTENDANCE:

WELCOME: DAVID COON
PRAYER:
MINUTES:

FINANCIAL STATEMENT:

KEITH SULLIVAN'S BOTTLED WATER COMPANY:

1. MERLE GIER: Water Sampling *4 samples*
 - A. Regular tests
 - B. Home, Splitter box, and well,

 2. RURAL WATER: Ken and Jerry were told not to come to work on the water lines for we are not ready to for them.
 3. IRRIGATION COMPANY & SPRING WATER NEGOTIATIONS - *June 7 - 7:00*
 - A. JIM PARNELL: Gallons per minute available from the spring. - 172 Gal/min
 - B. Lease 99 year - .05% cap on interest charge.
 - C. Lease to purchase in 0-20-25 years.
 - D. Lease -1/3 paid to start pressurized irrigation in Leeds - City needs to approve.
 - E. Lease change to buy with new service.
 - F. Land owner benefit - use water to develop land.
at - complete control
- TYPE OF LEASE:
- A. Set amount per year - no increase. Interest per year can not be lowered or raised more than .05%.
 - B. Give water certificate guarantee of ownership.
 - C. Combination of above
 - D. Other.
-
4. MESA DRIVE - TWO INCH REPLACEMENT
 - A. Fire Department to do a flow check
 - B. Replace 6 inch line from Vista.
 - C. Replace fire hydrant to Babylon Road - Need right of way from R.E. Heuser (400ft.)

5. DAY TO DAY PROJECTS: JIM & RUSS

- A. Alene Cuff's line done and we need to bill her.
- B. Gunn & two Howard's new service & lines. (two Howards have paid for hookup).
- C. Parry nearly ready for 8 inch line. Blue staked, but telephone line not marked. Bill: Mr. Parry, Hack Lewis, and Bill Schweer for work done by LDWA.
- D. Fire Hydrant at the corner of Walton Plaza needs to be installed. -
- E. Mesa Drive project needs to be started as soon as the board approves.

6. ALBERTA LEE:

- A. Were to replace the 6 inch line for an 8 inch line Monday, from the cul de sac to the fire hydrant - approx. 250 feet. (from house site.)
- B. After 8 inch line is installed then line will be hot tapped.

7. ELT:

- A. Attorney, Bruce Jenkins will have the first draft done soon.

8. Jim Parnell: Has the new transformer been installed by Utah Power?

9. Pat Sheneman:

- A. Billed for damage to our line and for his share of the fire hydrant cost.
- B. In two weeks take to small claims court.

10. Silver Reef to buy water from Merlin Sullivan (24)

- A. LDWA to charge rent for use of line from spring for up keep and line maintenance. Keep them from applying for ownership on the line.
- B. Meter water at splitter box. Put in a permanent division in box to represent water ownership.

11. WATER SHARES SOLD IN 2000

- 1 A. R & R (Plastics plant) - completed. ✓
- 2 B. Ron Whitmer - building 500.⁰⁰ ✓
- 3 C. Kevin DeWitt - 500.⁰⁰
- 4 D. Jeff Carter - building 2500.⁰⁰ =
- 5 E. DeVon & Holly Howard - Building - parcel
- 6 F. Dayne & Helen Howard - Building parcel
- 7 G. Gordon & Kathe Gunn - Building = parcel
- 8 H. Russell & Rebecca Welch - Building parcel
- 9 I. Garrett Sullivan - Building - 500.⁰⁰

Clampy - June 3

Planning Commission

MONTHLY MEETING OF THE LDWA
MAY 25TH, 2000 AT 7 P.M.
THE LEEDS TOWN HALL

THOSE IN ATTENDANCE: President David Coon, Scott Hayes, Russell Peine, Merle Gier, Bert Leany, Jim Parnell, and Sandra Browning. Joseph Mitchell of the town of Leeds, Keith Sullivan (Bottled water business owner), and David Clements from Silver Reef.

WELCOME: David Coon

PRAYER: Joseph Mitchell

MINUTES: Russell Peine moved to approved the minutes as corrected and Merle Gier seconded the motion and all approved.

FINANCIAL STATEMENT: The financial statement was discussed and Scott Hayes moved to approve the Financial Statement and Russell Peine seconded the motion and all approved.

BAD DEBT: The bad debts were discussed, Mr. Randle has not made a payment for some time so Russell and David plan to pay his a visit for he has complained about his water pressure. There are a few other shareholder's that are behind in their payments.

BOTTLED WATER COMPANY: Keith Sullivan attended LDWA's meeting to discuss his bottled water company. Keith was asked by Russell Peine were his business will be located and the projected amount of water he expects to be using monthly and yearly, He was asked if he plans to use the irrigation water that comes down our lines. And Keith said he has not worked with the irrigation company yet. Keith felt he would not be using anymore than 20,000 gallons per month for the first year and he will be putting his business on his father's property. In a few years he could be using 4500 gallons a day and as time goes on there should be a limit put on the amount of water Keith can use. Keith suggested that we charge a commercial rate and plus 2 or 3 cents more per gallons. Ned Sullivan, Keith's Dad, suggested earlier to David Coon that a profit sharing bases could be worked out. Keith asked if there was anything he could do to get an approval from LDWA. Scott Hayes suggested that Keith get his presentation together so when we do call a special meeting with the shareholders about him using the water for his business, he will be ready to tell them his needs.

Then Dave Coon asked Keith Sullivan to write the LDWA shareholders a letter of his proposal to use the water for his business. It should include the amount he offered up and

over the commercial rate. Russell told Keith that the well is quite a bit harder than the spring about 360 parts per million. Keith said that 360 parts was not too bad compared to the water that is out there.

WATER TESTS: Merle took samples from the well this morning and he will know tomorrow how the tests turned out. Jim Parnell has flushed the well out and he also used a strong solution of chlorine to rid the well of the contaminants. We have had problems with bad tests.

UTAH POWER: David Coon asked Jim Parnell to call the electrical company and see if the new transformer to run the pumps has been put in. Jim said that it has not been installed yet, but he will keep in touch with the power company.

LEEDS IRRIGATION COMPANY: David told the board we have a meeting with the Irrigation Company, Wednesday, June 7, 2000 at 7 p.m. at the town hall. about buying or leasing their water. So Dave would like the board to meet June 6th, 2000 Tuesday, at the Town Hall at 7 p.m. in an executive meeting to prepare for the meeting.

Dave asked Jim about the flow of the spring and was told that it is approximately 170 gallons per minute. We need to have an average flow.

Some of the things that Dave presented to the board about leasing or buying water from the irrigation were:

1. Lease for 99 years, 2. .05% cap on interest charge up or down, 3. lease to purchase in 0-25 years., 4. Use part of the payment to the irrigation company to start a pressurized water system in Leeds with city approval, 5. change lease," to buy" with new service.
6. Land owners benefit- use water to develop land. ,7. LDWA wants complete control of spring..8. Set payment per year. 9. LDWA wants water certificate guarantee of ownership.

MINI SUBDIVISION: Dave asked Joseph Mitchell to check with the town about how many homes are considered a mini subdivision, and Joe said he would. We need to know the town policies and work with the planning commission.

ALBERTA LEE'S DEVELOPMENT: Jim told Seth Cook that he needs to move a meter on the development and he was not happy about it, but Jim is trying to make sure everything is done by the state requirements. We may have to pay for this ourselves. They are replacing the 6 inch line with the required 8 inch line on Alberta's project. LDWA wants the meter at the beginning of the 8 inch line. They will hot tap when 8 inch line is in.

DAY TO DAY PROJECTS

- A. Russell Peine told the board that Alene Cuff's line has been fixed. However, she does not have the water pressure that she needs. Alene said she would pay for the line replacement so LDWA will bill her.
- B. The two Howard's have paid for their hookups for their new homes, but Mr. Gunn still needs to pay for his.
- C. Mr. Parry is nearly ready to have his 8 inch line installed. Blue Stakes was called but not everything was marked. We will have to bill Mr. Parry, Hack Lewis, and Bill Schweer for work done by LDWA.
- D. A fire hydrant needs to be installed at the North corner of Walton Plaza.
- E. Pat Sheneman has not paid his part of the fire hydrant by the building that he sold. We also billed him for damage done to our line by a backhoe that he hired to do some digging. Progressive Contracting Inc. is the company that did the damage to our lines and so Sandra will bill them. David is giving him 2 weeks to pay his bill and then he will take him to small claims court if payment is not made.
- F. If Silver Reef buys water from another company, LDWA will have no choice, but charge rent for the use of our water line. We also need to put a permanent division in the splitter box to represent water ownership.
- G. We have sold 9 water certificates so far this year, but not all have started to build.

MESA DRIVE: TWO INCH REPLACEMENT: Dave has not been able to contact Mr. Heuser to get his okay on a right of way on his property (approx. 400 ft.). Scott was asked if the fire department can do a flow check on Mesa Drive and Scott said that he would. The two inch line will be replaced with a 6 inch line. The fire hydrant to Babylon Road needs to be replaced.

MOTION MADE: Russ Peine made a motion that LDWA start the Mesa Dr. project as soon as possible and Scott Hayes seconded the motion and all approved.

CAPITOL BUILDING said that they have sent us the money that they owed for a line they ran over and damaged.

WATER PRESSURE: Isabelle Washburn does not have any water pressure and Russ will talk to her about her problems.

CONTRACT WITH ELT: Our new contract lawyer, Bruce Jenkins, completed the contract with ELT earlier and it was handed out to board members to study. Board

members gave their input about the contract and suggested items that they felt were needed in the contract. The new contract only covers the 18 lots in the original contract. Any other land development will be taken care of in future contracts. The contract states that the 18 acre feet of water in Eldorado Hills well will be transferred to LDWA's well. And the contract also states that any conversion of water from irrigation to culinary will be at ELT's expense. ELT plans to enlarge their tank for future development so LDWA decided that they will not participate in this project. The BLM wants a shorter and wider tank so it will be closer to the ground. The contract also states that any amount over 51 lots sold will not have an impact fee for the tank will be paid for by then. There were other ideas and changes by the board members and they will go over the contract again and jot down any changes they think will be needed.

SILVER REEF: David Clements from Silver Reef came to our meeting to tell LDWA that the Water Conservancy District is meeting with other water companies in the area and he felt we should be aware of this and he invited LDWA to attend the next meeting. The meeting will be held June 14th at 1 p.m. at the Conservancy Office in St. George. David Clements wants the small water companies to work together.

MEETING IN SALT LAKE: David Coon told the board he is going to Salt Lake City and will meet with Kevin Brown who is over the State Water. He plans to talk with Kevin about our problems and ask for his advise.

WATER SERVICES IN 2000: Taps sold in 2000 include:

- A. R&R Plastic company
- B. Ron Whitmer
- C. DeVon & Holy Howard
- D. Dayne & Helen Howard
- E. Gordon & Kathy Gunn
- F. Russell & Rebecca Welch
- G. There are others that have not built yet and paid \$500.00 deposit.

Scott Hayes moved to adjourn.

L.D.W.A. EXECUTIVE MEETING
JUNE 6, 2000 - Thursday at 7 P.M.
AT THE LEEDS TOWN HALL

WELCOME: David Coon

PRAYER:

1. *Fred* Sandra - James Haslem, *248.00* Fred Jackson, CSM (*102.00* Steve Hansen (Commercial)), Sign and put job name on tickets for parts and materials. Meters in use Gunn, Howards, Welch, and Parry. Please let Sandra know if meters are turned on for billing.
2. Merle - Water testing
 - a. Coliform present in well
 - b. Telephone call letter - All investigative.
 - c. Take next test to Cedar City, July 7th.
 1. Splitter box *Monday*
 2. Well
3. Merle - Display of LDWA infrastructure with pictures of entire board - Sandra, Jim, *OK* and Joe Mitchell, Rep. Of the town council.
4. Silver Reef Water Co. wants to use our source protection report for the spring. LDWA will agree with them paying their percent of the cost. LDWA cost is 81% or \$3159.00 of the \$3900.00 and Silver Reef is 19% or \$741.00.
5. Water Conservancy meeting with developers, will be July *7th* at 1 p.m., held at 136 North 100 East in St. George. Should have retail and wholesale water costs.
6. Report on ELT.
 - A. Contract finished by Rick Hafen (copy)
 - B. Lien on 18 water shares in the well? (Pay attorney fees).
7. Chlorinator *(Ken Orton)*
Approximate cost : Hypro \$7000.00 - \$10,000.00 Not dangerous.
Gas \$500.00
Pellets *250.00* \$100.00
Approximate building cost. \$2500.00
8. Irrigation company counter
 - A. Ned - Not enough money for lease.

- B. Irrigation Co owns 4.79 CFS *A Share*
1. Water April - Oct (7 months) \$5000.00 offer 7 month = \$714.29
 2. Nov-March 5 months - State water.
 3. Spring top production 170 gallons per minute.
 4. 170 gallons per minute = 177 acre ft.
 5. Silver Reef owns 11.7 ^{acre} feet in the spring.
 6. LDWA owns 49.4 ^{acre} feet in the spring.
 7. LDWA total water Well 228.2 acre feet
- Oak Grove Spring 79.64 acre feet - 1 & 2 total = 307.8 Total acre feet.
8. 307.78 Acre feet divided by 1.203 = 256 taps *Being 14 + 10 =*
 256 total now minus 180 taps leaves ~~76~~ taps we can sell. *(56) taps*
 392,000 gallons per tap per year. *50*
 32,668 gallons per month.
 371 cut to 22,500 per month 270,000 gallons per year and 22,500 gallons per month.
 371 taps minus 180 leaves 191 taps almost 20 years of water
9. Lease Irrigation water compared to use our own well.
 94 acre foot available for 7 months or 78 taps -
 78 times 16.00 = 1248.00 monthly income.
 1248 times 12 = 14,976 per year.
 Maintenance, salaries and tests 14,976 divided by 2 = 7488.00.

10. Alternatives:

- a. One home subdivision
- b. Cut gallons (32,000 to 22,500)
- c. Pressurized system.
- d. Use well for extra water.
- e. Sell 50 acre foot to ELT 50 acre foot times 4000 = 200,000
- f. Lease 24 acre feet to Silver Reef and LDWA = 20 Acre feet.
- g. Pump cost - \$18,000, write off in 15 years or 1200 per year.
- h. Lift water 280 ft. times .10 per acre feet = \$28.00 per acre feet.
 28.00 times 94 acre feet. \$1200.00

\$2632.00

total \$3832.00

Lease cost offered for 94 acre feet is \$5000.00

Well cost electric / write off \$3832

Total \$1168.00

(11) Day to day projects:

A Jim: Bob Campbell & Roseanne New paid \$170.00 for transfer and installation of meter. 332 Silver Meadow Dr.

B. Jim: 1. New meters *rough*

\$1800.00

*PCF =
Contractor*

well joint = \$57.00

- 3. Spring flow, *160 Gals per Min ±*
- 4. Ut. Power & Light change transformer, July 6, 2000 *350 Gal min*
- 5. Other. *Construction fees other*

C. Russ

- 1. Bill Gunn, Parry, fire hydrant.
- 2. Right of way signed by Pete and Betty Heuser – start work, July 12 around 12 noon. Approximate cost 450 ft. 8 inch line \$2695.00 and fittings \$700.00 and digging and labor \$2925.00 will total \$6320.00

D. Other..

12. Alberta Lee ±

- A. problems with utility right of way
- B. (Don Fawson) water hydrant backwards.

13. JAMES HASLEM.

Sander

14 = City Water use

Sandra

LDWA EXECUTIVE MEETING AGENDA
JUNE 6, 2000
TOWN HALL

**LDWA AND LEEDS IRRIGATION COMPANY – SPRING
WATER**

1. 99 YEAR LEASE
2. SET DOLLAR FIGURE
3. RENEW EVERY 7 YEARS
4. .05 CAP ON YEARLY INTEREST (UP OR DOWN)
5. LEASE CHANGED, TO BUY, WHEN NEW SERVICE SOLD.
6. NEED AVERAGE GALLONS PER MINUTE FLOW RATE
7. NEED RENTAL CERTIFICATE ON A CERTAIN AMOUNT OF ACRE FEET BASIS.
8. LEASE TO PURCHASE WINDOW IN CONTRACT - 0-20 YEARS.
9. NEED COMPLETE CONTROL OF WATER FROM SPRING
10. LDWA HAS ENOUGH WATER FOR APPROXIMATELY FOUR YEARS , 40 – 50 SERVICES.
11. EXTRA WATER USED MOSTLY FOR IRRIGATION PROPERTY OWNER'S DEVELOPMENT.
12. WASHINGTON COUNTY CONSERVANCY DISTRICT IN COMPETITION WITH LDWA WITH A 12 INCH LINE GOING DOWN MAIN STREET OR

DOWN THE HIGHWAY. RON THOMPSON IS LICENSED IN ALL OF WASHINGTON COUNTY TO DO THIS.

13. LEEDS IRRIGATION COMPANY WILL TAKE THE DELETION PENALTY FROM IRRIGATION TO CULINARY. A POSSIBLE 20%.

ACTION ITEMS:

- A. FINANCIAL FORMULA – ONE PRICE TO PAY PER YEAR PER LEASE PER ACRE FEET.
- B. WITH EACH NEW SERVICE SOLD AFTER FOUR YEARS, HOW MUCH OF THE FEE WILL BE SPLIT WITH THE IRRIGATION CO IF ANY?
- C. USE PART OF THE PAYMENT TO IRRIGATION COMPANY IN THE FIRST FOUR YEARS FOR PRESSURIZED WATER SYSTEM,
- D. OTHER ACTION ITEMS FROM THE BOARD MEMBERS.

FIRST PROPOSAL OF LDWA TO LEEDS IRRIGATION COMPANY FOR LONG TERM LEASING OF SPRING WATER

~~JUNE 15TH~~, 2000 AT 7 P.M.

AT THE LEEDS TOWN HALL

THOSE IN ATTENDANCE: President David Coon, Scott Hayes, Bert Leany, Merle Gier, Russell Peine, Sandra Browning, and representatives of the Leeds Water Company (Irrigation) Ned Sullivan, Craig Sullivan, David Stirling, and Don Goddard. Also Mr. Richard Parry brought in a letter to be read to the LDWA Water Board.

WELCOME: David Coon

Copies of the first proposal of the LDWA to the Leeds Irrigation Company were handed out and the group discussed each part of the proposal. Questions were asked by the irrigation company and some changes were made. Ned told LDWA that he would go home and set a meeting with the shareholders of Leeds Irrigation company and they will go over the proposal and then get back with David Coon.

1. 99 YEAR LEASE. A lease for 99 years.
2. Set dollar figure of \$5000.00 was a starting figure.
3. Renewal of the lease every 7 years. Renewing contract conditions.
4. .05 cap on the 7 year lease on water cost (up or down) on the lease payment.
5. Lease changed, to buy (water), when new service is sold.
6. Need average gallons per minute flow rate. Around 170 gallons per minute flow rate. We can use an average.
7. Need rental certificate from the irrigation company on a certain amount of acre feet basis. And this should be put in writing. (contract in writing)
8. Lease to purchase should be put in contract . 0-20 years.
9. LDWA needs to have complete control of water from the spring.

10. LDWA has enough water for approximately four years, In figures this amounts to 40-50 services.
11. The extra water will be used mostly for irrigation property owner's land development.
12. Leeds irrigation company will take the deletion penalty from irrigation to municipal, which could be 20% loss or even more. (with a lease there will be no loss of water) Dave will check to see if there is any deletion penalty if the water is kept in the same line on this transfer from irrigation to culinary. Also when we transfer our two irrigation shares to the spring we want to know if there is any reduction of the amount of gallons.

TOPICS OF DISCUSSION:

A. With each new service sold after 4 years, (after LDWA has used all of its water) how much of the fee will be split with the irrigation company, if any?

B. Use Part of the payment to the irrigation company in the first four years for a pressurized water system. The city, irrigation company, and LDWA all need to be involved in this project. We need to build a reservoir to hold the water.

The Leeds Irrigation Company was very interested in creating a pressurized water system and both groups agreed that a feasibility study should be conducted. Also Don Goddard and Bert Leany were assigned to see if they can find any grant money for this renewable energy project. Scott Hayes suggested that we can pay for this project if we create our own electricity and sell it to Utah Power. The Leeds Irrigation Company will study things out and contact David Coon about the LDWA's proposal.

Bert Leany read the letter brought in by Richard Parry to the board, asking for their help in getting reimbursement for new construction connecting to their new line. The board felt that he is entitled to reimbursement and they will help all they can.

Scott Hayes moved to adjourn

FIRST PROPOSAL OF LDWA TO LEEDS IRRIGATION COMPANY FOR LONG
TERM LEASING OF SPRING WATER.

JUNE 15TH, 2000 AT 7 P.M.
AT THE LEEDS TOWN HALL

1. 99 YEAR LEASE.
2. Set dollar figure. \$4000.00 a starting figure.
3. Renewal of the lease every 7 years.
4. .05 cap on yearly water cost (up or down) on the lease payment.
5. Lease changed, to buy (water), when new service is sold.
6. Need average gallons per minute flow rate. Around 170 gallons per minute flow rate.
7. Need rental certificate from the irrigation company on a certain amount of acre feet basis. And this should be put in writing.
8. Lease to purchase should be put in contract . 0-20 years.
9. LDWA needs to have complete control of water from the spring.
10. LDWA has enough water for approximately four years, In figures this amounts to 40-50 services.
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TOPICS OF DISCUSSION:

- A. With each new service sold after 4 years, (after LDWA has used all of its water) how much of the fee will be split with the irrigation company, if any?
- B. Use Part of the payment to the irrigation company in the first four years for a pressurized water system. The city, irrigation company, and LDWA all need to be involved in this project. We need to build a reservoir to hold the water. ~~This project could cost around \$1 million.~~

LDWA, JUNE MONTHLY MEETING *Agenda*
JUNE 22, 2000 7 P.M. AT THE LEEDS TOWN HALL

THOSE IN ATTENDANCE: *Dave - Bert - Russ - Jim - Merle*
And Sandra

WELCOME: DAVE

PRAYER: *Russ*

MINUTES:

FINANCIAL STATEMENT:

BAD DEBT:

1. MERLE GIER : WATER TESTING:

- A. WELL - JUNE INVESTIGATIVE ABSENT OF E-COLI OR COLIFORM
- B. SPLITTER BOX (NEEDS POSITIVE SAMPLE

2. MERLE & DAVE : LETTER FROM UT. STATE DIVISION OF DRINKING WATER

Comments on EPA proposed ground water treatment rule.

3. MERLE & JOE: A TOWN MEETING IN JUNE - MAYOR MOSHER LIKED THE IDEA OF MAPS AND PICTURES, OF LDWA - WELL, SPRING, AND STORAGE TANKS. MAYBE PICTURE OF PRESENT BOARD MEMBERS. TOWN REPRESENTATIVE, JOE MITCHELL & WATER MASTER, JIM PARNELL.

3.5 JOE MITCHELL REPRESENTATIVE OF THE TOWN OF LEEDS

4. MEETING WITH SILVER REEF AND LDWA, MONDAY, JUNE 19 AT DAVE CLEMENT'S HOME WITH JIM, BERT, DAVE, DAVE CLEMENTS, AND DICK FREEMAN IN ATTENDANCE.

A. SPLITTER BOX PROBLEM

B. SOLUTION - WHEN SILVER REEF OPENS LOCK THEY CALL JIM PARNELL. JIM WILL CONTINUE TO DIVIDE WATER FLOW.

5. WATER CONSERVANCY MEETING FOR LAND DEVELOPERS IN THE LEEDS AREA. IT WAS HELD AT 136 NORTH 100 EAST ST. GEORGE - BERT AND DAVE INVITED THEMSELVES. NEXT MEETING, JULY 7TH.

6. REPORT ON ELT CONTRACT (AGREEMENT UNDER REVIEW)

7. ELDORADO HILL (CHOICE) LDWA OR WASHINGTON WATER CONSERVANCY DISTRICT.
8. POSITIVE MEETING WITH LEEDS IRRIGATION CO. BOARD AND LDWA BOARD. LEASING OF WATER FROM OAKGROVES SPRING.
 - A. FORM JOINT COMMITTEE: BERT LEANY AND DON GODDARD TO LOOK FOR MONEY TO INSTALL PRESSURIZED IRRIGATION SYSTEM IN LEEDS AND MAYBE GENERATE ELECTRICITY FOR SALE.
9. DAVE : LETTER – DEPT. OF ENVIRONMENTAL QUALITY FEDERAL STATE REVOLVING FUND LOAN PROGRAM.
10. MOTION TO INSTALL CHLORINATOR : CONSULT WITH KEN ORTON
 - A. KINDS LIQUID, PILL, GAS.
 - B. SUGGESTIONS
 - C. APPROX COST
 - D. COST OF BUILDING (BIDS)
 - E. WHERE SYSTEM TO LOCATE
11. RUSS : DAY TO DAY PROJECTS
 - A. PARRY'S
 1. READ LETTER FROM PARRYS
 - B. ALENE CUFF
 - C. FIRE HYDRANT – CORNER OF MALL
 - D. GUNNS & HOWARDS
 - E. RIGHT OF WAY – R.E. HEUSER (BE IN LEEDS JUNE 28.)
- JIM: F. LEAK AT BECKY ROUNDY'S
 - F. LEAK.
12. LDWA – REPURCHASED ONE SHARE OF WATER – JAMES E. STANTON
13. CAPITOL BUILDING MATERIALS PAID \$150.00 FOR BROKEN LINE.
 1. PROGRESSIVE CONTRACTING PAID 487.50 FOR CRUSHED LINES.
14. ALBERTA LEE PACE SUBDIVISION.
 - A. WATER LINES – 7 1/2 FOOT EASEMENT ON BOTH SIDES OF THE ROAD.
 - B. JIM TOTAL HOURS – DEDUCTED FROM \$5000.00 IN ESCROW.
15. PAT SHENEMAN HAS NOT PAID \$625.00 (HIS SHARE OF FIRE HYDRANT)
 1. WANTS WATER FOR ANOTHER HOUSE.
16. LOOSE ASSOCIATION WITH ANGEL SPRINGS, SILVER REEF, AND LDWA ?

17. BUSINESS:

1. R& R
2. RON WHITMER
3. DEVON & HOLY HOWARD
4. GORDON & KATHY GUNN
5. DAYNE & HELEN HOWARD
6. RUSSELL & REBECCA WELCH

18. GLEN ROBERT THOMPSON SHARE #391 - TRANSFERRED TO 332 SILVER
MEADOW DR. BOB CAMPBELL.

19. OTHER BUSINESS

MOVE TO ADJOURN.

L.D.W.A. EXECUTIVE MEETING *agenda*
JULY 6, 2000 – Thursday at 7 P.M.
AT THE LEEDS TOWN HALL

WELCOME: David Coon

PRAYER:

1. Sandra – James Haslem, Fred Jackson, CSM Steve Hansen (Commercial), Sign and put job name on tickets for parts and materials. Meters in use Gunn, Howards, Welch, and Parry. Please let Sandra know if meters are turned on for billing.
2. Merle - Water testing
 - a. Coliform present in well
 - b. Telephone call letter - All investigative.
 - c. Take next test to Cedar City, July 7th.
 1. Splitter box
 2. Well
3. Merle – Display of LDWA infrastructure with pictures of entire board – Sandra, Jim , and Joe Mitchell, Rep. Of the town council.
4. Silver Reef Water Co. wants to use our source protection report for the spring. LDWA will agree with them paying their percent of the cost. LDWA cost is 81% or \$3159.00 of the \$3900.00 and Silver Reef is 19% or \$741.00.
5. Water Conservancy meeting with developers, will be July 11th at 1 p.m., held at 136 North 100 East in St. George. Should have retail and wholesale water costs.
6. Report on ELT.
 - A. Contract finished by Rick Hafen .(copy)
 - B. Lien on 18 water shares in the well? (Pay attorney fees).
7. Chlorinator – Ken Orton
Approximate cost : Hypro \$7000.00 - \$10,000.00 Not dangerous.

Gas	\$500.00
Pellets	\$100.00

Approximate building cost. \$2500.00
8. Irrigation company counter
 - A. Ned – Not enough money for lease.

B. Irrigation Co owns 4.79 CFS

1. Water April – Oct (7 months) \$5000.00 offer 7 month = \$714.29

2. Nov-March 5 months – State water.

3. Spring top production 170 gallons per minute.

4. 170 gallons per minute = 177 acre ft.

5. Silver Reef owns 11.7 acre feet in the spring.

6. LDWA owns 49.4 acre feet in the spring.

7. LDWA total water Well 228.2 acre feet

Oak Grove Spring 79.64 acre feet – 1 & 2 total = 307.8 Total acre feet.

8. 307.78 Acre feet divided by 1.203 = 256 taps

256 total now minus 180 taps leaves 76 taps we can sell.

392,000 gallons per tap per year.

32,668 gallons per month.

371 cut to 22,500 per month 270,000 gallons per year and 22,500 gallons per month.

371 taps minus 180 leaves 191 taps almost 20 years of water

9. Lease Irrigation water compared to use our own well.

94 acre foot available for 7 months or 78 taps

78 times 16.00 = 1248.00 monthly income.

1248 times 12 = 14,976 per year.

Maintenance, salaries and tests 14,976 divided by 2 = 7488.00.

10. Alternatives:

a. One home subdivision

b. Cut gallons (32,000 to 22,500)

c. Pressurized system.

d. Use well for extra water.

e. Sell 50 acre foot to ELT 50 acre foot times 4000 = 200,000

f. Lease 24 acre feet to Silver Reef and LDWA = 20 Acre feet.

g. Pump cost - \$18,000 , write off in 15 years or 1200 per year.

h. Lift water 280 ft. times .10 per acre feet = \$28.00 per acre feet.

28.00 times 94 acre feet. \$1200.00

\$2632.00

total \$3832.00

Lease cost offered for 94 acre feet is \$5000.00

Well cost electric / write off \$3832

Total \$1168.00

11. Day to day projects:

A Jim: Bob Campbell & Roseanne New paid \$170 .00 for transfer and installation of meter. 332 Silver Meadow Dr.

B. Jim : 1. New meters

3. Spring flow,
 4. Ut . Power & Light change transformer, July 6,2000
 5. Other.
- C. Russ
1. Bill Gunn, Parry, fire hydrant
 2. Right of way signed by Pete and Betty Heuser – start work, July 12 around 12 noon.
Approximate cost 450 ft. 8 inch line \$2695.00 and fittings \$700.00 and digging and labor \$2925.00 will total \$6320.00
- D. Other.

12. Alberta Lee

- A. problems with utility right of way
- B. (Don Fawson) water hydrant backwards.

13. JAMES HASLEM.

LDWA EXECUTIVE MEETING

JULY 6, 2000

THURSDAY at 7 p.m.

THOSE IN ATTENDANCE: President David Coon, Vice Pres. Scott Hayes, Bert Leany, Russell Peine, Merle Gier, Jim Parnell, and Sandra Browning.

WELCOME: David Coon

PRAYER: Russell Peine

SANDRA : David plans to refund a \$500.00 deposit to James Haslem for his water certificate. (He has never paid the \$2000.00 balance). There were many overages in June. Sandra asked the board members to put their names and job on all charge tickets. Sandra asked if these meters are in use, the two Howards, Gunns, Welch, and Parry. Russ said that Dayne Howard's meter is in use. Sandra stated that she would appreciate being told if meters are set and in use so they can be billed.

MERLE: Merle will do the water testing next Monday, July 10th, on the well and the splitter box. We had coliform present in the well again. David called the division of drinking water to explain the problems and when they found out that we are not using the well at the present time they did not take any of our points. Dave then had Sandra write a letter to the Division of Drinking Water putting the problems in writing as they requested. Dave said that St. George Testing facility was having trouble with their testing and we plan to go back to Cedar City for our water test for now.

Merle is in charge of putting together a display of the LDWA infrastructure with pictures of the entire board, Sandra, Jim, and Joe Mitchell, our representative of the town. We want to have pictures of the well and spring also.

SILVER REEF: Silver Reef wants to use our source protection report for the Oakgrove Spring. LDWA agreed if they would pay a percentage of the cost. LDWA will pay 81% or \$3159.00 and Silver Reef will pay 19% or \$741.00 of the \$3900.00.

WATER CONSERVANCY: The Water Conservancy will be meeting with developers and water people in the Leeds area, July 7th at 1 p.m. held at 136 North 100 East in St. They should have retail and wholesale water costs. Bert and Dave will attend. The meeting was not advertised and that is against the law.

ELT: The new contract is in the hands of ELT but, David has not received a reply. David suggested that we put a lien on the 18 acre feet of water in our well so we can get

some of our money back that we have spent on lawyer and engineer fees. The board all agreed that we should do this.

MOTION: Bert Leany made a motion to put a lien on the 18 shares of water that ELT put in our well. This will be for paying legal and engineering costs that LDWA paid to get ELT in our water system. Russell Peine seconded the motion and all approved.

CHLORINATOR: Ken Orton will be down in the near future to help us put our program together to install a Chlorinator. We plan to put the chlorinator between the green and pink tanks. There are three types of chlorinators we can choose from: Gas, Hypo, and Pellets. The hypo is the most expensive, but is the most safe and LDWA probably will go for it or the gas chlorinator. Then we will need to get bids on a building to house it.

IRRIGATION: The Irrigation company has not responded to our offer to lease their water. We did hear that they did not feel we offered enough money for their water.

1. The irrigation Co. owns 4.79 CFS of water.
2. Nov.-March 5 months the water is the States water.
3. The irrigation Co. uses their water April – Oct (7 months) \$5000.00 lease for 7 months.
4. The spring top production is around 170 gallons per minute, or 177 acre ft.
5. Silver Reef owns 11.7 gallons per minute in the spring.
6. LDWA owns 49.4 gallons per minute in the spring.
7. LDWA total water in the well is 228 .acre fee.
8. The amount of water LDWA has is 307.78 acre feet and when it is divided by 1.203 it equals 256 taps. Subtract this from the taps we are using 180 we have 76 taps and if we have 26 floater taps that leaves 50 taps to sell. At 392,000 gallons per tap per year. Or 32,668 gallons per tap per year.
9. We can cut the amount of water per shareholder per month from 32,668 to 22,500 and we would have 371 taps minus 180 leaves 191 taps that could last for 20 years at 10 taps a year.
10. Leasing irrigation water compared to using our well:
 1. 94 acre ft. available for 7 months or 78 taps
 2. 78 times 16.00 = 1248.00 monthly income.
 3. 1248 times 12 = 14,976 per year.
 4. Maintenance, salaries and tests \$14,976 divided by 2 = \$7488.00

ALTERNATIVES: To utilize our surplus water.

1. Dave would like to convince the Town of Leeds to lower the mini subdivision to One home subdivision instead of five homes to help us retain our water and have the developers furnish their own water.
2. We can write up an agreement to cut shareholders certificate gallons from 32,000 to 22,500.
3. The LDWA wants to work with the Irrigation Company to pressurized irrigation system to utilize the irrigation water.
4. We can run the well when our water tanks are down for extra water.
5. Moratorium be put on new building if our water is down.

DAY TO DAY PROJECTS:

JIM: A. Bob Campbell & Roseanne New paid \$170.00 for transfer and installation of meter. B. The new transformers were installed July 6, 2000 by the electrical company and the well water is already cleaner and better tasting. C. Jim is looking into getting a cellular phone for LDWA use. D. Jim has put in new meters for Mr. Ellingsford and Mr. Allen. E. The spring flow is 160 gallons per minute and is starting to slow some. F. Jim will turn around a fire hydrant on the Lee Project.

Russ is nearly ready to install the 8 inch lines on Mesa View Dr. by Mr. Heuser's home. Work will begin on July 12 around 12 noon. The approximate cost of this project is \$2695.00 for 459 feet of 8 inch line and the fittings will cost around \$750.00 and the labor will be \$2925.00 for a total of \$6320.00.

Russ will check with Scholzen's about an over charge for our 8 inch line at Mesa View Dr. Russ also checked with Carlyle Stirling about LDWA digging on his property.

PRESSURIZED WATER SYSTEM: Bert Leany will check with Clayton Ramsey for a loan for a pressurized water system.

BERT LEANY MOVED TO ADJOURN.

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

L.D.W.A. MONTHLY MEETING
JULY 13, 2000 – Thursday - 7 P.M.
AT THE LEEDS TOWN HALL

WELCOME: David Coon

PRAYER:

THOSE IN ATTENDANCE:

MINUTES:

FINANCIAL STATEMENT:

1. MERLE GIER:

- A. Water testing
- B. Display in the town hall.
- C. Tests left in the year 2000.

2. Silver Reef Water Source Protection.

- A. 19% their share of the cost, \$741.00.

3. Water Conservancy & Eldorado Hills.

4. Report on ELT.

5. NEW CHLORINATOR

6. IRRIGATION COMPANY.

- 1. Ned – Not enough money for lease.
- 2. No new meeting yet.

7. ALTERNATIVES:

- 12. One home subdivision
- 13. Cut gallons (32,000 to 22,500)
- 14. Pressurized system.

15. Use well for extra water.
16. Moratorium on new building.

8. DAY TO DAY PROJECTS:

A JIM PARNELL:

1. Report on new transformer
2. Cellular phone.

B. RUSSELL PEINE:

1. Report on new water line on Mesa View project (Heuser).

3. SANDRA:

1. LETTER to be put in the Post Office.

9. OTHER.

1. Pressure balancing the water system. (Two new pressure valves).

10. BERT LEANY: Report on loan for pressurized water system. (Clayton Ramsey)

11. MILEAGE: Change from 30 cents to 31 cents because of the higher cost of gasoline?

12. JAMES HASLEM.

MOVE TO ADJOURN :

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

July 13, 2000

Monthly Meeting of the LDWA

Thursday, at 7 p.m. in the Leeds Town hall

Those in attendance: David Coon, Scott Hayes, Bert Leany, Russell, Peine, Jim Parnell, Joe Mitchell, and Sandra Browning.

WELCOME; David Coon

PRAYER: Scott Hayes

MINUTES: The minutes were discussed and Bert Leany moved to accept the minutes as corrected. Russell Peine seconded the motion and all approved.

FINANCIAL STATEMENT: The financial statement and the check registry were discussed and questions were answered. Scott Hayes moved to approved the financial statement with Bert leany seconding the motion and all approved.

WATER LEAK: There is a water leak by Lowell Decamp's Home on LDWA's side of the meter. We will have to shut down the main water line causing a chance for contamination so we will wait until fall to do this job.

WATER OVERAGE: E.T. St..Laurent complained about his water overages this last month, but his meter was replaced a month ago and the new meter is probably picking up the gallons more accurately. An old meter is prone to slow down and does not record the water gallons accurately.

NEW TRANSFORMERS: Jim reported that the new transformers are installed by the electrical company. The new pumps can be used at the same time now and provide all the water we want. The next time Jim runs the pumps he will measure the flow.

CELLULAR PHONE: Board members expressed the thought that Jim should have a cellular phone so we can contact him easier. Jim has been looking into different companies to find the best buy and quality. He has not finished his research and will take a few more days.

MESA VIEW PROJECT: Russell Peine has started to install the new 8 inch line on Mesa View. (Heuser Project). Sandra put a notice in the post office that the water will be turned off for a few hours while the lines are being installed.

LOWER THE AMOUNT OF WATER THE SHAREHOLDER'S RECEIVE: It was suggested that we put together a proposal, at least by January and present it before the LDWA Organization at the February shareholder's meeting, that we lower the amount of gallons a water certificate is worth.

ALBERTA LEE'S SUBDIVISION: The fire hydrant at the flag lot is facing the wrong way and needs to be turned around. David Coon asked Jim Parnell to correct this problem and record his hours. Also there are some water lines installed that are outside of our easement and this matter was discussed. We need to make sure that we have an easement where the lines were laid. Jim said that these lines will not effect any home owners easement. David Coon said we need to total the amount of hours Jim Parnell has accumulated on Alberta Lees job and deduct this amount from the \$5000,00 we have in escrow. We will be returning the remaining amount in a years time as was stated in our contract with her.

MILEAGE: David asked the board what they thought about raising the mileage allotment to 31 cents a mile because of the increase of gas prices. There was a short discussion and a motion was made. Scott mentioned that he gets 32 cents a mile for mileage and suggested that we use this figure. The board was agreed.

MOTION: Scott Hayes made a motion that the mileage rate be raised from 30 cents a mile to 32 cents a mile because of the high cost of gasoline. Bert Leany seconded the motion and all approved.

SPRING: Jim Parnell checked the flow rate of the spring and it was 140 gallons per minute and holding. Jim also adjusted the splitter box so the flow of water to Silver Reef is 20% of the water and Leeds is getting 80%. Jim does not feel that Silver Reef's tank is down.

WATER TESTS: The last water tests that Merle Gier took were good but we have had some bad tests at the well. Dave talked to the people at the Division of Drinking Water and since we are not using the water in our well, these tests will be counted as investigative test and not used against us.

SILVER REEF: David Coon told the board he talked with Dave Clements and offered Silver Reef water from our well. Mr. Clements declined and asked if LDWA would allow water put into our tank from the Cottam Well that is slightly chlorinated and in turn, Silver Reef wants to trade LDWA for Spring water. We have nothing to gain and much to loose. We had an agreement with Silver Reef that if they provided a second half foot of water we would guarantee them water from the well if the spring gets low or stops running. We never got the one half second foot of water so the agreement is null and void. We did indicate that if there is an emergency situation that we would provide water to Silver Reef, but they will have to pay for it. David Coon told the board they can make a counter offer that we will buy out their shares of water in the spring so they can buy water from Ron Thompson.

SILVER REEF WATER SOURCE PROTECTION: Silver Reef asked to use our Spring water source protection plan and David told them that they could use the plan but must pay their share of the cost which was \$ 741.00. Dave is waiting to hear from them.

CHLORINATOR: David told the board that putting in a chlorinator was our first priority at the present time. The cost is somewhat higher that we first thought so we need proper prices. Ken Orton should be down next month.

WASHINGTON COUNTY WATER CONSERVANCY DISTRICT MEETING: David Coon and Bert Lcany attended the Water Conservancy meeting and Ron Thompson told the people in attendance that he is running an 8 inch line along the freeway and have already gone under the freeway once and plan to do it again to get to the Leeds area and this will cost \$53,000,00 dollars just to go under the freeway. To connect to Eldorado Hills it will cost \$200,000.00. After the meeting Dave talked to Ron Thompson and told him that it did not seem right to go to all of this expense when LDWA can connect on to Eldorado Hills by six to eight hundred feet. Ron told Dave that he did not care if they went with him or not and Dave said he felt the same. Eldorado Hills' pump is not providing water fast enough for their needs.

Also Ron Thompson asked David Coon if his board would allow him to put in a 450,000 gallons tank up on the hill instead of the 220,000 gallon tank that ELT was planning to put in. Ron said that he would give it to them for the same price as the 220,000 gallon tank. Russell Peine said Ron must be planning to sell water in the area.

Jim Bray talked to David and said he feels that Eldorado Hill will do better going with LDWA, but there are some developers in Eldorado Hills that want to go with Ron Thompson. Ron Thompson was supposed to have cost figures to bring his water to the different developments for this meeting, but he did not.

ELT: David Coon wants to put a lien on the 18 acre feet of water in our well that belongs to ELT so we can recoup some of the expenses we have acquired working with Engineers and Lawyers to put ELT in our water system.

THE LEEDS WATER COMPANY (irrigation): Dave talked to Ned Sullivan about LDWA leasing some of the irrigation water, just before he went on vacation. Ned said he would get back to Dave when they had their meeting. It was noted that they already have met at Carlyle Stirling's home so he will probably get back with Dave soon. If they don't want to work with us leasing their water; we still need to try to work with them on the pressurized water system. Russell Peine suggested if the Irrigation lease will not work, we should suggest to them that we take all the spring water for culinary water and run our well to provide water for them to irrigate with. This will keep our well running and clean. We won't give them any water until their water is low and split the electric bill with the Irrigation company.

Bert plants to meet with Clayton Ramsey about getting grant money to start a pressurized water system in the town of Leeds.

MINI SUBDIVISION: The board talked to Joe Mitchell about the town reducing the mini subdivision to a one home subdivision. Builders are not providing water for their buildings and many have irrigation water that can be used in their developments. We would like to at least trade irrigation water for culinary water. Dave asked Joe to talk to the Town Council about this problem. We try to follow along with the Towns rules. Bert Leany said that if we pressurize the irrigation water system we would not have a problem and anyone that uses the water will have to pay for it. The irrigation system or the town of Leeds could own this system.

IF THERE IS A WATER SHORTAGE: LDWA can put a moratorium on new construction or use extra water from the well.

PRESSURE BALANCING: We need to balance our water flow to the town of Leeds so we may need to install two new pressure valves.

JAMES HASLEM: David Coon and Bert Leany refunded James Haslem's deposit for his water certificate and had his son sign a paper that he received the money. Mr. Haslem has not cashed the check yet.

MEETING DATES: It was suggested that we meet August 3rd. for the next executive meeting and August 10 for the monthly meeting. All were in favor.

Bert Leany Moved to adjourn.

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

Special Executive meeting agenda

Thursday, July 27, 2000 At the Town Hall

Those in attendance:

Welcome:

Prayer:

1. All work orders and bills need job and name.
2. Water test – Cedar – Leeds #27010
3. Letter from Wayne Thomas to Ron Mosher , Mayor of Leeds.
4. Letter from LDWA to Wayne Thomas
5. Jim Bray – Letter to Eldorado Hills
6. Agreement with Leeds Irrigation Company.
 - A. Trade Irrigation Company spring water for well water.
 - B. Cost to pump water, who pays.
 1. Electricity
 2. Repairs
 3. Jim's time.
 - C. When spring gets low enough, switch over to well.
7. Letter written by Attorney Bruce C. Jenkins to ELT (Dallin Gardner) for LDWA.
Read letter.
8. Chlorinator:
 - A. Hypro- chlorinator – Cost of unit and building \$25,000.00 pay back in 15 years.
 - B. Ken Orton's suggestion – Gas chlorinator with cost of \$3000.00 tp \$5,000.00, plus building.
8. Take a vote to finish balance pressure on our system.
 - A. Vista

B. Main

C. May Need engineer.

10. Jim: Keep tank full – fire protection?

LDWA

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

SPECIAL EXECUTIVE MEETING AGENDA

JULY 27, 2000

THOSE IN ATTENDANCE: David Coon, Bert Leany, Russell Peine, Merle Gier, Jim Parnell, and Sandra Browning.

WELCOME: David Coon

PRAYER: Russell Peine

WORK ORDERS AND BILLS: David Coon reminded the board members to be sure and put a job name and their name on any work orders.

WATER TESTS: David also told the board that we are testing our water in Cedar City again because of some problems that St. George is having and our number is 27010.

LETTER FROM WAYNE THOMAS: Dave received a letter from Wayne Thomas that was addressed to Ron Mosher about LDWA. He claimed that we do not have enough water pressure for Alberta Lees subdivision and plan to put a moratorium on any more subdivision being put in Leeds. The letter was read to the board members and each one received a copy. Dave told the board that we do not have low pressure, that we are up to the requirements from the state. Dave wrote a response letter to Wayne Thomas and presented to the board. It was decided that we contact our lawyer, Bruce Jenkins about the letter we received from Wayne Thomas and the letter that Dave wrote in response. Also Dave will ask Mr. Jenkins about Elt and Eldorado Hills. And it was put into a motion.

MOTION: Merle Gier made a motion that David Coon contact our lawyer, Bruce Jenkins and make an appointment to discuss two things.

- 1 The letter we received from Wayne Thomas in regards to the water pressure of our water system and also the reply letter that David Coon wrote to Wayne Thomas.
- 2 The subdivisions E.L.T. and Eldorado Hills that we are working with and how this moratorium will effect our water company. Bert Leany seconded the motion and all approved.

The board wants to set up a meeting with Wayne Thomas and Ron Thompson.

Jim Parnell will get a water pressure reading at the hydrant at Walton Plaza and one at Mr. Parry's new home to find out how much pressure we do have.

Jim Parnell told the board that we are getting around 340 gallons a minute with both new pumps working.

JIM BRAY OF ELDORADO HILLS: Jim Bray has been assigned to work with LDWA on combining the two water sources. He has written a letter to Eldorado Hills shareholders to explain the advantages of going with LDWA and not Washington Conservancy District and this letter was read to the LDWA's board by Bert Leany

RUSSELL PEINE:

The new 8 inch water line by Mr. Heusers's home was flushed and Russ said that he used around 5000 gallons of water on July 20th.

LEEDS WATER COMPANY (IRRIGATION) David told the water board that we are working on a agreement with Leeds Water to share water. There was a discussion and board members agreed to this proposal.

The agreement is that LDWA will receive all of the spring water that is owned by the irrigation company and LDWA in turn will pump water from our well 2 to 3 months of the summer for them. It was decided to split the electrical costs in half between LDWA and the Water company. When the spring is low we may have to stop delivering water to the irrigation company to provide culinary water to Leeds. Dave will put together an agreement and Sandra will type it up and both presidents will sign the agreement.

LETTER TO ELT BY BRUCE JENKINS FOR LDWA. David Coon read the letter and it said that LDWA needed to know if E.L.T. is going to combine with LDWA for we are going to put in a chlorinator and we need to know where to place it. If they are not going with LDWA the chlorinator will be placed closer to our tanks and if later on ELT goes with LDWA they will have to pay for there own chlorinator.

CHLORINATOR: David talked with Ken Orton about putting a new chlorinator and he will be down here some time in a couple of weeks. We are considering putting in a gas or hypro chlorinator.

A hypro - Chlorinator would cost about \$25,000.00 for unit and building and we could pay the money back in 15 years.

B. The gas chlorinator will cost approximately \$3000.00 to \$5000.00 plus the building.

BALANCING OUR WATER SYSTEM: Dave asked the water board how they felt about completing our pressurized water system.

MOTION: Russell Peine made a motion that we move ahead on balancing the pressure of our water system. Bert Leany seconded the motion and all approved. It was suggested that we need an engineer to help balance our water system. We may need to put in two more vaults for the pressure reducer valves.

KEEP TANKS FULL: David told Jim Parnell to watch the tanks carefully and keep them full for fire protection. We were told that the spring is putting out 148 gallons of water per minute.

LEEDS FIRE DISTRICT: Paul Densley of the Special Service Fire District wants LDWA to test the fire hydrants to make sure they are working correctly. Dave will write the Fire District a letter to tell them that we do not have enough people to help in this project.

CELLULAR PHONE:

MOTION: Merle Gier made a motion that we provide a cellular phone for Jim Parnell so we can contact him more readily and Russell Peine seconded the motion and all approved. Jim will continue to look into getting a good phone.

Russell Peine moved to adjourn.

Copy to Dave Coon

Box 1134
Leeds, Wt. 84746

July 25, 2000

To: Members of EDHMWC Board

Subject: Option of Merging EDHMWC with LDWA

After speaking with Dave Coon (President of LDWA) recently, I'm pleased to advise that LDWA is still supportive of moving ahead with the merger if we come to the decision that it is in the best interest of EDHMWC.

I felt I should recap the salient features of the subject option. I have summarized significantly, and will be happy to expound more when all the options are ready to be discussed.

1. The new LDWA (after merger) will continue to be a private corporation with shareholders. They will hold all water rights in trust for the property owners in the town of Leeds as municipal water rights. Our shareholders will become equal shareholders with the other residents of Leeds. The new LDWA will have combined assets of over \$2,000,000.

2. There will be no cost to any of our shareholders to merge with LDWA. Whatever cost is associated with this merger will be paid with assets of the new LDWA.

3. The present EDHMWC service area will be required to annex into the Town of Leeds as described above. This will result in a new property tax for most of our property owners. The tax is estimated at \$67 annually per \$100,000 valuation on a residence, and \$121.20 annually per \$100,000 on undeveloped lots. Payment of this tax would be made with the annual county tax bill and would not occur until November of 2001. Also, these taxes would be deductible for most of our owners.

4. The new LDWA will be operated by a certified water operator, service personnel, and administrative personnel. We would be expected to serve on the board of directors and provide special projects volunteers from time to time. Our need of continuing volunteer energy to run a small water company would be effectively solved.

5. The new LDWA will allocate 40,000 gals per month per connection, which is significantly more than the 23,000 gals per month that EDHMWC presently allocates. ^{Don't sell}

6. It's believed we will experience a pressure increase throughout our system of 15 to 20#, based upon the LDWA tank and well being at a higher elevation. Dave Coon advised that the plan would be to make our well and tank a secondary source, with the current LDWA spring and tank the primary source.

7. The monthly water billings will reduce substantially for most of our owners. The \$10 monthly standby fees will not be charged for undeveloped properties. Water users would receive up to 40,000 gals per month for \$16 and pay \$1 per 1000 gals used over 40,000. We currently pay \$15 for 15,000 gals, \$25 for 23,000, \$59 for 40,000, and \$2 per 1,000 gals over 23,000 per month. The savings could be substantial to all but those using less than 15,000 gals per month.

I'm sure there are many questions this short summary does not address. I will continue researching this option until we decide on a course of action to solve our water problem.

I also would like the opportunity of presenting this option to our owners when the other alternatives are presented for consideration.

Sincerely,


Jim Bray

LEEDS DOMESTIC WATERUSERS ASSOCIATION
MONTHLY MEETING AGENDA IN LEEDS TOWN HALL
August 15, 2000 at 7 p.m.

WELCOME DAVE
PRAYER

MINUTES:

FINANCIAL STATEMENT:

1. JIM BRAY OF ELDORADO HILLS
2. RUSS AND DAVE: PAST DUE MONTHLY WATER BILLS PAYMENTS
3. MERLE GIER: WATER SAMPLE TESTING (AUGUST) CEDAR CITY.
 - A. SPRING WATER POSITIVE
 - B. WELL ABSENT
 - C. RETEST SPRING
 1. INVESTIGATIVE - QUAIL LAKE ABSENT
 2. ROUTINE - CEDAR CITY ABSENT
 3. SPECIAL SCHEDULING CHART FOR WATER TESTS
4. SCOTT HAYES - LETTER TO LEEDS SPECIAL FIRE DISTRICT TO PAUL DENSLEY.
5. DAVE - LETTER SENT TO WAYNE THOMAS TO ANSWER HIS LETTER TO LEEDS MAYOR.
6. LETTER TO RON THOMPSON
 - A. DOES LDWA BOARD WANT TO PURSUE A MERGER WITH ELDORADO HILLS WITHOUT ANNEXATION TO LEEDS?
 - B. MAP - ALPHA ENGINEERING - LEEDS AREA?
 - C. RON THOMPSON DONATED TO ELT 450,000 GALLON TANK FOR THE SAME PRICE AS THE 220,000 GALLON TANK TO BE DEDICATED TO LDWA
 - D. KERRY CARPENTER - WATER RIGHTS - LOOSE MUNICIPAL STANDING.
7. COMPUTER BALANCE SYSTEM - BUSH & GUDGELL
 - A. BALANCE SYSTEM ON COMPUTER BEFORE FIELD TEST.

- B. OPTION LOCATION FOR PRESSURE VALVES.
- C. FIND PLACE FOR ALL NEEDED FIRE HYDRANTS.
- D. PRESSURE ON ALL FIRE HYDRANTS.

8. RUSS - SCHEDULE TO INSTALL THE NECESSARY PRESSURE VALVES & VAULTS IN THE NORTH END OF LEEDS.

- A. HEUSER PROJECT
 - 1. ROAD ASPHALT
 - 2. COLOR GRAVEL.

9- RUSS - WORK NEEDED AROUND CEMENT TANK FOR SYSTEM BALANCE

10- BERT & DAVE : CHLORINATOR (KEN ORTON)

11- DAVE: LETTER OF AGREEMENT BETWEEN LEEDS IRRIGATION WATER COMPANY AND LDWA - TRADE WELL WATER FOR SPRING WATER.

- A. ELECTRIC POWER COST ON WELL PUMPS?

12- BERT : PRESSURIZED IRRIGATION SYSTEM (MONEY GRANTS). MEET WITH CLAYTON RAMSEY AND DON GODDARD. *FRIDAY -*

13- SANDRA - METER READING PROBLEMS.

14- NEED A WORK CONTRACT AND JOB ORDER SIGNED BY LDWA AND SHAREHOLDER WITH ANY CONSTRUCTION WORK TO BE DONE.

EXAMPLE OF PROBLEM CUFF AND SHENEMAN.

- A. SHAREHOLDER MUST GUARANTEE PAYMENT.
- B. THE TYPE OF CONSTRUCTION AND PROPOSED COST TO SHAREHOLDER BEFORE WORK BEGINS.

15- JIM PARNELL : A. SPRING FLOW *140 per min.*

B. CONDITION OF THE WELL - DRAW DOWN & GALLONS PER MINUTE

C. SEMINAR - CROSS CONNECTION AND BACK FLOW - BEAVER.
(MILEAGE COST) _____

D. EFFORTS TO KEEP WATER FROM SPRING IN COMPLIANCE.

E. FIRE PREVENTION - KEEP WATER TANKS FULL.

F. HEUSER HOOKUP - PRESSURE VALVE.

G. ET LAURENT OVERAGE?

H. CELLULAR PHONE - NUMBER.

parts per million

✓ ALBERTA LEE A. FIRE HYDRANT TURNED AROUND. B. JIM'S HOURS.

16. DAVE CLEMENTS SUGGESTED LDWA BOARD MEET WITH SILVER REEF WATER COMPANY TO DISCUSS LIKE INTERESTS. EXAMPLE: (CHLORINATION COST DIVISION) SILVER REEF AGREED TO PAY \$741.00 AND USE OUR SOURCE PROTECTION PLAN.

17. MEETING WITH ELDORADO HILLS BOARD.

18. DAVID STIRLING

ADJOURNED.

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, UT 84746-1134

August 15, 2000

Monthly Board Meeting

Leed's Town Hall at 7 p.m. *Tuesday*

Those in attendance: President David Coon, Vice President Scott Hayes, Bert Leany, Russell Peine, Merle Gier, Jim Pamell, Sandra Browning, Jim Bray, and Scott Ricci of Eldorado Hills.

Welcome: David Coon

Prayer: Scott Hayes

Minutes: The minutes were reviewed and corrections made. Bert Leany made a motion to approve the minutes as corrected and Russell Peine seconded the motion and all approved.

Financial Statement: The financial statement was discussed and the check registry was approved, but there were some questions on the income statement, so the income statement was not approved. Some of the expenses were put in assets and not in expenses and did not show on the statement. They will be taken out of assets and returned to expenses.

Eldorado Hills: Jim Bray and Scott Ricci of Eldorado Hills attended the monthly meeting of LDWA to discuss the problems in combining the two systems. The shareholders in Eldorado Hills do not want to join the Town of Leeds if at all possible. They do not want to pay the town's taxes. Jim Bray will give them an option to join with LDWA and annex into the town or to go with Ron Thompson and pay large fees to bring his water lines to their development.

Jim Bray suggested that LDWA and Eldorado Hills meet and talk over this merger.

Jim Bray said they have a unique system on their water tank that will alert Scott Ricci if the tank becomes low and then turns off the pump.

Scott Hayes asked when Eldorado Hills is holding their next board meeting and he was told it would be in September. Scott also asked if they would let LDWA review a proposal from Ron Thompson if he presents one to them. Actually Ron Thompson has been trying to encourage LDWA and Eldorado Hills to merge at the present time.

Past due water bills: Delinquent water bills were discussed and David Coon reported that he contacted Craig Mills again and he will try to pay the remainder of his water bill. Mr. Mills may be moving and we want to get his bill current before he leaves. Russell Peine contacted Mr. Randle and he said he has been sick, but will try to pay some of his bill. Sandra reminded the board that Mr. Randle has not paid any money since December of 1999.

Water Testing: The well and spring were tested with the well testing negative and the spring testing positive. The spring will have to be tested again.

. From now on we will first 1. Take a investigative sample to Quail Lake and if it is absent of bacteria then 2. We will take a routine test to Cedar City. Sandra made a special schedule chart for water testing to make it easier to do the tests. David Coon suggested that we test three residence each month to make sure that the water is without bacteria at its destination.

Fire Department: Scott Hayes reported about the Fire Department wants LDWA to test all the fire hydrants (approximately 50) twice a year. Scott told the board that the fire chief, Steve Lewis, was unhappy with us for not taking on this assignment. Scott Hayes said Steve Lewis will research and find out who is responsible to check the fire hydrants. David Coon stated we do not have anyone that could do this work for LDWA has volunteers and they do not have the time to put in on hydrant tests. If we pay Jim Parnell to check the hydrants, we would have to raise the water rates to pay him for this service. Scott also told the board that approximately 2,000 gallons of water is used to check each hydrant. Two thousand gallons times 50 hydrants twice a year is quite a sum of water.

Letter to Wayne Thomas: David Coon wrote a letter to Wayne Thomas in regards to the letter he sent to the mayor of Leeds stating that LDWA can not furnish water to any new subdivision, because we do not have enough water pressure. Sandra read Dave's reply which stated that we feel Wayne is singling out LDWA and also we do have the amount of pressure required by the state and we are working on balancing the water pressure in town. Wayne Thomas suggested that we use an engineer to correct the problem and David Coon said LDWA is hiring an engineer to help up correct the problem and asked the State and Wayne Thomas to give us an extension of six months before activating the moratorium. Also we would like Wayne Thomas to write the new Mayor of Leeds, Mike Empie, to explain that we do have the water pressure and will not be penalized with a moratorium on developments.

Letter to Ron Thompson: David C. and Bert Leany attended a meeting at the Washington County Conservancy Office and Ron Thompson volunteered to get a legal

opinion for LDWA from his staff lawyers on the following question. Can LDWA give water service to Eldorado Hills and Silver Reef and not be annexed into the Town of Leeds using our present by-laws, without loosing our present municipal standing? So David Coon wrote Ron Thompson a letter and asked if his legal staff could look at our By-laws and Articles of Incorporation and see if providing water to subdivisions outside of Leeds would jeopardize our municipal standing and our ability to ~~store~~ ^{Hold} water that we now enjoy. ^{in trust.}

David Coon read the letter to the board. Sandra typed up the letter and will send it with our By-laws and Articles of Incorporation to Ron Thompson's office.

At this same meeting Ron Thompson offered to sell a 450,000 gallon water tank to ELT for the same price as a 220,000 gallon tank for their development. We are not sure if Ron Thompson would have a share of LDWA if the offer was accepted.

David Coon also told the people at the Washington County Water Conservancy Meeting that LDWA offered Silver Reef water from our well if they have water problems and they did not want to use our well water and have turned it down because they only want spring water. Dave said that we have been given a bad wrap because we have offered Silver Reef help and it has not been acknowledged.

MEETING WITH KERRY CARPENTER: David C. and ^{Bert Leany} Jim Parnell went up and met with Kerry Carpenter, he is over the water rights in Southern Utah and he said that providing water to areas out side of Leeds City limits would jeopardize our municipal standing and our ability to ~~store~~ ^{Hold} water. Russell Peine told the board that part of the land in the El Dorado Hills development is in blow sand, such as Glenn Gunter's land for example, and is a non-septic area which will require a sewer system and that effects the water rights and a portion of the water can be taken away by the State because the water is not returned to the ground, but is moved to holding ponds in a different area. Also Russell Peine is concerned about having enough water pressure for Eldorado Hills if we provide water service for them. David C. asked the question "Do we still want to merge with Eldorado Hills?" We will need to do a lot of research before we sign any papers.

ROAD PROJECT IN LEEDS: Scott Hayes asked if it is against our by-laws to provide water for the company working on the roads in Leeds. David Coon said that because it comes out of the hydrant and is a one time thing that he could not see a problem.

Computer Balance System: Bert Leany and Dave Coon met with Todd Edwards of Bush and Gudgell and they will be doing a computer analysis on our water system. Through this analysis they can tell us were in our system we are to place the valves necessary to balance the system, plus vault and hydrant placement and the pressure needed for the hydrants. This project will cost LDWA approximately \$2000.00.

Heuser project: Russell Peine reported that the Heuser project was nearly done. The asphalt was put down today on the road, but the pressure valves need to be put in. Mr. Heuser asked for another load of gravel.

Cement Tank: David Coon said that there is some work to be done around the cement tank to balance the system. (according to Ken Orton) Russell Peine said that it might be better to come around and tie into the 8 inch line South of the tank.

Chlorinator: Bert Leany and David Coon met with Ken Orton about the Chlorinator project today. He will help us install the chlorinator when we are ready.

Letter of agreement: David C. met with Ned Sullivan and they signed an agreement that LDWA will take all the Irrigation's shares of water in Oak grove Spring in the summer and they will receive water pumped from our well in the fall when they are short of water. The agreement was that the electricity bill will be split in half during this time. Ned Sullivan told David Coon that the added water was badly needed, especially this hot and dry year. Not all of the irrigation members agreed with the project, but most did approve.

Pressurized Irrigation Water System: Bert Leany will meet with Don Goddard and Clayton Ramsey, who is over grants and loans in the State of Utah. Mr. Ramsey has been on vacation and Bert says he should be back from his trip and they will set up a time to meet and see if we can get a grant for a pressurized irrigation water system. Bert is in hopes they can meet Friday.

Meter problems: There were a few people that complained about their high water bill and their meters were reread. Some adjustments were made. Most meter's were read correctly.

Contracts and Job Order: David told the board that we will have no more verbal agreement with shareholder and even a estimate for work to be done will require a shareholder's signature on a contract. When David gets back from his vacation he will get with Sandra and they will put together a contract. Shareholders must guarantee payment. The type of construction and proposed cost will be given and signed by shareholders before work begins.

Jim Parnell's report: Jim was asked to do a draw down on the well plus gallons per minute to see the condition of the well. Also he will do a parts per million test on the well. Jim said the spring flow is approximately 140 gallons per minute.

Jim plans to attend a seminar on how to control cross connections and the use of back flow preventers at Beaver if the board agrees.

MOTION: Merle Gier made a motion to send Jim Parnell up to Beaver to a Cross Connection Seminar. LDWA will pay for his mileage and lunch. Scott Hayes seconded the motion and board members all approved to send him.

Jim is trying to keep the water from the spring in compliance. And the tanks are kept full for fire prevention. Jim has not received his cellular phone, but will have it soon.

New meters that we are installing now have a double check valve

Jim also mentioned that the water from the well is better tasting than it has every been.

Jim changed the Savages' saddle in one of their meter box for them.

Alberta Lee's Project: A fire hydrant was on backwards on the Lee Project and Jim Parnell turned it around. Jim Parnell said "they still have not moved their meter by the street".

Silver Reef: Earlier Dave Clements talked with David Coorts and suggested that we meet together (as two boards) and discuss our mutual interests such as Chlorination costs and Silver Reef paying their share of our Source protection Plan.

David Stirling : David Stirling asked to be put on the agenda but did not show up.

Scott Hayes moved to adjourn.

Dave

LDWA Executive Board Meeting
September 14, 2000 at the Town Hall

WELCOME TO Robert Coxe, newly appointed Councilman for the Town of Leeds.

Prayer:

1. MERLE GIER: Water sample testing for September.
 - A. Investigative sample at Quail Creek *OK*
 - B. Routine sample at Cedar City *OK*
 - C. Special Investigative sample (three shareholder's homes)
 - D. Once a year special tests =
 - E. Thanks for Public Relations Picture Board.
 - F. Congratulations to Norma Gier and Robert Coxe appointment to the Leeds Town Council.

- ✓2. SCOTT HAYES: Follow up on Fire Hydrant Servicing from the Fire District.
Rough Draft form, have monthly notes.

- ✓3. DAVID COON: Answer to letter sent by Wayne Thomas by Kevin Brown, Division Director of Drinking Water for the State of Utah.

- ✓4. BERT LEANY: Meeting of Leeds Town Mayor, Leeds Irrigation Company, and LDWA on grants for pressurized irrigation system.

- ✓5. DAVID COON: Read memorandum to Ron Thompson from Attorney Barbara Hjelle. Answers to LDWA questions. (I recommend the annexation of Eldorado Hills before joining them in a merger.)
Letter written by Dave C. to Eldorado Hills for discussion by LDWA's board to either accept or reject.
Report on Water Conservancy Meeting held Sept. 6, 2000.
 - A. Map
 - B. Final cost to run water line \$300,000,00 plus cost of sewer.
 - C. LDWA Key to water resources in the area.

- ✓6. BERT LEANY: Meet with Dallan Gardner and Engineer, has four sections of school trust land and would like to increase the number of homes from 18 to 100
- Thursday -

- ✓7. DAVID COON: Bush and Gudgell Engineering Firm will have our system computer analyzed as to where to put pressure valves, vaults, and needed fire hydrants locations and water pressure, by the next week.

8. RUSSELL PEINE: Letter from Richard Parry and June Schweer.

A. Payment check from Mr. Parry.....\$6280.00
Mrs. Schweer\$6280.00
Amount pd. \$12,560.00

LDWA Paid.....\$971.00 for the difference between the 6 inch to 8 inch pipe
Hack Lewis pd. 500.00 (promised \$1000.00)

B. Material and labor cost (invoices # 8790, 8793, 8792, 8789)

Total cost \$17,097.00

Payments \$12,560.00

Loss to LDWA \$ 4,519.96

OPTIONS TO COLLECT LOSS:

1. The board could meet with Parry and Schweer and ask them to be reasonable.
2. Hire an attorney to collect.
3. No written contract on this job, probably, can't enforce in court.
4. Write letter informing both parties they have not paid their obligation in full so when other people hook on to the line, we will charge and receive the \$4519.96 to make up the difference.
- C. Need to change construction procedures.
 - ✓ 1. All jobs will be between the contractor and the shareholder that is needing work done,
 2. Any new construction on LDWA system will be by bid. Contractor needs bonding with the Town of Leeds, and Washington County and must show they have trench work and necessary work experience.
 3. Some jobs for people who have not paid in the past will have to have money up front.
 4. Richard Parry will be billed for installation of meter for it has no relationship to dirt delivery by Mr. Cummings.
 5. Agreement with Parry and Schweer and Hack Lewis were entered into prior to this board time, but I should have had a written contract before I told Russ to do the job.

9. SANDRA BROWNING: Read agenda letter from LDWA sent to Silver Reef.

10. DAVID COON;

- A. Dave Clements answer to letter – LDWA sent letter to Russ Owens of Alpha Engineering Company to release Source Protection Report to Silver Reef and they will compensate LDWA 19% of our cost or \$741.00.
- B. Silver Reef would like to meet with LDWA board to work out a fair cost for the extra spring water.
- C. Shareholders must guarantee payment.

11. JIM PARNELL:

- A. Spring Flow 140 gallons per minute.
- B. Tank levels
- C. Run only one pump till the end of September then stop.
- D. Electric bill on pumps for part of August 15 to September 15 is \$412.58.
- E. Bill Irrigation company 1/2 cost of electric bill.
- F. Hardness of water in well test was 312.
- G. Jim's mobile phone # 63-8049 for emergency. ~~to 54-00~~
- H. Report on Cross Connection Seminar.
- I. Letter - Utah Water Operators Certification program.
- J. Road construction water payment, need name and address,

12. METER READERS: need to be more exact in readings

- a. How many rereads? -
- b. How many errors? -

✓ 13. OVERAGES: E.T. Saint Laurent overage this month was \$33.35 plus \$16.00. John Hudson overage was \$459.70 plus \$16.00. \$475.70. Would board like to forgive \$200.00 making his bill \$275.70. *Talk to*

✓ 14. PAST DUE MONTHLY PAYMENTS: Russell Peine and Scott Hayes to contact Jim Randle and Craig Mills
\$50.00 Ejected from house

✓ 15. CHLORINATOR:

- A. Need engineering report first. Where to install, the size, and etc.
- B. Don't recommend buying and stalling chlorinator with Silver Reef (Problems)
- C. Buy system recommended by Ken Orton. Cost of building plus \$3000.00 for gas chlorinator.

16. ROBERT COXEY - Report from the town →

17. UNFINISHED BUSINESS: -

- 1. DAVID STIRLING -

18. NEW BUSINESS -

ADJOURNED

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

September 14, 2000

Spentive

At the Town Hall
Thursday at 7 p.m.

Those in attendance: President David Coon, Vice Pres. Scott Hayes, Bert Leany, Russell Peine, Merle Gier, Jim Parnell, and Sandra Browning

WELCOME: Dave welcomed Robert Coxey the newly appointed Councilman for the town of Leeds and LDWA boardmembers.

PRAYER: Scott Hayes

WATER TESING: David Coon told the board there are some yearly tests that need to be taken before the end of the year. The investigative tests were taken today by Jim Parnell and they were all okay.

From now on we will do investigative samples at Quail Creek and if they are good tests, then we will take the routine samples to Cedar City. David would like to test three shareholder's homes at Quail Creek to make sure that the homes do not have bacteria.

CONGRATULATION: David Coon also congratulated Norma Gier and Robert Coxey for their appointment to the Leeds Town Council.

FIRE HYDRANT SERVICING: Scott Hayes told LDWA that the Fire Department received our letter about not wanting to service the hydrants, but they still will probably expected us to service all the hydrants in the town of Leeds, twice a year and the findings need do be documented. Scott said there is a man over to Hurricane that can teach us how to do the testing. Scott will talk to Hurricane to see if we can get the training. We will be getting a letter from the fire chief in the next few weeks as to our responsibility. David Coon said that Jim Parnell will probably do the testing. We will also have to raise the water rates to compensate for this additional cost. We will write a letter in our billing to explain to the shareholders why we have to raise the rates. The fire department does have the equipment that we bought for them to service the fire hydrant.

LETTER TO WAYNE THOMAS; The letter David Coon wrote to Wayne Thomas was replied by Kevin Brown, who is the head of the Division of Drinking Water of the State

of Utah. He explained we need to notify them of any up grades we have done. David explained that Kevin did not answer questions he asked.

GRANT MONEY: Bert Leany and David Coon are planning a meeting with the new Mayor of Leeds, Mike Empey and councilman Joe Mitchell, the Leeds Irrigation Company represented by Don Goddard, and Clayton Ramsey, over grants in the State of Utah, to discuss the possibility of getting grants for a pressurized water system.

RON THOMPSON: David Coon read the letter we received from Ron Thompson which his Attorney, Barbara Hjelle researched. The questions were not answered that David requested.

David recommended we not merge with Eldorado Hills until they annex into the Town of Leeds, because of the vagueness of the letter from Ron's attorney. We do not want to have our water taken away from us if we merge with them. It will cost them \$300,000.00 to get water piped in from Cottam Well and the area in Eldorado Hills that has blow sand will require a sewer system. So they will have that cost also.

David Coon read a letter he wrote to Eldorado Hills that stated we would not merge with them unless they annex to the Town of Leeds. The board approved the letter and each board member signed the letter to be sent to Eldorado Hills.

WASHINGTON COUNTY WATER CONSERVANCY DISTRICT is having a meeting on September 26th at 1 p.m. and David Terry who is over the school lands will meet with Ron Thompson and try to get a loan for ELT to put in a sewer. Bert and David Coon plan to attend this meeting. ELT is now planning to increase the number of homes in their development from 18 to 100 for they now have four sections of school trust land.

MOTION: Bert Leany made a motion that before we do anything else with ELT (Dallon Gardner) that we get reimbursed for the engineering and legal fees that have accumulated to the present time. The motion was seconded by Scott Hayes and all in attendance agreed.

BUSH AND GUDGELL ENGINEERING FIRM: David told the board Bush & Gudgell Engineering firm will have our system computer analyzed as to where to put pressure valves, Vaults, and needed fire hydrant locations and water pressure, by next week.

RICHARD PARRY'S LETTER: Richard Parry wrote a letter to LDWA and said that he would not pay the full amount of the bill we sent to them for the 8 inch water line to his new home. They will only pay \$15.00 a foot. Mr. Parry and June Schweer each paid \$62560.00 for a total of \$12,560.00

LDWA paid \$971.00 for the difference between the 6 inch to 8 inch pipe.

Hack Lewis paid \$500.00 (but promised \$1,000.00)

The Total cost of materials and labor came to \$17,097.00 minus the payments of \$12,560.00 shows a loss to LDWA of \$4,519.96.

David talked to the board about options to collect the loss.

1. One was to have a meeting with Mr. Parry and Mrs. Schweer and ask them to be reasonable. The board thought this was a good idea and David will set up a meeting with them.
2. Other options were to hire a attorney to collect the money, but with no written contract on this job, it probably wouldn't be enforced in court.
3. Write them a letter telling them that they have not paid their obligation in full so when other people hook on to the line, we will charge and receive the \$4519.96 to make up the difference.
4. Richard Parry will be billed for installation of meter for it has no relationship to dirt delivered by Mr. Cummings as he claims.

NEED TO CHANGE CONSTRUCTION PROCEDURES.

1. All jobs will be between the contractor and the shareholder who wants work done.
2. Any new construction on LDWA system will be by bid. Contractor needs bonding with the Town of Leeds, and Washington County and must show they have trench work experience.
3. People who have not paid in the past will need to have money up front.
4. The agreement with Mr. Parry, Mrs. Schweer, and Hack Lewis were entered into before this board time, but we should have had a written contract before Russ was told to do the job.

AGENDA SENT TO SILVER REEF: Dave asked Sandra to read an agenda letter from LDWA that was sent to Silver Reef. The letter stated things that Silver Reef needs to take care of. Such as, paying their part of \$741.00 for the Source protection Plan we had Alpha Engineering do for the State. We have been providing extra spring water to Silver Reef and they need to pay their fair share.

JIM PARNELL: Jim told the board the spring flow is 140 gallons per minute and he has worked very hard to keep the tanks levels up. At the present time he is only running one pump till the end of September to the irrigation company and then will stop. The hardness of the well water was tested and was 312.

Dave Coon told the board that so far the one electric bill from August 15 to September 15 was \$412.58. And we will bill the Irrigation Company half of this bill.

Jim's mobile phone number is 632-8049. Jim reported on the Cross Connection Seminar he attended at Beaver. Jim told the board we will be required at some latter date to check backyards to make sure there are no problems with bad water going back into the water lines or homes. Jim has completed the Utah Water Operators Certification Program. Jim

was asked the name of the road construction company who metered our water from a fire hydrant and their address. The company is Niels Fugal & Sons.

METER READERS: The meter readers need to be more exact in reading our meters. We did have some overages and most of the readings were correct, but John Hudson had a huge overage and the board allowed him to pay a smaller amount.

BAD DEBT: Russell Peine and Scott Hayes have contacted Jim Randle and Craig Mills about their bad debt and they will try to pay more on their bills.

CHLORINATOR: Before we can put in our chlorinator we will need a engineering report. And they will tell us where to install the chlorinator, the size and etc. David told the board that we would not buy a chlorinator with Silver Reef for the water sources are to far away from each other and we would need two chlorinators. David said we plan to buy a system recommended by Ken Orton. (Cost of building plus \$3000.00 for a gas chlorinator.)

ROBERT COXEY: Asked about the overages at the cemetery and at the town hall. He was told that LDWA does not bill the town for water except overages and they have had overages lately. Dave Coon also told the board that as he and his wife walk over by the cemetery they could see water running on the ground.

Scott Hayes moved to adjourn.

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134
September 28,2000

LDWA Monthly Board Meeting Agenda
Leeds Town Hall at 7 p.m.

WELCOME:

Introduce new council person assigned by Leeds City, Robert Coxey. Thanks to Joseph Mitchell. Send Thank you card.

PRAYER:

MINUTES:

FINANCIAL STATEMENT:

- A. Check registry
 - B. Income and expense statement
 - C. Trial balance.
 - D. Slow payers
 - C. Jerry Browning: Explanation of financial procedure.
-
- 1. ELDORADO HILLS Report Jim Bray
 - A. Letter of explanation informing Eldorado Hills, that the risk is to great without annexation into Leeds.
 - B. Leeds Town Mayor Mike Empey will contact Kent O. Sunberg to inform Eldorado Hills they can have their own Architectural Committee and CC and R's to protect zoning.
 - C. Mayor will also offer a seat on the Leeds Town Council to Eldorado Hills residents if legally possible.

 - 2. MERLE GIER: Water testing
 - A. Investigative at Quail Creek: Results: Spring – negative, Well- negative,
 - B. Routine at Cedar City: Results: Spring – negative, Well- negative.
 - C. Special samples to Salt Lake
 - D. Three random samples in shareholder's homes in Leeds Quail Creek – Investigative.
 - E. Special LDWA display in the Leeds Town Hall

 - 3. FIRE DISTRICT: Scott Hayes

- A. Waiting for attorney's opinion if LDWA is legally and liable for 50 fire hydrants is Leeds Town. Opinion paid for by Fire District.
- B. If LDWA is responsible. Jim Parnell has agreed to service all fire hydrants twice a year and document his findings. He will be paid by the fire hydrant, above his present guarantees.
- C. Training will be given by fire district along with other needed training and district will furnish all needed tools and equipment.
- D. An increase in the monthly water rates is inevitable to pay for this extra service.

4. COMPUTER BALANCE SYSTEM PRESSURES:

- A. Todd Edwards of Bush and Gudgell committed to have completed project by Friday, Sept. 29th to Monday Oct. 2nd.
 - B. Need to start as soon as possible to get bids and construction costs to meet state commitments.
5. Follow up on pressurized irrigation water system and water generated electricity
6. MERLE GIER – Meeting with Richard Parry (Schweer's not present) on September 25th. LDWA called the meeting with Richard Parry and the Schweers for underpayment of bill to install 1130 ft. of 8 inch line to property.

	Richard Parry paid	\$6280.00	2259.98
	Schweer's paid	\$6280.00	
LDWA billing	Richard Parry	\$8539.98	
	Schweer's	\$8857.63	
	Total	\$17397.61	

Not top 3800

Loss to LDWA (\$4837.61)

DAVID COON: Read letter from Parry's to LDWA Board of Directors dated June 10, 2000.

LDWA's options

- 1. retain legal council for an attorney's opinion.
 - 2. Sue both parties for loss to LDWA, legal fees, and cost of witnesses.
 - 3. Put a lien on all properties served and owned by both parties.
 - 4. Collect gratuities from those who hook into the line in the future to cover the difference in Parry's and Schweer's payment and actual cost to LDWA.
 - 5. Combination of above or other options.
 - 6. Give 30 days notice and then turn off water until bill is paid.
7. LDWA INVITED TO MEETING ON SEPT 26TH AT 1 P.M. with School Land Directors, Dave Terry, Rick McBrian, John Anderson, and Don Leavitt and the Washington County Conservancy District (Ron Thompson) and LDWA'S Bert Leany and David Coon.

SUMMARY: Ron Thompson said LDWA holds a commanding position with all water companies in the area. If Leeds is not going to assume this position either by merger or managing hookups to other units then Washington County Conservancy eventually will take over. Ron doesn't want to manage companies, just sell water, but at the present time Ron will set back and see how the relationship between Eldorado Hills and LDWA works out.

Ron's idea is to use LDWA's spring water and possibly well water to service Silver Reef, (ELT 100 Homes) and Eldorado Hills. Leeds proper would hook into Cottam Chlorinated well water at Bert Leany's to supplement the town of Leeds with water.

8. 10 TAPS SOLD: 9. HAROLD FURROWS (SYPHUS) 10. MR. STEELE
SUGGESTION: Moratorium on future water sales until price is increased on all legal papers. (Gunter selling water for \$5500.00 per acre ft.)

9. Town may dispute water service at the CC Camp sold back to LDWA from Mr. Stanton.

10. Pat Sheneman wants water service on Hill above R & R Engineering (fire hydrant needed)

11. Leeds irrigation Co. is going to pay their share of electric bill to pump water.

12. Letter from LDWA and Alene Cuff to Pat Sheneman and Net, Com Tower Contractors to pay \$924.00 for digging and fouling Alene's water line to her home. Alene committed to David that she will pay LDWA regardless if others do not pay her bill.

13. RUSS DAY TO DAY

14. JIM PARNELL

A. Spring flow

B. Alene Cuff meter box needs insulation

C. Jim emergency phone # 632-8049

D. Broken lines

1. Don Goddard

E. Metered hydrants for road construction. Who to send the bill and is the meter reading amount correct?

15. Robert Coxey of the Town of Leeds.

Meeting Adjourned

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

September 28, 2000

Monthly

Those in attendance: President David Coon, Bert Leany, Merle Gier, Robert Coxey, Russell Peine, Jim Parnell, Jerry Browning, and Sandra Browning.

WELCOME: Dave introduced our new council person assigned by Leeds City to LDWA, Robert Coxey. Our special thanks go to Joseph Mitchell!!

PRAYER: Bert Leany

MINUTES: The minutes were discussed and corrections made and Bert Leany moved to approve the minutes and Russell Peine seconded the motion and all approved.

FINANCIAL STATEMENT: The financial statement from July and the August financial statement and check registry were discussed. Merle Gier moved to approve the financial statements and the check registry and Bert Leany seconded the motion and all approved.

Jerry Browning explained some of the financial procedures we use in our bookkeeping system.

BAD DEBT: Jerry Browning suggested that we send a certified letter to our delinquent accounts in 60 days and tell them that in 30 more days their water will be shut off if a payment is not made. (90 days) Also it was suggested that we depreciate 2% to 8% of our inventory yearly. This will eliminate old lines and out of date items. Russell Peine also suggested that we look at our inventories and consider depreciating some of the amounts because if we had to pay taxes on the amount of assets we have now, it would be costly.

Russell Peine was asked by Merle Gier to talk to Phillip, Russ's son about how to depreciate our Assets properly. Also when to increase an asset when improvements are done and when to expense it out. Russell said that he would talk to Phillip.

ELDORADO HILLS: David Coon (LDWA) sent a letter to Eldorado Hills and explained that we can not accept them in a merger unless they will annex into the Town of Leeds, we are at risk of our storage water being taken away from us if we do.

The Letter was sent to Jim Bray and Mr. Ken O. Sunberg. We are waiting for a reply. David Coon read the letter to LDWA's board that he sent to Eldorado Hills.

WATER TESTING: Merle Gier said an investigative test was done at Quail Creek on the spring and well and both were negative. Then the routine tests will be taken to Cedar City next week. Special samples were taken up to Salt Lake for testing by Coy Wiley. Three random investigative samples for testing were taken at shareholder's homes and they were negative also. We do have to have some VOC's tests that need to be sent up to Salt Lake by UPS. We also need to apply for a waiver for the pesticides testing. Also if we can get a use agreement from the Forest Service and the BLM we will not need to test for nitrates anymore. Dave told the board our pesticide tests is due on 6/30/01. We received our Source Protection Project back and part of it was not accepted and Dave will contact the Engineering firm and get them to correct the problem. Bert said they should correct the problem at no charge.

FIRE DISTRICT: We have not received a letter from the Fire District telling us that we must service the fire hydrants. They are waiting for a legal opinion to see if LDWA is responsible and liable for up keep of the 50 plus hydrants in the Town of Leeds. The Fire District will pay the legal fees for this opinion.

If LDWA is responsible then Jim Parnell has agreed to service all fire hydrants twice a year and document his findings. He will be paid by the fire hydrant and this is above his present guarantees. The training and information will be given by the Fire District. An increase in the monthly water rates is inevitable if we are required to do this extra service. Russ Peine said that the hydrants belong to LDWA, but are we responsible for checking flows to satisfy the Fire Department requirements? We need to get a legal opinion.

COMPUTER BALANCE SYSTEM: Todd Edwards of Bush and Gudgell committed to have our project completed by Friday.

We need to get bids and construction costs as soon as possible for State requirements. David will contact Ken Orton when to come (hopefully around the end of October) and install our pressure valves after LDWA has received the pressures amounts necessary from Bush and Gudgell to balance our water system.

PRESSURIZED IRRIGATION WATER SYSTEM AND WATER GENERATED ELECTRICITY. Bert Leany will meet next Tuesday at 3 p.m. with Clayton Ramsey about this project.

MEETING WITH RICHARD PARRY: Board members in attendance at the meeting were Merle Gier, Bert Leany, and David Coon. Merle Gier reported on the meeting we had with Richard Parry on September 25th. Mrs. Schweer was not present. The reason for the meeting with Mr. Parry was that they did not pay their full amount for the 8 inch water lines as billed. Mr. Parry and Mrs. Schweer paid \$6280.00 each for a total of

\$12,560.00 this amount subtracted from the proper amount of \$8539.98 for Mr. Parry and \$8857.63 for Mrs. Schweer leaves an unpaid balance of \$4837.61. The board talked to Mr. Parry and asked him to be reasonable and he said that he would not pay anymore for the 8 inch line and that a judge would have to make him pay it. Mr. Parry said that he has invested \$20,000.00 in a water system to bring water to his two houses and he has not received any money from the shareholders that hooked into the line later. David Coon told Mr. Parry that we are not bill collectors and there was no contract. Mr. Parry stated that Russell Peine quoted \$15.00 a foot to install the 8 inch line and he felt that included the pipe and the labor cost. (Russell told the board earlier that he did not make a quote of any price, but said it would have to be established at the time the line was put in.) David also told Mr. Parry that the LDWA saved him money at the time for pipe was increasing in price each day. David Coon read a letter from Mr. Parry to LDWA that was dated June 10th and he said that he and his wife plan to pay for work done by Russ Peine. It was signed by him and his wife.

LDWA'S OPTIONS:

1. Retain legal council for an attorney's opinion
2. Sue both parties for loss to LDWA, legal fees, and cost of witnesses.
3. Put lien on all properties owned by both parties.
4. Collect gratuities from those who hook into the lines in the future to cover the difference in Parry's and Schweer's payments and actual cost to LDWA.
5. Give 30 days notice and then turn off water until bill is paid.

It was suggested that we send a certified letter to Mr. Parry stating that if this amount owed to LDWA is not paid in 30 days that the water to his new home be turned off.

MOTION: It was put into a motion that we send a certified letter to Mr. Parry stating that in 30 days the LDWA will turn off the water to his new home if he has not paid the amount due. David Coon suggested that before the letter is sent that he go and explain things to Mrs. June Schweer. Merle Gier made the motion to accept the proposal and Bert Leany seconded the motion and all approved.

LDWA WAS INVITED TO MEET ON SEPTEMBER 26TH AT 1 P.M. WITH SCHOOL LAND DIRECTORS: Dave Terry, Rick McBain, John Anderson, and Don Leavitt are representatives of the School Land Directors. Ron Thompson was hoping that the School Land Directors would agree to help pay for the line coming from Ron's Well to the new developments, but they did not. When Ron talked about his well, he said the Cottam well field and they plan on developing 6,000 acre feet of water or 8 1/4 cubic foot per second. Russ Peine asked were he got his right and Bert said that Gerald Stoker and Ron Thompson are working together to make this possible. David Coon said that everyone in this area has protested. The meeting was held at the Washington County Water Conservancy in Ron Thompson office and Bert Leany and David Coon attended. Ron

Thompson said that LDWA holds a commanding position with all water companies in the area. If Leeds is not going to assume this position either by merger or managing hookups to other units the Washington County Conservancy eventually will take over. Ron does not want to manage water companies, only sell water. Ron Thompson wants to use LDWA's spring water and possibly well water to service Silver Reef, ELT (100 homes), and Eldorado Hills. Leeds proper would hook into Cottam Well's chlorinated well water at Bert Leany's home to supplement the Town of Leeds water.

Bert Leany asked the board if they would like to know what the figures would be if we joined with Ron Thompson's water district. We would receive 15,000 gallons a month minimum whether or not we use it. There are 4 taps in an acre ft. and each hookup is \$3,000.00 plus \$15.00 a month from now on for each tap. The 4 taps cost \$12,000.00 up front. (in one acre ft.). If we were to buy 180 hookups it would cost us \$540,000.00 plus the \$32,400.00 a year for the monthly fees. Best of all we'd have to continue to do the same things we are right now such as, the billings and running the system. Bert figures that his water bill would be about \$60.00 per month. Then the sewer price will be on top of it.

SPECIAL DISPLAY FOR LDWA IN THE TOWN HALL: We want to thank Merle and his wife for all the work they have done to put together our display in the town hall. They have taken pictures and are writing up articles for the board.

WATER: It was suggested that we buy Gunter's water for \$5500.00 per acre foot. Dave said that he will find out if it is still available and if the price is the same. Bert said it was 11 acre feet of well water. Bert has B water that he would sell to LDWA if they would like it. Dave will look into Bert's water also.

MORATORIUM ON WATER CERTIFICATES: We have now sold the ten allotted taps for the year of 2000. Mr. Clifford Steele and Mr. Syphus bought the last two taps. So there is a moratorium on the water. We do have two water taps that we bought back for LDWA and these taps will be available. The board members discussed increasing the amount of a water tap from \$3000.00 to \$5000.00 because that is what water shares are selling for in the area. Mr. Gunter is selling water taps for \$5500.00. We can not sell water taps for \$3000.00 to shareholders and then have to turn around and buy water for \$5500.00. The board agreed to raise the price of a water tap from \$3000.00 to \$5000.00.

MOTION: Merle made a motion that there be a moratorium on water taps until we can get our legal paper work changed to the proper amount of \$5000.00 per water share. And as of September 28th at 9:10 p.m, at our monthly meeting, water certificates will cost \$5000.00. There will be a notice in the post office and on the board at the Town Hall that

the price of a water tap is \$5000.00 and also a notice will be sent in our billing to the shareholders. Russell Peine seconded the motion and all approved.

METER IS ON: Mr. Robert Campbell's meter is on and we will be billing him \$16.00.

WATER CERTIFICATE: The town may dispute LDWA refunding Mr. Stanton money for his water tap.

LEEDS WATER COMPANY: (Irrigation) will pay their share of the electric bill to pump water to them from our well.

LETTER: David Coon wrote a letter to Pat Sheneman representing Alene Cuff and LDWA about the Net. Com Tower Contractors damaging her lines and causing rocks to get in her lines. The Cost was \$924.00 to repair this problem. We hope we can settle this problem and they will pay the bill. Pat Sheneman also wants water service on the Hill behind R&R Engineering so he can sell the lot for someone to build a house. He will need a fire hydrant plus it will be impossible to get proper water pressure on the hill.

JIM PARNELL: Jim said that the spring flow is down to 135 but is still good. The test on the well for softness now is 312 and it is down from 360 and the spring was 177, both reports are good. Jim will put insulation in Alene Cuff's meter box. The board was told to write down Jim's cellular # 632-8049. Don Goddard also had a break in his line and it was fixed. Neils Fugal Construction used our water and was metered at the hydrant. We will bill them for the use. Brant Jones has two hoses running to a water trough that waters his animals. Jim will contact him about the dangers this could cause.

ROBERT COXEY: Robert Coxey of the Town of Leeds City Council explained that the town will be having a "Take Pride in Leeds" day and everyone is invited to join in and help spruce the town up. It will be, Saturday, November 4th all day.

Moved to adjourn – Bert Leany

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

October 18, 2000

Monthly Executive Meeting of LDWA

At the Town Hall at 7 p.m.

Those in attendance: President David Coon, Scott Hayes, Bert Leany, Merle Gier, Jim Parnell, and Sandra Browning, Russ Peine was excused.

Welcome: David Coon

Prayer: Sandra Browning

FLOATING TAP: Marrell Walton contacted David Coon and asked about getting his floating water tap transferred into his name that he bought from Fred Friese. David asked Sandra to transfer the certificate to Him.

WATER TESTS: Merle Gier took three sample tests of residents in Leeds and one test has coliform in it. This was a investigative test and we will not have to redo it. Merle also told the board that the V.O.C.s tests went to Salt Lake by UPS Monday morning to be tested.

PUBLIC RELATIONS EXHIBIT: Merle and his wife Norma are working a public relations exhibit for LDWA to be placed in the town halls to educate the town about the value the LDWA is to the Town of Leeds. They have taken pictures and wrote articles to explain this. We really appreciate all their work.

CLEANUP DAY IN LEEDS: Merle also asked if anyone has a trimmer to cut the weeds around our cement tank to make it more presentable.

SILVER REEF: David talked with Silver Reef and told them that they need to share the expense that was incurred for them to receive 81 days of extra water. Sandra billed Silver Reef for extra electricity used to pump the well for \$434.77 plus mileage for Jim Parnell to check the well which was \$129.60 and also a depreciation cost of the pumps for \$28.51. for a total of \$592.51.

JOINT WATER SAMPLING: LDWA and Silver Reef talked about testing our water together monthly, but LDWA felt that we need to do our own sampling to make sure it was done correctly. It was suggested that if we work with Silver Reef that they will need to help pay the mileage to Cedar if they want to participate.

BUSH AND GUDGELL ENGINEERING: The computerized test of our water system by Bush and Gudgell is completed and they made a few suggestions as to how to improve our system.

- A. They suggested to connect the 4 inch line from the cement tank to the line into town that is not in service.
- B. One pressure reducer valve should be installed about 100 ft. below the fire hydrant across from Glenn Beal's home.
- C. They suggested that we by pass the cement tank and take out the service completely.
- D. We need to connect the frontage road 8 inch line east and west into the line running to Frank Jackson's 8 inch line.
- E. Two new fire hydrants are needed to meet the fire code. One at the bottom of Silver Meadows Road and the other is in the middle of the block of Main Street between Center and Valley View Road by Steve Lewis' Home.

JIM PARNELL: Jim Parnell was asked by David Coon to disinfect the 4 inch line from cement tank to Leeds.

RUSSELL PEINE:

- A. Russell Peine needs to write up a bid for each job we ask him to do.
- B. Hook up 4 inch line from cement tank to Leeds.
- C. Dig hole and install vault for pressure valve and replace asphalt on the road by Glenn Beal's home. This must be ready for Ken Orton and Jerry Browning to install the pressure valves by the last week in October. David will notify Ken and Jerry when project is ready to install valves.

LDWA PURCHASED WATER FROM GUNTER:

- A. Bert Leany and David Coon met with Glenn Gunter and purchased 11 shares of water for \$5300.00 per acre ft. = \$58,300.00. We need a report of water rights conveyance from Terra Title. David Coon will write a letter to Kerry Carpenter to convert the water from irrigation well to municipal.

RICHARD PARRY: LDWA sent a certified letter Richard Parry in California and also the Leeds address that his water will be shut off in 30 days after he signed for the letter if bill is not paid. Mr. Parry wants to split the amount due in three ways: LDWA, Russell Peine, and Mr. Parry and Mrs. Schweer. The board did not agree to pay his part. Mrs. June Schweer did not pay her part as she promised.

BERT LEANY: Bert is still working on a pressurized water system and electric generators.

SCOTT SIMPSON: Scott met with the board to protest his deposit being taken way from him because he did not build in 18 months as required. (Lot on Vista View in 1996). It was decided that he will get his deposit back.

JAMES STANTON : We refunded James Stanton his money for his water certificate #324 for \$3000.00. The Town of Leeds bought his land and claims that they bought the water certificate also. But they can not prove that it was included. The LDWA board decided that we will sell the certificate.

ELT: Dallin Gardner of ELT wants to meet with LDWA again. David Coon told the board that he feels that they should pay the money owed us for legal and engineering fees.

KEITH SULLIVAN: David Coon read a letter from Keith Sullivan (water bottling Conpany). It was a proposal to use LDWA's water. The offer was not accepted by the LDWA's board.

PETER HEUSER: We will be done with the Heuser's project as soon as we give them another load of gravel and also dig and install a pressure valve.

LETTER; David Coon read a letter from Pat Sheneman. He will contact the company that damaged Alene Cuff's water line and see if they will pay the bill.

FIRE DISTRICT: We have not received a letter from the Fire District from their lawyer with his opinion on which entity is to service the fire hydrants.

Scott moved to adjourn.

COMMERCIAL			
	<table border="1"> <tr> <td>OVER 20000 GALLONS</td> </tr> <tr> <td style="text-align: center;">6.35%</td> </tr> </table>	OVER 20000 GALLONS	6.35%
OVER 20000 GALLONS			
6.35%			
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UNDER 20000 GALLONS			
3.17%			
COMMERCIAL CHARGES RECOMENDATION			
MONTHLY FEE	\$ 25.00		
OVER 20000 GALLONS EACH 1000 GALLONS	\$ 2.00		
YEARLY INDEX INCREASE ADJUSTED YEARLY			

RESIDENTUAL CHARGES			
	<table border="1"> <tr> <td>OVER 25000 GALLONS</td> </tr> <tr> <td style="text-align: center;">44.97%</td> </tr> </table>	OVER 25000 GALLONS	44.97%
OVER 25000 GALLONS			
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UNDER 25000 GALLONS			
45.50%			
RESIDENTUAL RECOMENDATION			
MONTHLY FEE	\$ 16.00		
over 60000 gallons EACH 1000 GALLONS	\$ 2.00		
25000to 60000 GALLONS EACH 1000 GALLONS	\$ 1.00		
YEARLY INDEX INCREASE ADJUSTED YEARLY			

TAP INSTALATION FEES SUGESTION	
PRIVATE UNDER 1 INCH MINIMUM	\$ 850.00
COMMERCIAL 2 INCH MINIMUM	\$ 4,500.00

<u>COMMERCIAL</u>					
NINE MONTH USE FOR YEAR 2000	total gal	monthly Average	LOW & HIGH GALLONS		PERCENT
GALLONS USED	6,311,550	701,283			
		between	40,000	300,000	3.17%
GALLONS USED	498,460	72,714			
		between	30,000	40,000	1.06%
<u>OVER 20000 GALLONS</u>					6.35%
GALLONS USED	980,620	108,958			
		between	20,000	30,000	2.12%
<u>UNDER 20000 GALLONS</u>					3.17%
GALLONS USED	348,360	38,707			
		between	-	20,000	3.17%
total % of water used by commercial					9.52%

<u>RESIDENTIAL</u>					
NINE MONTH USE FOR YEAR 2000	total gal	monthly Average	LOW & HIGH GALLONS		PERCENT
GALLONS USED	8,902,580	989,176			
		Between	100,000	200,000	3.70%
GALLONS USED	11,594,530	1,306,267			
		Between	70,000	100,000	2.12%
<u>OVER 40000 GALLONS</u>					19.05%
GALLONS USED	2,907,030	323,003			
		Between	60,000	70,000	2.65%
GALLONS USED	3,476,820	386,313			
		Between	50,000	60,000	3.70%
GALLONS USED	2,647,680	294,187			
		Between	40,000	50,000	6.88%
GALLONS USED	2,003,750	222,639			
		Between	30,000	40,000	15.87%
GALLONS USED	1,297,380	144,153			
		Between	20,000	30,000	23.28%
<u>UNDER 40000 GALLONS</u>					71.43%
GALLONS USED	701,260	77,918			
		Between	10,000	20,000	17.46%
GALLONS USED	9,458	1,420			
		Between	-	10,000	14.81%
total % of water used by Residential					90.48%

COMMERCIAL	
NINE MONTH USE FOR YEAR 2000	
	OVER 20000 GALLONS 6.35%
	UNDER 20000 GALLONS 3.17%
COMMERCIAL CHARGES	
<u>RECOMENDATION</u>	
MONTHLY FEE	\$ 25.00
OVER 20000 GALLONS EACH 1000 GALLONS	\$ 2.00
YEARLY INDEX INCREASE ADJUSTED YEARLY	

RESIDENTUAL CHARGES	
NINE MONTH USE FOR YEAR 2000	
	OVER 25000 GALLONS 44.97%
	UNDER 25000 GALLONS 45.50%
RESIDENTUAL	
<u>RECOMENDATION</u>	
MONTHLY FEE	\$ 16.00
OVER 25000 GALLONS EACH 1000 GALLONS	\$ 1.00
YEARLY INDEX INCREASE ADJUSTED YEARLY	

TAP INSTALATION FEES	
<u>SUGESTION</u>	
PRIVATE UNDER 1 INCH MINIMUM	\$ 850.00
COMMERCIAL 2 INCH MINIMUM	\$ 4,500.00

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
 P.O. Box 461134
 Leeds, Ut. 84746-1134
 October 19, 2000

Executive meeting
 Leeds Town Hall at 7 p.m.

WELCOME: Dave Coon

PRAYER: -

BOCS - Monday =

- 1. WATER TESTS: Merle Gier -
- A. Month of Oct - Routine negative
- ✓ B. Three random samples from homes in Leeds. The investigative taken to Quail Creek.
- 2. PUBLIC RELATIONS EXHIBIT- Merle Gier. ✓

Cola Farms } *Scotts*
Stages
(Set)
clean up day Nov 4 (*clean around tents*)

- 3. SILVER REEF: Meeting with Silver Reef- water expense share - 81 days.
- A. Electric power usage: Sandra to bill Silver Reef;

	Total	Irrigation Co.	LDWA	Silver Reef
July 15 - August 15	412.58	206.38	206.28	103.15
August 15 - Sept. 15	659.70	329.85	329.85	164.93
Sept. 15 - October 6	666.76	333.35	333.35	166.69
			Total	434.77

B. Bill mileage cost for Jim from home to well.

10 miles X .32 per mile = 3.20 per day
 3.20 X 81 days = 259.60
 259.20 divided by 2 = \$129.60

C. Bill for depreciation costs on well:

\$21,000.00 cost of two pumps divided by 18 years dep. = \$1166.67 per year.
 1166.67 per year divided by 365 = \$3.20 per day.

92 gallons per minute X 10 gallons per minute Silver Reef
 3.20 X
 92x = 10 gallon x 3.20 = 31.96 = .35 per day
 92
 .35 X 81 = \$28.14

TOTAL - ELECTRIC POWER = 434.77
 MILEAGE = 129.60
 DEPRECIATION = 28.14
 Total expense for 81 days \$592.51 for Silver Reef

4. Joint sampling spring – Silver Reef and LDWA

- A. LDWA do own sampling.
- B. Silver Reef needs to help pay expenses.

5. Bush and Gudgell Engineering suggestions

- A. Connect 4 inch line from cement tank to town, not now in service.
- B. One pressure reducer valve – 100 ft. below fire hydrant across from Glenn Beal.
On oak grove Rd.
- C. By-pass cement tank – take out of service.
- D. Connect Frontage rd. 8 inch line East and West into line running to Frank Jackson's 8 inch line.
- E. To meet fire code, two new fire hydrants are needed.
 - 1. Bottom of Silver Meadows Rd. (?) Cul de Sac.
 - 2. Middle of block main street between Center (?) and Valley View Rd. by Steve Lewis' Home.

6. JIM PARNELL – Disinfect 4 inch line from cement tank to Leeds.

7. RUSS: Need bid :

- A. Rehook up 4 inch line from cement tank to Leeds.
- B. Dig hole and install vault for pressure valves and replace asphalt on road by Glenn Beal.
(Oakgrove Road)
- C. Need to be ready for Ken Orton and Jerry Browning to install Pressure valves by last week in October. Need to notify Ken and Jerry when ready.

7. Bert – Purchased 11 shares of water from Glen Gunter for \$5300.00 per acre ft. = \$58,300.00.

- A. Need report of water rights conveyance from Terra Title.
- B. Letter LDWA to convert to municipal.

Hold =

8. RICHARD PARRY - Sent a certified letter to California address and also Leeds address that his water will be shut off in 30 days after he signs for the letter if bill is not paid. Mr. Parry wants to split the amount due in three ways: LDWA, Russ Peine, and Parry & Schweer. Or Dave suggested to split it 4 ways and Parry and Schweer pay half at least. June Schweer did not pay her part as promised.

9. BERT: Pressurized Irrigation and Electric Generators.

09/31

Bert }
Jon }

10. SCOTT SIMPSON: Put a deposit of \$500.00 on water for his lot on Vista View in 1996.

Would like to talk to the water board to forfeit the money.

water
meeting - next Wednesday =

Value Broker off =

TAP

- ✓ 11. JAMES STANTON WATER CERTIFICATE: purchased by LDWA #342 – City made claim but cannot come up with proof. (Should board free up the share?) ✓

- 12. ELT: Dallin Gardner wants to meet with LDWA again. Before we meet Dave feels that they should pay the money owed us for :
 - A. Engineering fees
 - B. Legal fees

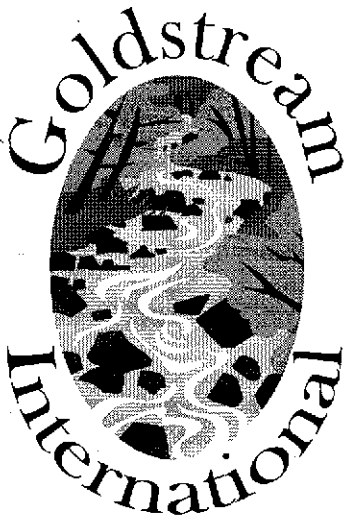
- ✓ 13. KEITH SULLIVAN: Water bottling business plan. Read to Board (Hold)

- ✓ 14. PETE HEUSER:
 - A. Load of gravel. =
 - B. Dig and install pressure valve. =

- ✓ 15. LETTER: Read letter from Pat Sheneman.
 - A. Coy Wiley did not agree to pay the cost of repair of Alene Cuff's line.

- ✓ 16. SCOTT HAYES: Where is the Attorney's opinion on which entity is to service the fire hydrants?

MOVE TO ADJOURN:



September 15, 2000

LDWA,

Thank you for your consideration on our commercial use for the LDWA water.

With the profit margins being so small in the business, we feel we could give LDWA \$0.01 per gallon for the first 50,000 gallons per month and \$0.02 per gallon up to and not to exceed 100,000 gallons per month unless approved by the Board.

That would bring a substantial amount more per usage than you are currently getting from residential customers.

It is estimated that we would use approximately 10,000 gallons per month after the first year, increasing to 20,000 gallons per month in the second year and up to 40,000 gallons in the third year.

We would purchase a water hookup, of course, and get a site approval as to the nature of our business.

Sincerely,

Keith Sullivan



Patrick Development, Inc.

PO Box 715
Leeds, Utah 84746

Telephone (435) 879-6878
Fax (435) 879-6840

Oct. 5, , 2000

Subject: Alene Cuff's Repair Work

**Leeds Domestic Waterusers Association
P.O. Box 461
Leeds, UT 84746**

David Coon,

I recently received your letter describing the work Russell Peine Construction Company completed to repair Alene's water line. I feel several items have been left out of your letter. We all agree that Netcom construction broke the water line while trenching for the phone line service. A long discussion with Netcom, Coy Wiley, Jim Parnel and myself resulted in Netcom authorizing the repair of the water line with Jim completing the work.

During this meeting Coy and I discussed his desire to move the water meter up the hill closer to her house. Coy indicated that connecting to the larger existing water line would improve her water pressure and locate the water meter in the "Proper Location". Coy indicated this would happen soon and the water company would pay the entire cost for this work.

Several issues have come up since the initial discussion. First, no bill for the authorized work has ever been presented to Netcom. All of us involved in the initial discussion understood that the bill for this work would be sent to Netcom. Sending your bill direct to Alene was wrong, and it caused her tremendous stress. Second, it appears that the work to move the water meter was added to the bill you claim is owed by Netcom. No discussion has ever taken place with Netcom, Alene or myself authorizing the work to move the water meter. Third, although the tower was built on property I own I was not involved with the construction. Any cost for repairing the water line damaged by the construction company clearly should be paid by the construction company as agreed by them and not by me.

I thing if we would have proceeded with the work as agreed, and had continued to communicate with each other as other issues came up, this problem we have now could have been avoided. I remain confident that Netcom will pay the amount they owe and encourage you to discuss your bill with them.

I will continue to work to resolve this matter and if you have any questions please call.

Sincerely ,


Patrick Shencman

CC: Netcom
Alene Cuff

MONTHLY MEETING OF THE LEEDS DOMESTIC WATERUSERS
ASSOCIATION - Agenda

OCTOBER 26, 2000 - 7 P.M. AT THE LEEDS TOWN HALL

Those in attendance:

WELCOME:

PRAYER: Robert

MINUTES: approved

FINANCIAL STATEMENT:

A. CHECK REGISTRY ✓

B. INCOME STATEMENT ✓

C. BAD DEBT ✓

Hold } D. VOTE TO DEPRECIATE INVENTORY 2% TO 8% (REVIEW ON A YEARLY BASIS) ✓

E. RUSSELL PEINE :LOOK AT INVENTORY AND CONSIDER DEPRECIATION. } ✓

F. INCREASE AN ASSET WHEN IMPROVEMENTS ARE DONE.

✓1. SCOTT SIMPSON: Talk to board about the return of \$500.00 deposit made in 1996.

(send letter)

✓2. MERLE GIER: Water testing

✓A. V.O.C.s test *Self take*

✓B. Arsenic and lead. *Code*

✓C. Joint sampling spring - Silver Reef & LDWA

✓1. LDWA board wants to do own sampling. If Silver Reef would like us to take joint -
spring sample to Cedar City they need to help pay mileage.

② Thank Merle for special display for LDWA in Leeds Town Hall. =

✓3. Bush and Gudgeon Engineering suggestions to bring LDWA into State Compliance.

A } By -pass cement tank : Jerry Browning suggestion to rent tank to Leeds Irrigation for
Irrigation storage and use extra 4 inch water line for irrigation water to upper part of }
town by Fred Friese's home and etc.

Russell Peine: Job #1 Connect frontage road 8 inch line east and west into line
running to Frank Jackson's 6 inch line to meet fire code. Approximate cost 650 X }
\$15.00 = \$9750.00. Add valves \$400.00 = \$10150.00.

A. Frank Jackson has given approval for right away and to sign a letter of approval. →

B. Harold Furrows right away. <

Job #2

C. Two fire hydrants installed.

- A. Cul de sac, bottom of Silver Meadows Road.
- B. Middle of block center street.

Job #3

C. Second week in November, Ken Orton and Jerry Browning of Rural Water Association of Utah will be available to install one pressure reducer valve in a cement vault. Approximately 100 ft. below fire hydrant across from Glen Beals' home on Silver Reef Road.

- A. Save 75% of cost on Pressure Valve by rebuilding - by using two 4 inch pressure valves behind cement tank.
- B. May be problems with using 4 inch line to feed into town.
- C. Notify town in post office and billing letter of approximate date and suggest shareholders store some water for a three to six hour water shut off.
- D. Russell Peine: Need written bid on each of the three job areas.

✓ 4. Bert Leany: Purchased 11 acre ft. of water from Glen Gunter. \$58,300.00. We need a motion for approval of this purchase from the board.

✓ 5. A. Terra Title is completing a water right conveyance.
 B. Send letter from LDWA to Kerry Carpenter in Cedar City to convert well irrigation water to well municipal water rights.

⑥ Bert: To meet with ^{John Zepher (design work)} Clayton Ramsey for ^{Soil Conservation} money grants for pressurized irrigation and electric generators on Oct 31st at 9 a.m. at Bert Leany's home.

✓ ⑦ Moratorium on regular yearly water taps.

- A. Furrow - Syphus (9)
- B. Clifford Steele (10)
- C. Scott Simpson (11).

D. Extra Terry Presby (12) Joann Thornton (tap from Stanton) ^{free Hydrant} Commercial property 8" line

E. Extra tap from Haslem. 1996 500.00 (60000)

✓ 8. Richard Parry - Motion by board on September 26th to send a letter giving 30 days to pay assessment of \$4837.61 or water service to Parry and Schweer will be turned off. 30 days after receiving certified letter on Oct. 19th, Mr. Parry made a counter offer that LDWA pay 1/3, Russell Peine pay 1/3 and Parry and Schweer pay 1/3 of amount due LDWA. The board at the Executive meeting on Oct. 19th rejected this counter offer.

9. Fire district - No attorney's letter promised by district has been forth coming.

✓ 10. Sandra – Silver Reef has been billed for expense of 81 days 10 gallons per minute of additional spring water this summer.

11. Pete Heuser: →

A. Load of gravel = Monday

B. Russell Peine to dig and Jim Parnell to install pressure valve. =

✓ 12. Letter from Pat Sheneman. Alene Cuff was told by Pat that Net – Com Tower Contractor will pay for the damage done to Alene's water line.

13. Research on water use by shareholder and impact upon our system. Thanks to Jerry Browning for this report.

14. Merle Gier. If healthy – Gather information on all water system rates in Washington County and report at next meeting.

15. New business –

16. Jim Parnell needs to be come certified in the handling of chlorine.

= { class 2
Water, metals } =
April

17. Adjourn.

net com paid

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

October 26th, 2000

Monthly meeting 7 p.m. at Leeds Town Hall

Those in attendance: David Coon, Bert Leany, Merle Gier, Jim Parnell, , Sandra Browning, Robert Coxey (of the town council) and Scott Simpson. Russell Peine was ill and was excused from the meeting.

Welcome: David Coon

Prayer: Robert Coxey

Minutes: Minutes were discussed and Bert Leany moved to approve the minutes and Merle Gier seconded the motion and all approved.

Financial Statement: The financial statements were approved the check registry, and financial statements (month to date and year to date) Merle Gier moved to approved the financial statements and Bert Leany seconded to motion and all approved.

Bad Debt: We have some shareholders that have not paid their water bills for a long time. It was suggested that we send a letter to anyone whose bill is over 60 days old. We will put a form letter together and send to shareholder when 60 days has passed and tell them they have 30 days before we shut off their water.

Overages: The cemetery has had high overages and Robert Coxey suggested that someone is coming in and filling up their water tanks. Also the faucet at the cemetery does not shut off correctly and if you turn it to far it will turn on again, causing the water to leak.

Scott Simpson: Scott put \$500.00 down on a water certificate in 1996 and has done nothing with it since. He was told that he is not entitled to receive a refund and he came to meet with the board to contest this ruling. He claims that he knew nothing about a 18 month limit to build a home on his property. At first Bert Leany made a motion that we split the deposit \$250.00 to LDWA and \$250.00 to Mr. Simpson. After a discussion the board decided to cancel the motion made by Bert Leany and allow Mr. Simpson a refund of \$500.00. However, the certificate for the new owner of the water certificate will have to pay the full amount of \$5000.00 for the certificate. It was also suggested that we

notify the person who has put a deposit on a certificate before the 18th month that his deposit will expire.

New Certificates: David expressed to the board that he would like to change the guide lines on the back of the application for a water certificate to read that when a new shareholder puts in a water line and others hook into the line that we will notify the shareholders who put in the line so he can charge anyone hooking into the line their part of the cost or can put a lien on the property. We will notify the shareholder for a period of three years only. We are not a collection agency and will have no part in collecting the money for them. A Mr. Prisbrey is buying a commercial taps and will be putting in an Auto Auction on the hill behind Joanne Thornton.

Merle Gier: The VOC tests have been taken and shipped to Salt Lake City by UPS. The Arsenic and lead will be sent to Cedar City at SUU at their testing lab.

Special Display at the Leeds Town Hall: Merle Gier passed around some pictures that he and Norma , his wife took of the spring, well, and Jim Parnell for the display. They plan to write an article about the water system and how LDWA helps the town have clean water. A special thanks to Merle and Norma for all they are doing to make the display.

Joint sampling of the Spring with Silver Reef : Bert Leany said that we should take our own water samples and if we take Silver Reef's samples to be tested then they should have to help pay the mileage to Cedar and back.

Purchase of Water: Bert Leany and David Coon met with Glenn Gunter to purchase 11 acre feet of water. We need to have the board approve the purchase by putting it in a motion.

MOTION: Bert Leany made a motion that the board approve the purchase of 11 acre ft of water from Glenn Gunter for \$58,300.00 Merle Gier seconded the motion and all approved. (Glenn does have 24 more acre ft if we are interested later on.) We are working with Terra Title to complete a water right conveyance to transfer the water from Gunter's well to LDWA's well. Irrigation to Municipal.

Then a letter that David Coon wrote with a copy of the title will be faxed to Kerry Carpenter so he can complete the transfer.

Russell Peine: Job #1 Connect frontage ⁶ 8 inch line east and west into line running to Frank Jackson's 6 inch line to meet fire code. Approximately cost $650 \times \$15.00 =$
\$9750.00. Add valves at \$400.00 = \$9750.00. $\$10,150.00$ $\$2.15$

Job #2 Install two fire hydrants. #3. Install vault across from the Glenn Beal Home.

Other Items: The other items that Russell Peine was going to cover will be put on hold for Russell was unable to attend this meeting. Russell was going to talk to his son, Phillip Peine for the proper procedure to depreciate our inventory and when to increase inventory when improvements are done.

The board will decide how to proceed after we hear from Russell Peine.

(1. Vote to depreciate inventory 2% to 8% (Review on a yearly basis. .2. Look at inventory and consider depreciation.3. Increase an asset when improvements are made.

Bush and Gudgell: The Engineering Firm of Bush and Gudgell did a computerized study on our water system to see what we need to do to bring LDWA into State Compliance. Here are their suggestions.

A. By-pass the cement tank on the north end of town.

B. Connect frontage road 8 inch line east and west into line running to Frank Jackson's 6 inch line to meet fire code. The approximate cost is $659 \times \$15.00 = \9750.00 . Add valves at $\$400.00 = \$10,150.00$. (Frank Jackson has already given approval for right of way and he will sign a letter of approval.) Harold Furrows will also be approached to give his approval and sign a letter of approval. (Harold Furrows is out of town at the present time.)

C. Fire hydrants need to be added to our system. 1. One at the Cul de sac at the bottom of Silver Meadows Road at the very end. 2. The second fire hydrant at the middle of the block of center street by Steven Lewis' place. 3. We were also told to check with the Leeds Fire Department and have them check the hydrants' at the Leeds R.V. Park to see if additional hydrants and new 8 inch lines are needed there.

Rural Water of Utah: Ken Orton and Jerry Browning of Rural Water Association of Utah will come down the second week in November to install one pressure reducer valve in the new cement vault that will be put in on the north end of town down from the cement tank. This will be placed 100 ft. below the fire hydrant across from Glenn Beals home on Silver Reef Road.

David Coon talked to Ken Orton and we will save 75% of the cost of the pressure valve by using two 4 inch rebuilt valves that are in very good shape. There may be a problem in using a 4 inch line to feed into town. David asked everyone to notify their neighbors to store some water for the three to six hour water shut time it will take to complete the job. Also David asked Sandra to put a notice in the post office and the town hall bulletin to alert the town of the water shut off.

Bid: Russell Peine will need to submit a bid on all three jobs and LDWA will accept bids from other companies as well. All contractors will have to be insured and licensed and experienced in doing this kind of work.

Pressurized Irrigation System: Bert Leany will meet with John Esplin of the National Resource Soil Conservation Service Design to look over the pressurized irrigation system that he designed for LDWA. They will meet at Bert Leany's home on Oct. 31st. at 9 a.m., all board members who would like to attend are welcome.

Ten tap limit: There is a moratorium on the regular taps until the end of the year for ten taps have been sold in the year 2000. Some tap owners have had their deposits refunded and their taps were sold for the new cost of \$5000.00. They were already counted in the taps of previous years. These taps were from Scott Simpson, James Haslem, and James Stanton.

Richard Parry: On September 26th a certified letter was sent to Richard Parry stating he has 30 days to pay the amount of \$4837.61 that was not paid to LDWA to install his 8 inch water line or his water will be turned off at the new home he built. Mrs. June Schweer was not sent a certified letter because she has promised to pay her indebtedness on the 8 inch line. Mr. Parry called David Coon and offered a counter offer that LDWA, Russell Peine, and Richard Parry with June Schweer pay 1/3 of the amount due. The board of LDWA at the Executive meeting on October 19th rejected this counter offer. It was decided that Mr. Parry's water will still be shut off in 30 days of receiving the certified letter. The certified paper was dated October 23rd.

Leeds Fire District: Dave told the board we have not received a letter from the Leeds Fire District's lawyer as to his opinion on who should service the fire hydrants in the Town of Leeds as was promised.

Silver Reef Service District: The Silver Reef has been billed for expanse of 81 days of 10 gallons per minute of additional spring water this summer. Sandra Browning billed them for this amount, but a payment has not been received as yet.

Pete Heuser: David told the board that the Pete Heuser job was nearly completed. We still owe him one load of gravel and Russell Peine will dig a hole so Jim Parnell can install a pressurized valve.

Letter from Pat Sheneman: David Coon received a letter from Pat Sheneman that the Net-Com Tower Contractor will pay for the damages done to Alene Cuff's water line done several months ago. And Sandra received the check in the mail today. The amount was \$924.00.

Jerry Browning: The board looked at a report Jerry Browning compiled for water use by shareholders and the impact upon our system. Thanks to Jerry for this report.

Merle Gier: David Coon asked Merle Gier to gather information on all water system rates in Washinton County and report at the next meeting. Merle will try to get as much information as he can by next meeting.

Town Clean up Day: Merle asked if any of the board members had a power trimmer that can be used to cut weeds around the cement tank. The clean up day for the town will be held a week from Saturday.

Jim Parnell: Jim ran the well and it was clear and the draw down was down about four feet. The Log at the well needs to be recorded each time the well is used or a draw down is done. David also asked Jim to check if it is possible to clean out the water line to the cemetery.

Water Master: The EPA stated that all water master that work with chlorine must be certified in handing this deadly poison. There will be classes provided for Jim Parnell in the spring for his certification.

Adjourn: Bert Leany

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134
November 8, 2000

LDWA Executive Meeting Agenda

7 p.m. at the Town Hall

Those in attendance:

Welcome: David Coon

Prayer: *see it*

Merle Gier

2.00 & 9.00 = 11.00

OK

1. Water samples: ~

2. New 6 inch line

A. Right of way signed by Frank Jackson and Harold Furrows

B. Phone bid by John Orton of Cedar City, Ut. 1-435-701-4456

- | | |
|---|-----------|
| 1. Each end hook up \$500.00 to \$700.00 - \$600.00 (2) \$1200.00 | |
| 2. Dig and lay pipe compact. 8.00 to 10.00 - \$8.00 X 650 = \$5200.00 | |
| 3. 6 inch C-900 (2.45) - 650 X 2.45 | \$1592.50 |
| 4. 2.5% cost to board | \$199.81 |
| 5. Valve - Valve gate valve and installation | \$500.00 |

Total \$8692.31

3. Pete Heuser :

- A. Delivered truck load of rock.. Interstate Rock Products. \$167.96
B. Pete will dig out water line if Jim will install pressure valve.

4. Bert Leany:

- A. Design of pressure irrigation system. Map and computer disc.
B. Grants.

5. Day to Day: Jim Parnell

- A. Insulation of meter boxes for winter cold..
B. Pete Heuser's to install pressure valve.
C. Leak by cement tank.
D. Install 2 inch pressure valves by Izzy Washburn and Helen Hood's home.

(E) One draw down test every month on well to protect against over production in Washington Conservative Well Field.

F. Clean cemetery line of debris. ✓

✓ 6. Day to Day by Russell Peine:

A. New bid sheet on all jobs. ✓

B. 650 ft. line (Jackson - Furrows)

C. Two Fire hydrants.

D. Main line pressure valve by Beals. ✗

(7) Installed on main:

A. Sordens - 6 ft. by 9 ft. inside \$2279.06

B. Peine labor on pressure valves \$682.50

(C) 2 - 6 inch T-S

MJ8 to a 6 inch flange on a bell reducer

2 - 6 inch gate valves - high pressure.

3 - 2 inch ball and check valves.

(D) 1 - 6 inch pressure valve rebuilt.

1 - 2 inch pressure valve rebuilt

(Trade our two 4 inch pressure valves?)

(E) Suggestion by Bush and Gudgell to discontinue use of cement tank? 2 yrs

8. Ray Crosby wants to by the right of way by cement tank

A. Trade for 6 to 10 acre ft. of well water rights.

B. 60 acres in Bonanza Flats without a right of way to it.

✓ 9. Terra Title:

A. Conveyance of water (11 acre ft.) bought from Glen Gunter.

B. LDWA letter to Kerry Carpenter of the State Water Rights in Cedar City.

10. Richard Parry:

1.. Read letter from Gallion, Wilcox, and Wright L.C.

2. Bert and Dave visited June Schweer and she said that she does not want to go to court and will pay the amount she owes.

3. Send letter along with bids on the same job to attorneys for Richard Parry.

Bid from Coughlin Company \$23,005.00

Bid from General Engineering and Construction, \$23,955.00

Bids on 8 inch line at \$4.19 per ft. and at least \$1.80 more for early summer price difference. (\$2,034.00 - adjusted cost)\$25,039.00 and \$25,989.00

11. Scott Hayes -

- A. Still no letter of attorney's opinion from the Leeds Fire District. =
- B. Leeds Fire District needs to investigate the Leeds R.V. Park to determine the need for fire hydrants.

12. Christmas Party with the Town of Leeds: December 11th at \$11.00 per plate plus tax approximately 18 people invited by the LDWA board plus employees. To be paid out of the LDWA's funds. It will be at The Two Lazy to Ranch Restaurant. Your Choice of New York Steak or Lemon Pepper Chicken, plus salad bar and baked potatoes. (~~Inmate Coy-Wiley and Partner~~) *Ken Oston & wife }
Gene Hansen }*

13. Change in Leeds Domestic Waterusers Water Application for new service.

14. Application form for bids to do work for LDWA System.

15. Jerry Browning: Impact of shareholders on the water system.

16. Applying for water: Nate and Meliss Blake have applied for a water certificate. This is the same tap that Scott Simpson had. *Value
Fire hydrant
200*
2 Lots

17. More water. Bert Leany and David Coon are going to Cedar to see if we can get more water from the water rights that we got from Alberta Lee.

Adjourn.

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134
November 8, 2000

EXE
SESSION

LDWA EXECUTIVE MEETING

7 p.m. at the Leeds Town Hall

Those in attendance: David Coon, Scott Hayes, Russell Peine, Merle Gier, Jim Parnell and Sandra Browning.

WELCOME: David Coon

PRAYER: Scott Hayes

WATER SAMPLES: Merle Gier told the board that all investigative tests were negative. (They were taken to Quail Creek) Merle took the regular tests to Cedar City today.

11/8/00

Merle is working on the poster to be put up in the Town Hall.

NEW 6 INCH LINE: We have to run a line from Mr. Furrow's place by Silver Meadows Road to Frank Jackson's to get our system in compliance with the Stake Code. David Coon will get Mr. Furrow and Mr. Jackson to sign a right of way release for LDWA to proceed.

David got a phone bid from John Orton of Cedar City, Ut. (1-435-701-4456)

1. Each end hook up \$500.00 To \$700.00 - \$600.00 to \$1200.00 (depending upon the rocks).
 2. Dig and lay pipe. \$8.00 to \$10.00 - \$8.00 X \$650.00 = \$5200.00
 3. 6 inch C-900 (2.45) - 650 X 2.45 \$1592.50
 4. 2.5% cost to board \$199.81
 5. Valve - Valve gate valve and installation \$500.00
- Total \$8692.31

Also \$900.00 for hot tap and Fire hydrant \$1700.00 (Coughlin's bid)

PETER HEUSER:

We had Interstate Rock Products deliver a load of rock which cost \$167.96. Mr. Heuser plans to dig out his water line if Jim will install the pressure valve.

PRESSURIZED WATER SYSTEM: Bert was excused from the meeting but he told David Coon earlier that he met with the Soil Conservation People and they gave him a

map and a computer disc and told Bert that they will give LDWA a free bid on a pressurized water system.

JIM PARNELL: David asked Jim to put insulation in all the meter boxes that need it for the cold weather coming on. Jim will also install the pressure valve for Mr. Pete Heuser when the hole is dug. Jim repaired a leak by the cement tank and also he installed a 2 inch pressure valve in Isabelle Washburn's water line and fixed a leak there.

David Coon asked Jim to do one draw down test each month and record it on the well to protect against over production in the Washington Conservative Well Field. So far the well is producing plenty of water. He was also asked to clean the debris out the line to the cemetery.

RUSSELL PEINE: David Coon asked Russ to submit a bid sheet on all jobs. The jobs that are to be done: 650 ft. line by Jackson and Furrows. We need to have installed two new Fire Hydrants and the main line pressure valve by Beals.

Items needed to install Vault by Glenn Beal's home.

1. Vault from Sordens - 6 ft. by 9 ft. inside will cost \$2279.06
2. Peine Construction Company labor on pressure valves \$682.50
3. Parts needed:
 - A. 2 - 6 inch T-S - MJ8 to a 6" flange on a bell reducer
 - B. 2 - 6 inch gate valves - high pressure.
 - C. 3 - 2 inch ball and check valves.
 - D. 1 - 6 inch pressure valve rebuilt.
 - E. 1 - 2 inch pressure valve rebuilt (Trade our two 4 inch valves to Ken Orton for a 6 inch and a 2 inch rebuilt valve.)

BUSH AND GUDGELL: When Bush and "Gudgell computerized our water system they suggested that we discontinue the use of our cement tank. The board discussed this suggestion and for now will not use the cement tank.

RAY CROSBY: David Coon received a phone call from Ray and he asked if he could buy a right of way by our cement tank. David told Ray that LDWA would trade from 6 to 10 acre feet of well water rights and the water would have to be proved up. Mr. Crosby did not want to trade water and said he would get back with David. Mr. Crosby has 60 acres in Bonanza Flats without a right of way to it. He must have a right of way if he wants to sell his 60 acres.

11 ACRE FEET OF WATER: LDWA has purchased 11 acre feet of water from Glenn Gunter and we are working with Terra Title to convey the water from Glenn Gunter's

source to our well. David Coon talked to Kerry Carpenter, of the State Water Rights in Cedar City, on the Phone and was told to write a letter to Kerry Carpenter about the purchase and include copies of all legal work.

RICHARD PARRY: David Coon received a letter from Richard Parry's Attorney's , Gallion, Wilcox, and Wright L.C. David read the letter to the board and it stated that he was charged to much for his water lines and wanted reimbursement for some of the cost. Also he asked why we would turn off his water and not the Schweers. David said that we would not turn off the water in the home Mr. Parry was living in, but in the home he is constructing.

The bid from Coughlin Company was \$23,005.00 and from General Engineering and Construction was \$23,955.00 Bids on 8 inch line at \$419 per ft. and at least \$1.80 more for early summer price difference adding \$2,034.00 (adjusted cost) was \$25,039.00 and \$25,989.00. This proves that Peine Construction's bill was at a good price.

David and Bert went to June Schweer's home and June said that she did not want to go to court and would pay the amount she owes.

David Coon called some contractors in the area and gave them the figures on the Parry line installation and asked for them to give us a bid. Then David wrote a letter to Mr. Parry's Attorneys and also sent the bids to show that Peine Construction was in line and did not over charge Mr. Parry.

SCOTT HAYES: We have not received a letter from the Leeds Fire District's lawyer as to who should service the fire hydrants in town.

LDWA wrote a letter to the Leeds Fire District and asked them to investigate the Leeds R.V. Park to determine the need for another fire hydrant. Bush and Gudgell suggested that there was a need for a fire hydrant at the Leeds R.V. Park when they computerized our water system. We have not heard back from them as yet.

Scott suggested that we stop buying water now and focus on a pressurized water system for the Town of Leeds.

CHRISTMAS PARTY: The Christmas with the Town of Leeds will be December 11th at the 2 Lazy to Ranch Restaurant in Washington. It will cost \$11.00 a plate plus tax and we have our choice of New York Stake or Lemon Pepper Chicken plus salad bar and baked potatoes. LDWA will pay for the meals. David Coon suggested that we invite Gene Hansen and Ken Orton and wife from Rural Water Association of UT.

APPLICATION FOR WATER CERTIFICATE: We are revamping the application for water service and after much discussion, it was decided to charge a deposit fee of \$1000.00 instead of \$500.00, since the certificate cost has gone up to \$5000.00. There

were other suggestions made and Sandra will type up the certificates so the board can approve the changes.

NEW BID FORMS: LDWA will need to create new bid forms to hand out to the contractors as jobs arise. Russell Peine said that he had a form and would give it to LDWA to have something to go by.

JERRY BROWNING: Jerry made some charts that showed the impact of shareholders on the water system. Dave thanked Jerry for he work.

LETTER: David Coon asked Sandra to write a letter to Russell Donoghue to thank him for the great help Rural Water Association of Utah has been for LDWA. Jerry Browning and Ken Orton assisted and trained our water master to put in the Vault and the valves to pressurize our water lines.

APPLICATION FOR WATER: Nate and Melissa Blake have applied for a water certificate, but so far they have not conformed with the Town's requirements.

MORE WATER: Bert and David are going to Cedar to see if we can get more water from the water rights that we got from Alberta Lee.

Adjourn: Scott Hayes moved to adjourn.

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134
November 10, 2000

BIDS

1. COUGHLIN COMPANY

DARIN COUGHLIN

- ST. GEORGE, UTAH.

1130 ft. of 8 inch line dig and install – cost of pipe. Silver Reef granite rocks
(Pipe cost \$4.16 Nov. 2000)

1130 ft. X \$16.50 = \$18645.00

Hot tap one end - \$2000.00

Fire hydrant on the other end - \$1700.00

A. Street Crossing – 300 square ft. Asphalt - \$2.20 sq. ft.

Remove & replace Asphalt \$2.20 X 300 sq. ft. \$660.00

(Bid A adjusted to \$6.18 per ft. on May 2000 - \$25,287.20)

Total bid \$23,005.00

2. GENERAL ENGINEERING & CONSTRUCTION ST. GEORGE

JERRY LEWIS - 673-9759

(pipe cost \$4.16 Nov. 2000)

1130 ft. of 8 inch line per ft. 1130 X 13.50 per ft. \$15,255.00

Add \$3.00 for granite rock & bedding \$2700.00

Hot tap \$3000.00

Fire Hydrants \$1950.00

A. Street crossing 300 sq. ft. asphalt X \$3.50 = \$1050.00

Remove and replace asphalt

Total bid \$23,955.00

3. RUSSELL PEINE CONSTRUCTION

Bid adjusted to \$6.18 per ft.

\$26,237.00

Total cost \$17,397.61

Subtract fire hydrant & hot tap - 4200.00

\$13,197.61

\$13,197.61 divided by 1130 = \$11.68 pipe, parts, labor, and digging.

Total cost \$17,397.61 divided by 1130 total ft = \$15.40

Parry total \$17,397.61

- 4200.00 fire hydrant and hot tap

\$13,197.61 divided by 1130 = (\$11.68) parts digging and labor

\$17,397.61 divided by 1130 = (\$15.40) included fire hydrant, dig, parts & labor.

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, UT. 84746-1134

November 30, 2000

MONTHLY MEETING AGENDA

Those in attendance:

Welcome: David Coon

Prayer:

1. Merle Gier - Water Samples :

- A. November routine test finally okay
- B. Jim will shock the system before each investigative and each routine test is taken.
- C. Water rates in other water companies in Washington County

2. Pete Heuser:

- A. Truck load of gravel was delivered.

3. Bid procedure on four contracts coming up.

- A. Install two fire hydrants
 - 1, Center street in front of Steve Lewis' place.
 - 2. End of Cul de sac on Silver Meadows Road.
- B. Nate and Melissa Blake in the future.
- C. Main trunk line from pink tank –
near cement tank approximately 3 length of 8" pipe for fire fighting volume.
 - 1 – 220 ft main trunk line 8"
 - 2 – 23 ft fire hydrant line 6"
 - 3 – Install fire hydrant
 - 4 - two street crossings
 - 5 - Asphalt
 - 6 – Leeds City Permit \$30.00
 - 7 – Install yoke for service (hot tap)
- D. Small building to install chlorinator.

4. Suggestions for accepting competitive bids for LDWA jobs.

- A. Need a copy of license.
- B. Need a copy or proof of bonding or insurance (Cost 2.5?)^{1/2}
- C. Copy of jobs by LDWA to Contractor's President.
- D. Time to return bids (5 days) to get sealed bids and post marked.
- E. Advertise in Leeds Post Office for five days.

F. Bids sent to LDWA at P.O. Box 460-627 Leeds, UT. 84746
Sandra keeps bids until LDWA's Executive Meeting where sealed bids would be opened and results discussed

G. Vote by board to choose selected bidder.

H. President of LDWA – contact successful bidder.

5. **Update new service application** for water service to eliminate problems areas from the past.

1. Some suggestions (on a sheet)
2. Need input and ideas from all board members.

6. **Bert Leany and David Coon** met with Kerry Carpenter on our state water rights.

1. Alberta Lee Pace one second ft of surface water right was never approved by the State and is of not value to LDWA.
2. Water well rights applied for in 1996 by LDWA Board also never was approved. Some 80 water rights ahead of this date waiting to be approved. No value to LDWA.

Bert Leany:

1. Design of pressurized irrigation system. Map and computer disc.
2. Grants.

7. **Terra Title:**

1. Waiting for conveyance of water (11 acre ft.) from Glenn Gunter Senior.
2. LDWA Letter and deed to be sent to Kerry Carpenter. Complete and ready.

8. **Richard Parry:**

1. Richard paid assessment under protest.
2. Still after Russell Peine Construction and indirectly LDWA.
3. Read letter to Richard Parry and his attorneys – Gallion, Wilcox, and Wright L.C.
Is the letter okay with the board, if we need to send it?
New development, Nov. 27th, paper served to Russell Peine from small claims court to be held January 20, 2001 for the amount of \$2500.00.

9. **Ray Crosby** wants to buy a right of way on LDWA's property west of the cement tank.

1. Ray called to see what board was willing to give him.
2. Dave told him LDWA needs 10 acre ft of well water rights.
3. He will write letter to board.

4. 60 acres in Bonanza Flats is without a right of way to it.

10. **Bills** have been received for vault but not for pressure valves or Russell Peine's labor. Fred Friese said his pressure has increased by 19 PSI. Thanks to all who worked on this important project.

11. **Scott Hayes:**
 1. Still no letter of attorney's opinion from Leeds Fire District = (Dave Clements is writing the letter.)
 2. Leeds Fire District received LDWA's letter asking them to investigate the Leeds R. V. Park to determine the need for extra fire hydrants.

12. **Bush and Gudgell** Engineers refused compromised payment for computerizing and consultation on LDWA's system.
 1. Up front committed was \$2000.00 to David Coon.
 2. Extra work – cost \$3200.00
 3. Dave offered to split the extra \$1200.00 for \$2600.00.
 4. Bush and Gudgell would only accept \$2000.00 or \$3200.00.

13. **Seth Larsen:**
 1. 18 months passed in July on Seth Larsen's water certificate. Pat Sheneman called around the first of January, 2000 to check on the expiration date for Seth Larsen's deposit of \$500.00 on a water share. And he was told there was six months left. Mr. Larsen's deposit was returned and the reservation cancelled. Vote by board to sell this service before January for \$5000.00.
 2. Kevin DeWitt's service was hooked up by Russell Peine. He still owes the meter cost.
 3. Jack Gunn service is also hooked up. (Does he owe meter hookup cost?)
 4. Nate and Melissa Blake need to subdivide land.

14. **David** wants to thank those who volunteered to insulate the water meters on Sunday. In anticipation for a major freeze. Jim Parnell made two to town to buy enough insulation to cover the meters. Cost is approximately \$133.00.

15. **Jim Parnell Day to Day:**
 - A. A monthly well draw down. Record all times the well is run. It is a State Law.
 - B. Lowell De Camp change valve when system is down.
 - C. Contact Pete Heuser to install pressure valve. Pete will hand dig a hole for Jim.
 - D. Jim will shock well and spring (if possible) before samples are taken.

- E. Spring flow = 110 G.P.M.
 - F. Leeds Cemetery report. Thanks from LDWA and Leeds Town to Jim Parnell for cleaning out the line to the cemetery.
16. **Christmas Party:** LDWA with the Town of Leeds are having a Christmas party for officers and board members and wives. It will be on December 11th at Two Lazy to Ranch Restaurant in Washington, UT. You have your choice of New York Steak or Lemon Pepper Chicken, plus salad Bar and baked potatoes. A special invitation was given to Gene Hansen, past president of LDWA, who is moving away from the area. (and for all the work he has done). Ken Orton and wife, Michelle, of Rural Water were also invited.
 17. **Letter to President of Rural Water:** Russell Donoghue to thank Ken Orton and Jerry Browning for their help they gave to LDWA to bring the system into State compliance.
 18. **Meeting to be adjourned:**

LEEDS DOMESTIC WATERUSERS

75 East Mulberry Lane
P.O. Box 461134
Leeds, Ut. 84746-1134

President	David Coon	879-2685	Bert Leany	879-2901
Vice President	Scott Hayes	879-2457	Russell Peine	879-2358
Secretary/Treasurer	Sandra Browning	879-2345	Merle Gier	879-2903
Water Master	Jim Parnell	879-2854		

November 30, 2000

MONTHLY MEETING OF LDWA
AT THE TOWN HALL AT 7 P.M. THURSDAY

THOSE IN ATTENDANCE: President David Coon, Bert Leany, Jim Parnell, Sandra Browning, Fred Friese (shareholder). And Robert Coxey of the Town of Leeds. Russell Peine and Scott Hayes were excused. *Merle Gier was also attending -*

WELCOME: David Coon

PRAYER: Fred Friese

MINUTES; The minutes were discussed and Merle Gier moved to approve the minutes and Bert Leany seconded the motion and all approved.

FINANCIAL STATEMENT: The financial statement was discussed and Bert Leany moved to approve the financial statement and the check registry and Merle Gier seconded the motion and all approved.

WATER SAMPLES - Merle Gier: The November routine tests finally came out good. Dave suggested that Jim shock the system before each investigative and each routine test is taken for we have had some bad samples.

WATER RATES: Merle Gier was assigned to check with the surrounding areas to find out what the water rate charges are. He was able to contact a few towns and get their rates. He will report his findings at our next meeting.

LDWA POSTER FOR THE TOWN HALL: Merle and his wife Norma Gier completed the poster about LDWA that will be put up in the town hall. They did a beautiful job and much time and effort was put into it. Merle was asked to submit a bill for the materials that were used to accomplish this assignment. A big thank you to both Merle and Norma for a job well done!!!!

PETE HEUSER: We had a load of gravel delivered to Heuser's place to finish our obligation to him. Pete will dig a hole by the water line and Jim Parnell will put in a pressure valve.

WATER RIGHTS: Bert Leany and Dave Coon were going to go up to Cedar City and talk with

Kerry Carpenter, a representative of the State Water Rights in Utah, about the one second ft. of surface water rights we got from Alberta Lee Pace. Mr. Carpenter was coming down to St. George and so he stopped at David Coon's home and Kerry told David that Alberta Lee's water rights were not any good to Alberta or LDWA for they have never been approved by the State. In fact, there has never been that amount of water running in that wash. At least we found out if the water rights were worth anything. We also found out from Kerry that the water well rights that LDWA applied for in 1996 was never approved. There are some 80 water rights ahead of this date waiting to be approved. So there is no value to LDWA in this water right also.

FIRE HYDRANT SERVICE: We still have not received a letter from the Leeds Fire District's Attorney about his feelings on who should service the fire hydrants in the Town of Leeds. We did find out that to service the fire hydrants, two men will be needed and David Coon feels the men who do this job should be paid for their time since Leeds has over 50 hydrants. The Leeds Fire District could use servicing the hydrants as a training tool as to how to use the hydrants properly. David Coons wrote a letter to the Leeds Fire District asking them to investigate the Leeds R.V. Park to determine if there is a need for extra fire hydrants there. The engineer from Bush and Gudgell suggested that there should be at least one more at the R.V. Park.

BUSH AND GUDGELL: Before we had the engineering firm of Bush and Gudgell computerize our water system. Dave Coon asked how much it would cost. The engineer told Dave that it would cost \$2000.00. Then the engineer came to Dave and told him that the project was a lot of extra work and gave Dave a bill for \$3200.00. Dave offered to split the extra amount and we sent a check for \$2600.00. The engineer did not protest, but in a few days we received our check back for \$2600.00 and we were told that we would have to pay \$2000.00 or \$3200.00. Dave decided if we ever wanted their engineering services that we had better pay the \$3200.00 and so Sandra wrote a check for the \$3200.00. Next time we will get the bid in writing.

BID PROCEDURE ON PROJECTS THAT ARE COMING UP. David talked of creating a sheet to present to contractors who want to bid on jobs that are coming up. He will put one together and present it to the board at the next meeting. The projects that are coming up are: David Coon told the board that we need to install two fire hydrants in Leeds. One at Center Street in front of Steve Lewis' home and the other at the end of the cul de sac on Silver Meadows Road. Also, a line needs to be installed for Nate and Melissa Blake at some future time. And a main trunk line is needed from the pink tank, near the cement tank, approximately, 3 lengths of 8" pipe for fire fighting volume.

Materials needed and things that need to be done.

220 ft main trunk line 8"

23 ft fire hydrant line 6"

Two fire hydrants

Asphalt

Leeds City permit \$30.00 to cross road twice

Hot tap line to install yoke for service.

CHLORINATOR AND BUILDING: We need to decide upon a chlorinator for our water system and then get a plan for a building that will be large enough to hold the chlorinator and perhaps store supplies necessary to run the system.

SUGGESTIONS FOR ACCEPTING COMPETITIVE BIDS FOR LDWA JOBS:

David Coon suggested that we :

1. We need a copy of contractor's license.
2. Also a copy or proof of bonding or insurance.
3. Copy of jobs by LDWA to give to contractor's president.
4. Time to return bids will be around 5 days to get sealed bids and be post marked.
5. We will advertise in Leeds Post Office for five days.
6. Bids sent to LDWA at P.O. Box 460-627 Leeds, Ut. 84746 and Sandra will keep the sealed bids until LDWA's executive meeting and at that time the bid would be opened and results discussed.
7. At that time the board will vote on the bidder.
8. Then the President of LDWA will contact successful bidder.

LDWA SERVICE APPLICATION: David suggested that we up date our service applications for a water tap. A sheet with suggestions was passed around for the board members to read and add their ideas. It was decided to raise the amount of the deposit on a water tap to \$1,000.00. Other suggestions were made and Sandra will type up the new form and present it to the board for their final approval. There was also a motion to increase the price of the water certificates from \$3000.00 to \$5000.00 before the end of 2000. All board members approved this motion.

NRCS
BERT LEANY: Bert Leany has been working on a design for the pressurized water with some of the people that he worked with in the ~~BEM~~. Bert said that we need the design first and then we will worry about applying for a grant later. He told us that the Town of Leeds has applied for hydroelectric power rights on Leeds Creek. Bert also suggested that we go with the ~~hydroelectric~~ *pressurized system* first and then the ~~pressurized irrigation water~~ *hydroelectric* system. This could help pay for some of the costs of the pressurized system. There are grants available if we can obtain one.

TERRA TITLE: We have purchased 11 acre feet of water from Glenn Gunter and now we are waiting for Terra Title to finish the paper work, the conveyance of the water from Glenn Gunter's source to our well. After the paper work has been completed, we will send a copy of the deed, the paper work from Terra Title, and a letter from LDWA telling of the transaction to Kerry Carpenter so it can be registered with the State. Then it will be completed.

RICHARD PARRY: Richard Parry informed Dave Coon that he intends to take Russell Peine to small claims court on January 20, 2001 for the amount of \$2500.00 and Russell Peine was served with a paper from the small claims court

Richard paid his assessment to LDWA under protest, and still feels that he was over charged for the labor by Russell Peine and indirectly LDWA. David Coon wrote a letter to Mr. Parry and his lawyers, Gallion, Wilcox, and Wright L.C. David Coon read the letter to the board and asked if it was okay to sent to Mr. Parry. The board agreed to send the letter.

INSULATION: David Coon thanked those who volunteered to insulate the water meters on Sunday. A bad freeze was expected and if the lines froze, LDWA would have had a lot of leaks to repairs and it would be costly. Jim made two trips to town to buy enough insulation to cover the meters. The cost of the insulation was \$133.00.

RAY CROSBY: Mr. Crosby wants to buy a right of way on LDWA's property west of the cement tank. Ray called David Coon to see what the board would charge him. David Coon told the board that he asked for 10 acre ft of well water rights for the right of way. Mr. Crosby told Dave would write his response in a letter to LDWA. Mr. Crosby has 60 acres of land in Bonanza Flats without a right of way to it for he sold all the property around it.

PRESSURIZED WATER SYSTEM: We have received the bill for the vault for the last project we did to pressurize our water system, but we have not received a bill for the pressure valves from Ken Orton or the labor on the project. Fred Friese said his pressure has increased by 19 PSI. David gave his thanks to all who worked on this important project.

SETH LARSEN: 18 months has passed in July on Seth Larsen's water certificate. Pat Sheneman called around the first of January, 2000 to check on the expiration date for Seth Larsen's certificate. Pat was told that Seth had 6 months. Dave felt that he had enough notice and had Sandra refund Mr. Larsen's deposit of \$500.00 and he was told that his reservation was cancelled. A vote was taken by the board to sell his service certificate and all were in favor to sell the certificate.

KEVIN DEWITT: Kevin DeWitt's meter was hooked up by Russell Peine. He needs to be billed for the hook up cost.

JACK GUNN: Mr. Gunns service was also hooked up. He needs to pay for his hookup cost also.

NATE & MELISSA BLAKE: Nate Blake will be subdividing their land, but they need to recorded the subdivision in the County before they can proceed.

JIM PARNELL: Jim has been asked to run a monthly draw down on the well and record all times the well is run. It is a State Law to record each time the well is turned on. Jim also told the board that Lowell Decamp has a leaky valve and would like it changed. Jim told him that he will put in a new valve when the weather is cooler and there is less chance of bacterial getting into the line. The leak is a small one and it is on LDWA's side of the meter so Mr. DeCamp will not be billed for the water leak. Jim also told the board that as soon as Mr. Heuser digs the hole for the pressure valve that Jim

will install it. Jim plans to shock the well and the spring before samples are taken. The flow of the spring is 110 G.P.M.

David expressed his thanks from LDWA and the Town of Leeds to Jim for cleaning out the water line to the cemetery. He did a great job and the line works much better.

CHRISTMAS PARTY: David Coon told the board that the Town of Leeds and LDWA are having a Christmas Party for officers and board members and wives. It will be on December 11th at the Two Lazy 2 Ranch Restaurant in Washington, Ut. You have your choice of Lemon Pepper Chicken or New York Steak, plus salad bar and baked potatoes. A special invitation was given to Gene Hansen, past president of LDWA in appreciation for all of his help to get the water company in Compliance with the State and also he will be moving away in a few months. Ken Orton, of RWAU, was also invited to attend with his wife Michele. Please notify Sandra if you plan to attend.

LETTER TO RURAL WATER: A letter was composed and sent to Russell Donoghue of the Rural Water Association of Utah. The letter expressed our thanks for the great help of Ken Orton and Jerry Browning in helping to bring our system into State Compliance.

Bert Leany moved to adjourn.

LEEDS DOMESTIC WATERUSERS

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P.O. Box 461134
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President	David Coon	879-2685	Bert Leany	879-2901
Vice President	Scott Hayes	879-2457	Russell Peine	879-2358
Secretary/Treasurer	Sandra Browning	879-2345	Merle Gier	879-2903
Water Master	Jim Parnell	879-2854		

December 21, 2000

Monthly Executive meeting
At the Town Hall at 7 p.m.

Those in attendance: David Coon, Scott Hayes, Bert Leany, Merle Gier, Russell Peine, Jim Parnell, and Sandra Browning.

Welcome: David Coon

Prayer: Scott Hayes

The reason for this executive meeting was to put together the 2001 Budget and the board members to approve it.

BUDGET:

1. Projects completed in 2000 with total cost.

A. Purchase of 11 acre feet (5200 acre feet).	= \$58,300.00
B. Pressure reducing vaults installed	= \$11,805.31
C. Purchase of two new Gould pumps & installation	= \$18,975.00
D. Installed new 8 inch line (450 ft. by Heusers)	= \$7,784.34
E. 6" pipe, parts, and installation (Furrow & Jackson)	= \$2,807.00 Parts = \$3, 535.00 Labor
F. Fire hydrants	= \$2,070.00
G. Computerize LDWA's Water System.	= \$3,200.00
H. Draft Water System	= \$2,500.00
I. New office computer	= \$1,843.00
J. Bought Water Tap - James Stanton	= \$3,000.00
K. Bought extra 300 ft of 6 inch pipe @\$2.12 per ft.	= \$636.00
TOTAL COST	\$116,461.65

2. Alberta Lee Pace water purchase from LDWA \$76,263.85
Subtracted from costs (\$40,197.85)

3. **Monies for future needs.**

A. \$10,000.00 for pressurized irrigation project.

Bert Leany told the board the grant people are pleased with the project so far and they will do the engineering so a cost figure can established. The Designs are easy to get but the easements will be hard and that is what we need to work on now.

B. Elt offer of 18 acre ft. of water to LDWA – 5,000 ac ft. Dave was thinking to offer \$90,000.00 at 4% interest a year or \$1657.00 a month for 5 years.

C. Bert Leany has 53 shares of (B) irrigation Water and will sell it to LDWA. He will talk with his wife and come up with a price for next meeting.

D. Don Taylor has an extra tap for he is using only one at his duplex and would like to sell it to LDWA. Scott Hayes suggested that he should have two taps at his duplex and we should look into this before we buy his tap.

4. **Our system's water compliance work is not completely finished.**

A. Connection of 8 inch line from the pink tank to 8 inch line by cement tank has not been completed. Approximately 20 to 30 ft. \$1,600.00

B. Two fire hydrants need to be put in. \$5,000.00

C. Chlorinator and building need to be installed soon. \$10,000.00

Approximate cost \$16,600.00

ELT has cancelled out as being a part of our water company and Dave Coon and Sandra found out that ELT owes LDWA at least \$2398.00 for preliminary work that was done and we paid for. Legal and engineering work. This was between 6-14-98 to 7-14-00.

5. We will put together the amount of tap income for this year so we can estimate the amount of income LDWA will make in 2001. Deposit and full payment.

6. LETTER: David Coon received a letter from the Mayor of Leeds, Mike Empey, to LDWA. Thanking LDWA for all they do to make sure the town has good water.

7. David Stirling attended our meeting and expressed his feelings that LDWA owes him money for we hooked into the water line he put in to his place. We told him that the line is now ours and a new service connection did not hook into the line. LDWA was correcting a problem we had by hooking in to eliminate a dead end line and also larger pipe was put in for better water pressure. We told David that LDWA would discuss this issue and contact David Stirling after we come to a solution.

8. Salary increase in 2001 – David Coon suggested that Sandra Browning, our secretary, receive a \$100.00 increase in wages in the coming year. Also Jim Parnell will receive a 60 cent an hour raise. The board all agreed. Also the meter readers will receive a 5 cent per meter raise. All agreed.

9. It was suggested that the monthly water rates be increased but it was tabled for now.
10. The bid system for hiring contractors to work for LDWA was set aside for now.
11. Merle Gier said that the water tests for December were good.
12. David told the board that in the January meeting they each will be assigned a report to give at the annual shareholders in February.
13. Dave told the board that the non use taps in our system should pay a monthly fee.
The board was told to come up with ideas as to how we can handle this problem. We have approximate 183 taps that we are using now and around 64 pre sold taps that are not in use. Or around 247 taps in all.

The board went through the budget for last year and put together the budget for 2001. Then the board voted to approve the 2001 budget. A copy of the 2001 budget will accompany these minutes.

Scott Hayes moved to adjourn the meeting.

2001 Proposed Budget

2001

I-INCOME

Projected

A-WATER USE INCOME

Tap income home [170] \$ 60,000.00
 Commercial tap income \$ 7,800.00

Sub Total \$ 67,800.00

B-INTEREST INCOME

Interest \$ 4,351.00

C-CAPITAL INCOME

1-Sales of New Taps \$ 50,000.00

\$ -

Sub Total \$ 54,351.00

Long term Liabilities

	<u>Tap Expense</u>	<u>Impact Expense</u>
1- 90 Storage Tank	\$ -	\$ 7,200.00
2- Hogan Springs-Cuff	\$ -	\$ 18,711.28
water acquisition	\$ -	\$ 10,000.00
Total Long term Liab.	\$ -	\$ -

II EXPENSE

A- ADMINISTRATIVE

Accounting [Audit	\$ 1,500.00	\$ -
Labor bookkeeping	\$ 12,000.00	\$ -
Labor-Maintainance	\$ 12,000.00	\$ -
Labor Meter reading	\$ 1,100.00	\$ -
Legal	\$ 3,000.00	\$ -
Insurance	\$ 1,500.00	\$ -
Bank Charges	\$ 50.00	\$ -
Postage	\$ 1,200.00	\$ -
Office Supplies	\$ 4,000.00	\$ -
Line upgrade and repair	\$ -	\$ 17,000.00
Wtr Systm-Maint,Parts,Repair	\$ 2,000.00	\$ -
Leeds Irrigation	\$ 100.00	\$ -

2000 ACTUAL EXPENSE \$ - \$ -

TAXES/FEES

State and Fed. taxes	\$ 4,500.00	\$ -
Travel Exp. & education	\$ 2,000.00	\$ -
Utah Power and light	\$ 2,000.00	\$ -
Parts for repairs	\$ 6,000.00	\$ -
Telephone	\$ 600.00	\$ -
Engineering	\$ 3,000.00	\$ -
Water Quality Tests	\$ 1,500.00	\$ -
MISC.	\$ 400.00	\$ -
Blue Stakes	\$ 400.00	\$ -
	\$ -	\$ -
	\$ -	\$ -

Total Impact fee Expense \$ 52,911.28

Total Tap Expense \$ 58,850.00

Contingency Net \$ 8,950.00 \$ 1,439.72

total Con.Net \$ 10,389.72