

**LEEDS DOMESTIC WATERUSERS ASSOCIATION
ANNUAL SHAREHOLDERS MEETING MINUTES**

FEB 5, 2019

held at the Leeds Town Hall Building
218 North Main Street, Leeds, UT

ATTENDEES

Board members present: Elliot Sheltman, Jim Vasquez, Terry Danielson & Ron Cundick

LDWA Staff: Mary Petit and Sheryl Lee

Shareholders present: Dave Harbor, Steve Dyroff, Susan Savage, Karon Knighton, John Poast, Peggy Erler, Kathy Powell, Chris Bevan, Terry Bevan, Kayla Koeber, Dean Brown, Rick Carson, Amber Milne, Teri Harbor, Alan Cohn, Cynthia Wright, Gary Tanner, Daphne Hunt, Doreen Thiem, Michael Budoin, Glen Zumwalt, Judith Zumwalt, Karen Reposo, Gerry Reposo, Dale Barnes, Alan Roberts, Jack Butler, Mitzi Butler, Mike Buhler, Wendy Buhler, Ray Beal, Roy Beal, Jim Bray, Don Fawson, Gary Rosenfield, Scott Hayes, Aaron Bateman, William Hostler, Cindy Neubaureur, Anita Deblinger, Susan Roberts, John Gonzales, Penny Weston, Margaret Anderson, Angela Rohr, Nancy Higgins, Lee Primm, Wayne Peterson, Marie Wheatley, Dick Higgins, Peter Mills, Russell Peine, Doris McNally, Robert McNally, Sue Sherman, Kim Hadley, Jim Lengyl, Jo Puntill, Cynthia Burch, Dave Allen, Corrine Rodriquez, Michelle Peot

I. CALL TO ORDER

Welcome by Elliott Sheltman

Prayer led by Jim Vasquez

Pledge of Allegiance led by Terry Danielson

II. SHAREHOLDER APPROVAL

APPROVAL of Feb 6, 2018 ANNUAL MEETING MINUTES & Feb 5, 2019 MEETING AGENDA

It was noted that on the 2018 meeting minutes under the Annual Company Report, line 9, the loan amount should be amended to \$613,000.

The Motion to approve and accept the amended minutes from Feb 6, 2018 and the agenda for Feb 6, 2018 was made by Ron Cundick, seconded by Jim Vasquez, and the voting was unanimous.

III. ANNUAL COMPANY REPORT - Elliott Sheltman, President

a) INFOWEST CONTRACT ADJUSTMENTS

We had a contract with Infowest, charging them \$100.00 per month for them to have an antenna on our property. Through negotiations with Infowest we are getting a solar-energy system for the Highland tank – they are paying for the electricity. We will be setting up a camera system on our PRV vaults and out tank locations which will enable us to watch our system to see if there are leaks & issues with our equipment freeing up our field resources from manual inspection. We will purchase the cameras from Infowest at cost and they will supply the technology. This is 10 year contract.

b) HIGHWAY 15 ROADWAY PROJECT

With the Highway 15 project, the State had to relocate our water lines from under the concrete barriers at the side of the road to the middle of the road, which provides easier access. In that process we upgraded the lines to a 10-inch line. The state covered the relocation of the lines expense. This is valued at \$25,000.

We also rented water to the State during the project and we were able to bring in a profit of \$22,000.

c) SERVICE LINE REPLACEMENTS

We are continually in the process of replacing service lines. Overall 70% of the lines have been replaced.

d) CHLORINATION

We have been chlorinating for approximately 8 years. Due to organic material and animal materials we are required to chlorinate our water lines. We monitor the system to make sure the amounts are safe. We are looking at placing a mechanical chlorinator. We have a location and have drawings, but we will need to get State approval and the cost would be between \$25,000 - \$30,000.

e) IRRIGATION WATER

For years we have had irrigation shares that we have not been able to use. The State has just passed legislation so irrigation shares and culinary shares can be transferred back and forth. It is double the amount of water that we are pulling from the spring box and will provide more than we could use. Because we have septic tanks in town rather than sewers, we will be getting a 1/1 share transfer. This is going to make a tremendous difference in the amount and quality of the water we will be able to supply.

f) WORK FORCE/STAFFING

We have had a 100% loss of our work force this past year. Prior to this year there were 2 employees, Mark Osmer (our Field Engineer) & Karen Markovich (our office manager) both relocated this year leaving the water company with two big roles to fill.

The Board is looking at having 7 to 8 part time employees to handle different areas. With this new change we are looking to upgrade all the company's systems, including renegotiating contracts.

g) WELL MOTOR REPAIR

We had a well issue a few months back where the motor pump on the well failed which did cause some service disruption. An emergency water pump repair was done. The pump motor was replaced within 24 hours. One of the things we learned from this situation was that our shareholder contact system is severely out of date and we will be working on updating not only the system but database & process for emergency alerts.

h) SANITARY SURVEY

The state comes in every 3 years to do this and it is a 2.5 day process. We did well with the results.

IV. ANNUAL FINANCIAL REPORT - Elliott Sheltman, President

Question: Could you explain 2017 & 2018 Water theft fines under operating income? Occasionally we find builders hooking up to water lines without notice, if we catch individuals doing this, we contact law enforcement and then fine the individuals involved.

Question: Gross wages are down \$14,000, but payroll taxes & workman's comp expenses are up, \$7,000 why? This is due to part time workers.

Question: Water meter rentals were up why? This was the mainly due to the Highway 15 project

V. SHAREHOLDER COMMENTS & QUESTIONS – Open Forum.

Question: Are we flushing the hydrants? Yes, this is happening every month.

Question: Will the LDWA start up monthly meetings again? The association has gone through some very significant changes and challenges this year. Our goal is to stabilize the association and get the new staff up and running and then phase in our monthly meeting schedule again.

Question: Do our tanks need any painting and how often does this occur? They are inspected periodically by divers we hire, and we have seen a need to paint the interior of the tanks approximately every three years.

Question: What is the contingency plan in the case where a tank failure occurs? The El Dorado tank could be reactivated, the water isn't perfect but, it's a little hard, but it is there if we need it.

VI. ELECTION OF 2 BOARD MEMBERS FOR TWO-YEAR TERMS.

Current Board members running for 2020 – Jim Vasquez and Elliott Sheltman.
The judges were John Poast, Chris Bevan and Mitzi Butler with Ron Cundick in charge.

OPEN OF NOMINATIONS

Don Fawson nomination Mike Budion and seconded by Susan Roberts. Mike used to work for the State of Minnesota in the Medicaid department. He feels that the shareholders want to be heard.

Susan Roberts nominated Aaron Bateman, with a second from Alan Roberts. Aaron is a past contractor and now works for a plumbing supply company.

Chris Bevan nominated Jim Vasquez and Elliott Sheltman with a second from Alan Cohn.

Don Fawson made the motion that the nominations cease.

SHAREHOLDER VOTING AND ANNOUNCEMENT OF NEW BOARD MEMBERS

55 Voters signed in and the voting was counted. The results were:

Elliott Sheltman – 41 votes

Jim Vasquez – 32 votes

Mike Budion – 18 votes

Aaron Bateman – 17 votes

VII. ADJOURN SHAREHOLDERS MEETING

8:50 pm MT by Ron Cundick, seconded by Terry Danielson, all unanimous.

VIII. Board convened executive session, appointment of Board officers.

Board convened the executive session with the reappointment of board officers. The Board remains the same with Elliott Sheltman President, Ron Cundick Vice President, with Jim Vasquez, Darryl Lewis and Terry Danielson as board members.

LEEDS DOMESTIC WATERUSERS ASSOCIATION

BOARD MEETING MINUTES SEPTEMBER 9, 2019 10:00 AM

SPECIAL SESSION

I. Roll Call – Board members:

Present: Elliott Sheltman, Ron Cundick, Darryl Lewis, Jim Vasquez and Doris McNally,

Staff: Mary Pettit secretary.

Ron Cundick Presided:

II. ANNOUNCEMENTS:

Thank you Doris for covering the phones for Mary while she was gone last week. And also a big thanks to her husband, Bob, for doing the Chlorine tablets. Thank You to Darryl for delivering and picking up the bottles for the lead and copper tests from the 10 test people.

III. REGULAR BUSINESS:

TELEPHONE SYSTEM: Doris gave an update on the telephone system that she has been working on upgrading.

It now contains three options:

Dial 1 if it is an emergency

Dial 2 for Billing

Dial 3 for any other requests.

If it is an emergency, then the caller is instructed to leave name, phone # and Account # and address. Describe the problem and then hang up. It will then be automatically sent out as an email to all the board members along with a text to their phones.

The Billing option will send email with voicemail to ldwacorp@infowest.com and to Doris and Karen

The other requests will go to ldwacorp@infowest.com

FINANCIAL REPORT: Financial report will be out on the 10th according to Darryl.

IV. CONTINUED BUSINESS:

WATER USAGE DATA REPORTS: Doris is working on a water usage data report as the reports from RVS are not accurate. She and Elliott have been consulting on this on-going project.

TRANSPARANCY BETWEEN BOARD MEMBERS: Darryl brought up the fact that no other board members knew of this report that Doris was working on and said that we need more transparency among the board members. We need to communicate with each other more and let the others be aware of anything we are working on.

REPLACING METERS: Doris told us that there were 3 damaged meters that require \$150 to replace. They were damaged due to shareholder negligence in moving the meter lids. We need to educate the shareholders on how to remove them if necessary without breaking the parts.

LDWA OFFICE KEYS: We discussed how to make sure we had enough keys and how to distribute them. The operator should have a set, and there should be a set kept in the office. There should be a spare set that can be checked out when someone needs them, with a checkout sheet.

WATER REPOSSESSION NOTICES: We discussed sending notices to County on water repossessions, so that property buyers can be aware that they do not have a water share. The cost for a single notice is \$40.

VOUNTEERS: Don Fawson has volunteered to paint fire hydrants in his subdivision. The board decided on Red paint. Ron will oversee the painting project. We discussed the need to write up a rules and guidelines with a timeline and amount of paint needed to make sure that all hydrants are the same.

Ron will purchase the paint and instruct Mr. Fawson on our requirements.

TANK CAMERA USAGE: Ron requested access to the LDWA tank cameras for his cell phone. The board agreed that only board members and operators should have access. Joe will need to install it on his phone for him.

CHLORINATION TABLETS: Darryl will fill in for Bob McNally doing the chlorination in October, while he is away.

POLICY ON NEW DEVELOPMENTS: We discussed the Policy for new developments such as the Dan Jones development and the proposed RV Park. The policy is listed on our website. We need to send a copy of the policy to the Mayor of Leeds so they are aware of our policy regarding developments.

WEBSITE: Doris has agreed to take over the website from Joe after the changeover from Homestead to Infowest.

USPS MAIL PICKUP: The board decided that there should be daily mail pickup instead of only when Billing is done to make sure we receive bills or requests in a timely manner. Mary has one key and the other mailbox key is in the desk drawer.

FUTURE BOARD MEETINGS: It was decided that the board meet twice monthly, on the First and Third Mondays at a time to be determined by members.

SUNROC REIMBURSEMENT CLAIM: Ron will follow-up on the claim to SUNROC after Mary get the Data to him.

Mary Pettit
LDWA Secretary



Minutes

Date/Time/Location:	November 26, 2019 11:00AM 1901 Silver Reef Drive Leeds, UT 84746
Type of Meeting:	Board of Directors Meeting
Note Taker:	Doris McNally
Attendees:	Board Members: Elliott Sheltman (P), Ron Cundick (VP), Darryl Lewis (T), Doris McNally (CS & M), Guests: Mary Pettit (Office Admin), Mark Osmer (Field Eng)

Agenda Topics

EXPENSE REQUEST :: 2" ERTS FOR COMMERCIAL METERS

DISCUSSION	Request for expenditure to upgrade our current commercial meters to a remote read 2" ERTs (Elliott Sheltman)		
	By converting the smaller ERTs located at locations like the grocery store, which currently have 3 ERTs, and the RV Park that currently have 5 meters. By doing this upgrade/conversion we only have 1 meter to keep track of. Improving ease & accuracy of reading. It is estimated that we will need 6 units to address this.		
CONCLUSIONS	Elliot will send out email with estimate for approval vote from board members.		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE	
Email to board members w/estimate on expenditure, and request for approval	Elliott Sheltman	Done/Approved - 11/26/19	

FUTURE PROJECT :: HYDRANT @ RV/TRAILER PARK

DISCUSSION	Placement of Hydrant at RV/Trailer Park		
	Currently there is no hydrant at the RV/Trailer park, which is not a good situation going forward.		
CONCLUSIONS	This should be addressed in future.		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE	
Open workorder	Mark Osmer	TBD	

FUTURE PROJECT :: GRAFF FARM ACCT#001 – MAIN LINE REPLACEMENT

DISCUSSION	Graff farm :: Acct# 001		
	Main line had been placed with no oversight. Proposal is to redo the lines. Proposal is to cut the line and lay a new line down the shareholders driveway up to about 250' from the house, place a 2" meter at the gate. Utilize easement to lay lines, driveway is currently asphalt.		
CONCLUSIONS	Address in 2020		
	Reviewed water usage for past 6 months. Discussion that Graff's have 2 accounts #001 & #002 Acct#001 (685 S JACKSON RANCH RD)– Meter Serial# 36508086 Meter Base# 41800436 Radio ID# 28083531 Acct#002 (585 S RED CLIFFS RD) - Meter Serial# 41792965 Meter Base# 41645009 Radio ID# 28128883		
	Acct#001 Question how does a property under 1 acre (who is listed residential) use an average of 185,000 gal of water/ month (Jul-Oct)		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE	
Revisit at next meeting	All	TBD	

PROJECT :: CONNECTING ELECTRIC TO TANKS

DISCUSSION	Green Tanks & Highland tank		
Mark will be starting to dig a trench for electric lines to the Large & Small Green Tanks. This is being done to support the installation of Infowest Cameras. The recommendation is to also continue onto the Highlands tanks from the well house. Repurpose the solar batteries over to the Savage property.			
CONCLUSIONS	Mark to work up estimates		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE	
Build estimates for project materials & equipment time	Mark Osmer	TBD	

PROJECT :: PINK TANK

DISCUSSION	Quick discussion about secondary drain of tank		
CONCLUSIONS	Mark to investigate while working on trenches		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE	
Investigate	Mark Osmer	TBD	

PROJECT :: DEQ POINTS REVIEW

DISCUSSION	Review of DEQ Points		
CONCLUSIONS	We are currently at 53. 35 are for missing monthly test, this is on our record for 1 year, so it will come of in July 2020.		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE	
Add to upcoming newsletter details on Cross connections	Doris McNally	12/20/19	

NEWSLETTER :: TOPICS

DISCUSSION	Request to add content on Cross Connections, Conservancy TAX, and septic		
CONCLUSIONS	Doris to add this content to current draft & circulate for review		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE	
Circulate Draft of Newsletter for review	Doris McNally	12/20/19	

WEBSITE :: TOPICS

DISCUSSION	New website has gone live.		
Water share cost are updated on site.			

FUNCTION :: CORPORATE SECRETARY

DISCUSSION	LDWA Corporate Secretary		
This function is currently open, and needs to be filled as it is mandatory in our bylaws. Proposal made to have Doris McNally assume this role. Alignment gained by fellow board members.			
CONCLUSIONS	Doris McNally to assume function as LDWA Corporate Secretary		

ACTIVITIES :: MONTHLY MEETINGS

DISCUSSION	Desire to start holding public monthly meetings again, starting December 2019		
Now that field staffing stable, and office roles in place. Getting back into regular cadence with monthly meetings is proposed.			
CONCLUSIONS	Everyone to review calendars and availably, based on this feedback a calendar will be built.		

DEVELOPER :: JONES - SILVER EAGLE ESTATES

DISCUSSION	Ron Cundick offered some background on this developer and his plans.		
	The land is a 67.286 acre parcel. He approached the county to get a will serve letter and got one. Elliot & Ron met with the Mayor to review situation and offer our proposal. Ron contacted and Jones reviewed our proposal.		
CONCLUSIONS	Jones has agreed to a meeting after Thanksgiving.		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE	
Identify people who the developer needs to bring to a special meeting after one of our monthly meeting	Elliott Sheltman		

ANGELL SPRINGS

DISCUSSION	Discussion on current status of Angell Springs.		
CONCLUSIONS	Mark to attend the upcoming Angell Springs meeting. We need to build analysis on why we are unable take on the 70+ shareholders being served by Angell Springs.		

REPAIR @ LDWA PARKING LOT

DISCUSSION	The water line was only 15" underground within the easement we have. Proper permitting was requested and approved. Repairs were done with extra gravel (decorative rock) to build the area up. When doing the work our excavation hit a phone line and irrigation line due to incorrect blue stake marking.		
CONCLUSIONS	Mark has captured pictures before and after the work had started and ended for our records.		

COMMERCIAL SHORT-TERM RATES

DISCUSSION	Ron asked for a separate meeting to review the commercial short-term rates.		
CONCLUSIONS	Apparently, they were approved a while back, but Ron would like to have a session to discuss them. They were approved by board years ago (Karen confirmed) and placed on website, but we have not used them.		

HYDRANT PAINTING

DISCUSSION	How many more hydrants need to be painted?		
CONCLUSIONS	Mark to identify hydrants that need painting, and then we will develop a plan to go forward.		

NO PARKING SIGNS

DISCUSSION	The desire to put parking signs (5) around the LDWA parking area.		
CONCLUSIONS	Darryl to contact County and discuss. The LDWA needs area for office parking.		

CEMENT TANK

DISCUSSION	We would like to see if the people around the cement Tank are encroaching on our area.		
CONCLUSIONS	Mark to investigate this. We cannot park out equipment there as it is residential area. We own the 2 acres. Discussion about developing area for our purposes.		