



Minutes

Date/Time/Location:	January 28, 2020 07:00PM 1901 Silver Reef Drive Leeds, UT 84746
Type of Meeting:	Board of Directors Agenda
Note Taker:	Doris McNally
Attendees:	Board Members: Elliott Sheltman (P), Ron Cundick ¹ (VP), Darryl Lewis (T), Jim Vasquez (M), Doris McNally (CS & M), Staff: Mark Osmer (Field Eng) Guests: Karl Rasmussen (ProValue Engineering), Ralph Rohr Mr. & Mrs. Glenn Dickman (Developer Cemetery Rd RV Park) Shawn Bennett (Coldwell Banker Premier Realty) ¹ Remote Dial-In

Agenda Topics

- I. CALL TO ORDER** [Meeting led By Elliott Sheltman]
- Roll Call [Elliott Sheltman]
 - Prayer [Jim Vasquez]
 - Pledge [Elliott Sheltman]

II. CONSENT AGENDA tonight's Agenda

DISCUSSION	Motion made by Darryl Lewis to approve & consent to evenings Agenda, second by Jim Vasquez, Unanimously approved.
-------------------	---

III. GLENN S. DICKMAN, KARL RASMUSSEN Water supply to proposed RV Park, Cemetery Rd

DISCUSSION	<p>Discussion about next steps in response to Glenn Dickman's inquiry to LDWA regarding gaining access to water for the RV Park he wishes to develop on Cemetery Road, Leeds</p> <p>Karl Rasmussen is serving as engineer for Applicant (Glenn Dickman), which is good as he has acted as the LDWA's engineer for 10+ years.</p> <p>Based on Karl's initial calculations for the 75-unit RV Park located at Cemetery Rd, Leeds, Utah, the Applicant/Developer shall be required to provide LDWA with a minimum of 12.60-acre-feet of water rights, warranted, unencumbered, and free of all other such liens for the purpose of providing the water source to the development. After discussions Karl may be offering new calculations based on the addition of a pool & laundry mat on premises.</p> <p>In addition, the Developer shall be required to pay Impact Fees to LDWA, as calculated on the required number of ERUs based on ¾" meter connections. In addition to providing water rights and Impact Fees to LDWA, the Developer, at his own expense, shall be required to build any lines, design and construct related facilities in accordance with and according to LDWA standards and specifications, as well as to meet any requirements of Washington County, Utah Division of Drinking Water and Utah Department of</p>
-------------------	---

Environmental Quality, the local fire authority, and any other regulatory body.

State needs to approve water rights change. Bringing over water rights may take 3-4 months ; once that occurs, LDWA will send WILL-SERVE letter.

IV. FIELD REPORT & PROJECTS [Mark Osmer 2019-2020]

DISCUSSION	Installation of new Meter & lines @ the LDWA Office (Rice Bank) location	
Although the area that was disturbed was already light with street gravel cover, we have distributed a light coverage of gravel to the area worked on. The meter is now up against the building in a much better protected area. Since this area is like an easement we took this opportunity to address this issue and reviewed project with County once completed.		
DISCUSSION	450/30/60 K Gallon Tank Maintenance	
Remove some old valves at the tanks and did some maintenance/movement on fences & pad lock work to better protect area.		
DISCUSSION	Upgraded 450K Tank Turnaround	
There was an old 6" line so it was upgraded to a 10" line, that was 260' and there is approximately 730' to go. This line feeds once of the main lines to downtown.		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Elliott requested to know if & where the easement is located.	Karl Rasmussen	ASAP
DISCUSSION	Old Well Site Clean-Up	
After some inquires by the BLM about the gate near the area, we did an area clean up and shared information & photos to share info.		
DISCUSSION	Meter @ the 2065 Oak Grove, [former Church house]	
Installed new 1.5" meter @ 2065 Oak Grove [former Church house], so now that meter can be read with handheld wi-fi device		
DISCUSSION	Oak Grove Box Maintenance	
Cleaned up the area surrounding the box removing vegetation growth around the box.		
DISCUSSION	PRV Repair	
There was a leaking PRV on Silver Reef Road that needed repair. This was done.		
DISCUSSION	Water Main Leak on Main Street	
Repaired		
DISCUSSION	New Service Installation	
On Boulder Way, & Bonanza new residential service installation was done		
DISCUSSION	Exercising El Dorado	
Started exercising El Dorado tank monthly to keep it clean for potential emergency use.		

DISCUSSION	Deficiency Points
Knocked down all our points from division of drinking water that had built up under previous field management.	
DISCUSSION	Monthly Tests
Passed all tests since October	
DISCUSSION	Gate Maintenance
Moved the gates around 350K & 30K tanks and incorporate the valves behind the fences for better protecting & security	
DISCUSSION	Electricity to Tanks
From the 450K tank to the 60K tank. Conduit laid now just needs to be connected.	
DISCUSSION	Future Project: Tank Spill Over
350K has spill over and redirect to creek.	
DISCUSSION	Future Project: Install Check Values
We need to install check valve to from well to tanks, identify spots and complete	
DISCUSSION	Future Project: More New Service Lines
Cherry Lane, and Mulberry Lane	
DISCUSSION	Future Project: Fire Hydrant Painting
Don Fawson has offered to do some more hydrant painting for us once the weather breaks. Mark to reach out to him and discuss.	
DISCUSSION	Future Project: Cross Connection Certification
Mark is set up for CCC certification class. Elliot asked Mark to discuss with Brandon and start to get him some certification as a backup for Mark.	
DISCUSSION	Future Project: Graff Farm and Main Line Replacement
Mark is set up for CCC certification class. Elliot asked Mark to discuss with Brandon and start to get him some certification as a backup for Mark.	
DISCUSSION	Pink Tank
Secondary Tank Drain - COMPLETED	
DISCUSSION	Pink Tank
Secondary Tank Drain - COMPLETED	
DISCUSSION	Automated Chlorination System
Karl Rasmussen to move forward in investigating what is needed to install system. This was one of the upgrades originally required for approval of the DDW #3F138 loan.	

V. NEW BUSINESS [Elliott Sheltman]

DISCUSSION	Purchase of Charles Reeves' 0.3 AF Water Right #81-1752
0.3 AF of Water Right #81-1752 for \$1,500 transfer Title from Reeves' to LDWA. It's the volume of one home and a fair offering.	
CONCLUSIONS	Elliot Called for a Verbal Agreement to Buy the Water Right as not to lose out on opportunity. All board members present said YES. Karl to address this week prior to Mary's departure as office clerk.

DISCUSSION	2020 Monthly BOD Meeting Calendar
Elliott & Karen will send out dates in future.	

DISCUSSION	WR #81-4402: Point of Diversion (24 Acre-Feet of Spring H2o)
Discussed options to investigate for future	

VI. FINANCIAL REVIEWS

DISCUSSION	See attached Material will be used at Annual Meeting
Board Members to review materials before meeting.	

VII. CONTINUED BUSINESS [Elliott Sheltman]

DISCUSSION	Cross Connections Control Program
State really focusing this at moment. Elliott would like to work on some policies with Karen. Once these are drafted, they will be shared with Board Member for review & Approval. Elliott proposed bringing Joe G to oversee this initiative and act as project management and Mark/Brandon will do the field.	

DISCUSSION	Commercial Rates, Accounts
Elliott is building a new proposal for commercial rates which are more inline with others in the surrounding areas. He will put something together that he can share in February.	

VII. ADJOURNMENT :: [08:09PM]

IX. EXECUTIVE SESSION - BOARD MEMBERS

**LEEDS DOMESTIC WATERUSERS ASSOCIATION
ANNUAL SHAREHOLDER MEETING MINUTES
TUESDAY, FEB 4, 2020**

LDWA MEETING ATTENDEES

Board Members: Elliott Sheltman (P), Jim Vasquez (VP), Darryl Lewis (M), Doris McNally (CS, M)

Staff, Employees: Sheryl Lee, Mary Pettit, Mark Osmer

Shareholders:

Anderson, Dolan	Barnes, LoAnne	Bateman, Aaron	Beal, Ray
Beesley, Brandon	Bennion, Kerry/Keena	Bennion, Natalie	Bevan, Christopher
Blake, Janae	Boyd, Richard	Bruley, Julianne	Butler, Mitzi
Carson, Stephanie	Collins, Patrick & Judy	Crabb, Lorna	Cundick, Ron/Pat
Danielson, Terry/Nina	Fawson, Donald/Rebecca	Gonzalez, John	Goy, Manny/Joy
Grygla, Mark	Hadley, Patricia/Ken	Harris, Loraine	Hayes, Tana/Scott
Hermes, Laura	Johnson, Heath/Sharon	Knighton, Karon	Lawton, Scott
Lengyel, James	Lojko, Frank B.	McNally, Robert	Mills, Pete C.
Peine, Phillip	Peine, Russell	Peterson, Wayne	New, Nathan
Palmer, Steven	Primm, Kathy	Reese, Starla	Riddle, Bryant
Robbins, Brad/Patricia	Roberts, Alan/Susan	Roberts, Acia	Rodriguez, Corrine
Rohr, Ralph/Ange	Savage, Susan	Sharp, Bruce	Puntill Sheltman, Jo
Stephens, Don	Stevens, Randy/Selinda	Stoneking, Helen Marie	Thomas, Jim
Verbic, Robert	Walters, A. Kirk	Wheatley, Devon Marie	Wilkinson, Judy
Wright, Cynthia	Zumwalt, Glen		

Non-shareholders, residents: Jim ('JW') McKain, and EJA.

I. CALL TO ORDER

1. Welcome - Elliott Sheltman
2. Prayer - Jim Vasquez
3. Pledge of Allegiance - Elliott Sheltman

Elliott Sheltman: meeting notification was posted January 15, 2020 at Leeds Post Office at 545 N Main St and LDWA's website www.LDWAcorp.org; postcard notifications were mailed to all shareholders January 23, 2020.

II. Motion by Jim Vasquez, second by Doris McNally, all unanimous approval of the Annual Shareholder Meeting Minutes dated February 5, 2019 and tonight's Feb 4, 2020 Meeting Agenda.

III. Doris McNally: Administrative Report

- LDWA's new website www.LDWAcorp.org, includes budgets, quality reports, meeting minutes, policies, bylaws, newsletters, and a great resource for culinary water system information.
- Sign up through the website for the shareholder email notification system to receive emergency alerts, LDWA's "On Tap" newsletters and request information.
- Integrated Infowest voice and email system provides all features Infowest offers. Message mailboxes for emergency, billing, and general inquiries are automatically forwarded to each department's LDWA staff, streamlining response times and expediting answers to inquires.

Sheltman, Field Report.

- LDWA's 10-year lease with Infowest for use of space on LDWA's water tank for their cell transmitter expired and was negotiated to include the new email and voice mails systems, installation of electricity to water tanks for security cameras, purchase of security cameras at Infowest direct cost. For details of LDWA's new 10-year Infowest lease, please contact LDWA.
- State laws (DDW/DEQ, DWR) have increased significantly, including on-site audits. While LDWA supports water conservation, unless it is posted otherwise - feel free to use your water as new water measuring

systems will have the ability to enforce 'use or lose' of our water. All water companies regardless of customer-base size will be held to the same requirements.

- A leak occurred in the Pink 450,000 storage tank, repair and a complete restoration of the interior lower half of the tank was completed. It had been 22 years since the previous restoration. LDWA engineering identified the 6-inch plastic main pipeline extending from the Pink 450,000 gallon tank down to the bus-turnaround area at 2096 Oak Grove should be upgraded and its location documented by GPS (the present location of the line was never recorded). The line is smaller than the line it feeds, the 8-inch line, which can result with inconsistent flow to end users. This project is about 35% completed and will include upgrade from the 6-inch plastic line to 10-inch C900 line and the new location will be permanently GPS mapped. Sheltman said the project is paid for with impact fee funds, which can only be used for new infrastructure (such as delivery, storage, supply and source) and will be completed the end of this year.
- Lead and copper tests required were due this year and passed as have all other tests.
- Cross connection & backflow is extremely important. LDWA is now held to increased onsite surveys, inspections that previously were not in effect, and LDWA is responsible to enforce and document each case.
- The 2011 31-year \$1.2 mil DDW Loan #3F138 principal has been paid down to \$437,000. We are 14 years ahead of repayment schedule, great news for LDWA.

IV. Shareholder Open Forum

- Manny Goy expressed concern that costs to repair damage to meter sensors that are caused by circumstances outside of shareholder control are assessed to the shareholders and asked what if anything can be done.
- Don Fawson recognized that as good neighbors, shareholders might replace displaced meter lids back on meter barrels if seen in Town.
- Aaron Bateman asked how many connection points are in LDWA's system and if LDWA was replacing all meters; Sheltman replied only those meters that are in need of repair.
- Sheltman acknowledged retirement and extended appreciation and thanks to Ron Cundick for his years of service on the board. Administrator Mary Pettit is also retiring, and shareholders thanked both for their time and service with LDWA.

V. Election – Three (3) Board Seats open, Two-Year Terms

- Shareholders selected to count ballots from attendees: Corrine Rodriguez, Jim Lengyel, and Patricia Robbins.
- Motion by Jim Vasquez to open nominations, second by Darryl Lewis.
 1. Don Fawson nominated Aaron Bateman
 2. [Inaudible] nominated Ralph Rohr
 3. Devon Marie Wheatley nominated Doris McNally
 4. Mary Pettit nominated Darryl Lewis

Announcement of vote tallies and New Board members:

Doris McNally 47 votes

Aaron Bateman 39 votes

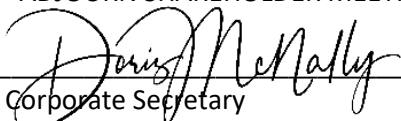
Darryl Lewis 38 votes

Ralph Rohr 20 votes

J.W. Mc Kain 1 vote, J.W. McKain was not an LDWA Shareholder; his vote was disqualified.

Duplicate votes were also disqualified.

VI. ADJOURN SHAREHOLDER MEETING at 7:58 pm.



Acting Corporate Secretary



Minutes

Date/Time/Location:	February 28, 2020 07:00PM 1901 Silver Reef Drive Leeds, UT 84746
Type of Meeting:	Board of Directors Agenda
Note Taker:	Doris McNally
Attendees:	Board Members: Elliott Sheltman (P), Jim Vasquez (VP), Darryl Lewis (M), Doris McNally (M, CS, & WM), Aaron Bateman (M) Staff: Mark Osmer (Field Eng)

Agenda Topics

I. CALL TO ORDER [Elliott Sheltman]

ROLL CALL	Present: Elliott Sheltman, Darryl Lewis, Doris McNally, Aaron Bateman Absent: Jim Vasquez
-----------	--

II. PLEDGE [Darryl Lewis]

III. PRAYER [Aaron Bateman]

IV. AGENDA CONSENT & PRIOR MEETING'S MINUTES APPROVAL

VOTE	MOTION TO APPROVE: Doris McNally SECOND: Darryl Lewis MOTION APPROVED: Elliott Sheltman, Darryl Lewis, Doris McNally, Aaron Bateman
------	--

V. 2020 BOARD ASSIGNMENTS

NAME :: ROLE	Elliott Sheltman <i>Field & Administrative Oversight</i> Jim Vasquez <i>Field Projects, Electrical installations</i> Darryl Lewis <i>Manage Incoming Correspondence, A/P, A/R</i> Doris McNally <i>Corporate Secretary, Office Staff Liaison, LDWA Web Master</i> Aaron Bateman <i>ID Short-Term Rentals, new homes - back-flow</i>
--------------	--

VI. PROJECTS [Elliott Sheltman & Mark Osmer]

DISCUSSION	Fencing, Cameras, Tank Electricity
<p>We now have electricity run to each one of the above ground tanks. This enables us to install the remaining cameras for equipment & infrastructure security monitoring.</p> <p>Mark is also moving the well meter closer to well house, so we can install a camera on that location. Given the new requests for the LDWA to capture daily water usage this ability remote monitoring our usage meters will be a great time saver.</p> <p>Mark is installing a new meter at Tank 5 (Highlands) to measure overflow volumes. At the same time, he will be moving the fence around that area to enclose new meter.</p>	

DISCUSSION	Cross Connection Control Program, Back-flow, Theft of Utility
Mark will be installing some check valves at the well meter which will address some points recently assessed. Mark attended Back Flow Prevention course which also reduces points recently assessed.	

DISCUSSION	BLM Parcel clean up
Removed some large trash that had been placed up by the well site by an unknown individual.	

DISCUSSION	Washout Repair RT 15 Area
Where the pipe come under the freeway, we repaired some gravel displacement from a storm.	

VII. FINANCIAL UPDATE

DISCUSSION	*LDWAcorp.org website contains updated info on this information. On budget for 2020 expenses. Currently we are reflecting a \$719.00 profit.
------------	---

VIII. OTHER BUSINESS [Elliott Sheltman & Mark Osmer]

DISCUSSION	Silver Eagle Dev Noticed
We sent them developers' information & notification. The current property owner is initially projecting 70 units for the development, but now it's down to 16 because of the septic requirements in the area.	

DISCUSSION	Cemetery Rd Area (Potential RV Park)
There is a potential purchaser for a lot near Cemetery Rd who is interested in building a RV Park. Initial discussions have occurred and in covered in January 28 th , 2020 Minutes. There has been no progress made by the potential purchaser hence no update to the board.	

DISCUSSION	Tank Signage	
Elliott made a request to install signage at the all the TANK, WELL, GATE fences like the ones produced for the LDWA office. The ones on Tanks would designate tanks & capacity. The ones on fences & gates would identify area as RESTRICTED & MONITORED.		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Design Sign Artwork for Review, Research Vendors, Solicit Quotes, Deliver Proposal to Board	Doris McNally	@ Next Board Meeting

DISCUSSION	Repair needed on Main St @ Pecan Lane
There was a washout at this location. LDWA notified Leeds Town about this situation and it appears that town will be addressing repairs needed.	

DISCUSSION	2016-2017 Main St Project, \$200,000 in total installing new pipeline on Main St.
LDWA replaced/installed new line all the way down from the City Limits to Vista. We completed this on the East side first, we proceeded to the other side. Mark will now be investigating how we can utilize these lines to improve service downtown.	

DISCUSSION	VRBO, Air BNB, Short-Term rental, & hotels
<p>With the expansion of VRBO's, Air BNB's Short-Term Rentals and Hotels in the area, the LDWA needs to devise a plan to ensure compliance to all Cross Connection & Backflow requirements. Like the RV parks people inhabiting these sites know little about the hazards of Cross Connections & Backflows to our water supply. A discussion was had to potentially make them a new category and rate code within our system, as it is a form of commercial usage.</p>	

DISCUSSION	Back-Flow requirements, Cross Connection Control Program
<p>We are developing a program to address the issues of Cross Connection Control & Back-Flow for LDWA and we then will be implementing the program initially to the most at-risk categories. The we can enforce the program.</p>	

DISCUSSION	Commercial base rate increase					
<p>Based on the earlier discussions regarding cross-connections & backflows we are investigating the need for a commercial base rate increase to meet requirements being implemented by state. This will at this time not effect residential users.</p> <p>Currently LDWA's rate structure is the lowest in the area. Posted on our LDWA website you can see a comparison.</p>						
		TOQUERVILLE	VIRGIN	SANTA CLARA	SPRINGDALE	LDWA
	10,000 GALLONS:	\$43.96	\$65.00	\$62.50	\$72.50	\$40.00
	19,000 GALLONS:	\$76.21	\$78.00	\$124.40	\$180.2	\$40.00

IX. BOARD CONSIDERATION, POSSIBLE APPROVAL, ACTION ITEMS

APPROVAL/VOTE	Check Valve SRH Well, DDW Requirement
<p>Proposal made to replace/install check valves @ Silver Reef Highlands Well to meet requirement of DDW. The estimate for this is \$2,152.75. Call for Discussion.</p> <p>MOTION TO APPROVE: Darryl Lewis SECOND: Doris McNally MOTION APPROVED: Elliott Sheltman, Darryl Lewis, Doris McNally, Aaron Bateman</p>	

APPROVAL/VOTE	Unassigned Shares
<p>A proposal is made to address the remaining unassigned water shares (aka 'floater taps'). At the time the unassigned shares were sold, Utah Code Water Rights Law Title §73 (1953) required all water rights be put to Beneficial Use within seven (7) years. That law remains in effect today. As such, LDWA is required to comply with Law Title § 73.</p> <p>It is proposed that we approve a resolution that informs those share holder who are in possession of unassigned shares that by August 1st, 2020 their either: (i) assign the share under the terms of Resolution 2020-01; or (ii) sell the share back to LDWA for the original purchase price of \$2,500.00.</p> <p>Any unassigned water shares that have not been put to beneficial use per the terms of Resolution 2020-01 shall be dissolved into the LDWA inventory and shall not be recognized as a legal water share.</p> <p>MOTION TO APPROVE (as written): Doris McNally SECOND: Darryl Lewis MOTION APPROVED: Elliott Sheltman, Darryl Lewis, Doris McNally, Aaron Bateman</p>	

APPROVAL/VOTE	Master Meter Vault, excavation
A discussion was had regarding pros/cons & cost estimates regarding vault to be constructed of metal or concrete. An email vote will be sent out for Board Members to review and approve.	
VOTE POSTPONED TO EMAIL VOTE	

APPROVAL/VOTE	Fencing
The moving of fencing to incorporate meters. Quote \$2,500.00	
MOTION TO APPROVE: Darryl Lewis SECOND: Doris McNally	
MOTION APPROVED: Elliott Sheltman, Darryl Lewis, Doris McNally	
ABSTAINED: Aaron Bateman	

X. ADJOURNMENT :: [08:00PM]



Doris McNally, Board Member/Corporate Secretary



Minutes

Date/Time/Location:	March 20, 2020 07:00PM 1901 Silver Reef Drive Leeds, UT 84746
Type of Meeting:	Board of Directors Agenda
Note Taker:	Doris McNally
Attendees:	Board Members: Elliott Sheltman (P), Jim Vasquez (VP), Darryl Lewis (M), Doris McNally (M, CS, & WM), Aaron Bateman (M) Staff: Mark Osmer (Field Eng)

Agenda Topics

I. CALL TO ORDER [Elliott Sheltman]

ROLL CALL	Present: Elliott Sheltman, Darryl Lewis, Doris McNally, Aaron Bateman Absent: Jim Vasquez
-----------	--

II. PLEDGE [Elliott Sheltman]

III. PRAYER [Jim Vasquez]

IV. AGENDA CONSENT & PRIOR MEETING'S MINUTES APPROVAL

VOTE	MOTION TO APPROVE: Doris McNally Minor modification requested by Darryl Lewis MOTION TO APPROVE W/ Update: Doris McNally SECOND: Jim Vasquez MOTION APPROVED: Unanimously
------	--

V. REGULAR BUSINESS [Elliott Sheltman & Mark Osmer]

DISCUSSION	Fencing, Cameras, Tank Electricity
Highland Tank & Well House work update, meter needs to be replaced and new meter by overflow, and then we can get fences up and camera's installed.	

DISCUSSION	Installation of 2" Meters
Installation of new 2" meter @ 545 N. Main St. has been done and has been tested. (Mark Osmer) Next installation will be at RV park, the park is going to be buying a back flow prevention device.	

DISCUSSION	Chlorinator System
Nothing new to report, project still in que, working to respond to inquires about project.	

DISCUSSION	DDW/DEQ, STATE, DWR: Increasing Regulations: Impact on water users & LDWA State Rule 309:
	<p>i. <u>Cross Connection Control (CCC) Back-flow Program</u></p> <p>ii. <u>International Plumbing Code (IPC)</u></p> <p>iii. <u>CCC & Back-flow On-going Administrative Requirements: Implementation, Maintenance, Documentation, Record-keeping</u></p> <p>LDWA has been working on these requirement for a number of years now setting up the standards and aligning them to what the state requires, but the requirements have been changing & new requirement have been added making this a bigger initiative for us. The record keeping requirements on this are becoming quite involved, and may increase expenses. We will be looking into ways to address this going forward.</p> <p>- We have identified some infractions: There are 3 trailers that have been identified that have water attached to them, on 3 separate properties. They have been there longer than the period of time the town allows, and whether the town enforces their ordinances on these cases or not, the LDWA needs to address these as they are connected to our water supply. Based on state law they are illegal. We will be sending cease-and-desist letters, sighting the violations and then we are going to require cross connection certification at each site/property. Going forward we may need to set up policies and penalties to deter future violations.</p>

DISCUSSION	State Rule 600: Drinking Water Source Protection Plan (DWSP) engineering update
	Still being worked on, we have most of it done. We will probably be sending this out within the next month. By doing so this will knock off 15 points.

DISCUSSION	2020 Financial Report, March 15 update [Darryl Lewis]
	<p>LDWA has a \$3,718.73 net gain in Ordinary Operating Income & Expenses for Jan 1 thru Mar 20, 2020.</p> <p><u>Total Ordinary Operating Income \$61,562.33</u> - income sources from: (Active services- \$46,650.80, services- \$3,250.00, transmitter- \$300.00)</p> <p><u>Other Ordinary Operating Income- \$11,361.53</u> (includes new line installations, theft of utilities fines, new construction water connections, late fees, acct transfer fees & interest earned.)</p> <p><u>Total Ordinary Operating Expenses \$57,843.60</u> – expense sources from: (Office - \$2,032.92, Financials, Administrative Mgmt - \$3,359.00, Engineering, Legal - \$1,445.00, Field Operations, Repairs, Maintenance - \$33,710.82, Payroll & Payroll Taxes – \$17,295.86</p> <p><u>MACU Bank Account Balances March 20, 2020:</u> CHECKING – \$15,245.36 SAVINGS - \$354,627.57 (Emergency Reserve \$324,299.73, Loan DDWC #3f138 \$28,953.83, Impact Fee CAP \$1,374.01)</p>

VI. ACTION ITEMS - BOARD REVIEW & POSSIBLE APPROVAL

DISCUSSION **Signage for security fencing and water tanks [Doris McNally]**

Based on the request from the last meeting to investigate signage for our security gates, fencing & water tanks, three types of signs have been identified.

- 1) FENCE GATE SIGNS - 12" x 18" which calls out the area is restricted, and monitored by surveillance video, and protects Culinary Water Source of the LDWA. (QTY 10)
- 2) AREA ACCESS GATES – 18' x 12" which calls out the access is restricted and protects Culinary Water Source of the LDWA. (QTY 10)
- 3) TANK SIGNS – 48" x 28" which identifies each tank with a number (which aligns with info we have on record with Washington County Records), and its Water capacity. (QTY 7)

Visual Concepts were shared with the Board & Styles were reviewed:

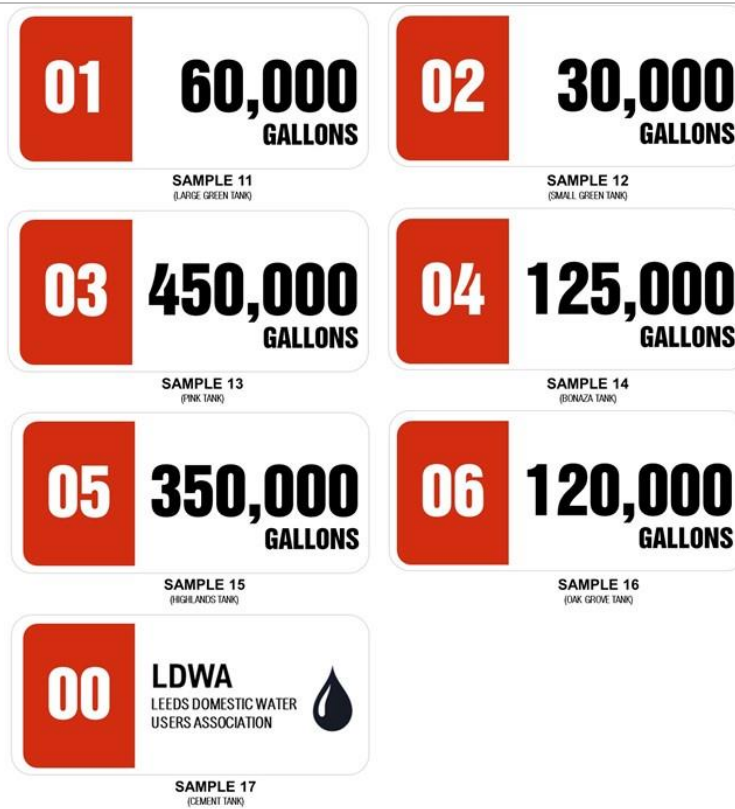
FENCE GATE SIGNS - 12" x 18"



AREA ACCESS GATES – 18' x 12"












TANK SIGNS – 48" x 28"



After review of design concept and some recommendations of modifications were discussed the board aligned on FENCE GATE SIGNS – SAMPLE 2 (w/ addition of LDWA Phone#), AREA ACCESS GATES – SAMPLE 12 (w/ addition of LDWA Phone # & water drop in Blue), TANK SIGNS (as proposed)

RFP's were sent to 6 vendors, based on sizes, quantities & specifications identified by concept design.

VENDOR	EMAIL ADDRESS	SIGN		SIGN(S)		GRAND TOTAL
		SUB TOTAL	SUB TOTAL	SUB TOTAL	SUB TOTAL	
				  	   	
Rainbow Sign & Banner 181 E. Riverside Dr. St. George, UT 84790		\$364.10	\$364.10	\$906.18	\$1,208.24	\$2,842.62
Hurricane Sign Main Street Leeds, UT 84746	Eric signguy71@gmail.com	\$230.00	\$230.00	\$744.00	\$992.00	\$2,196.00
Speedy Signs 335 S. Bluff St. St. George, UT 84770	todd@powerupyourimage.com (435) 656-0905	\$450.00	\$450.00	\$350.00 (Thinner & different materials)	\$550.00 (Thinner & different materials)	\$1,800.00 (Install Charges Extra)
Vital Image Signs 514 N Bluff Street St. George, UT	Debby McMillin (435) 656-2282	\$255.00	\$255.00	\$435.00 (Thinner & different materials)	\$580.00 (Thinner & different materials)	\$1,525.00 (Install Charges Extra)
Star Sign Inc 1060 E. Tabernacle St. St. George, UT, 84770	Megan Wood megan@starsignonline.com	\$311.70	\$311.70	-	-	\$623.40
MyParkingSign.com	customerservice@smartsign.com	\$270.00	\$270.00	-	-	\$540.00

Hurricane Sign of Leeds offered the best overall proposal and also was able to do all three signs, where others were unable to do the larger TANK SIGNS.

Motion made by [Darryl Lewis]: to accept proposal from Hurricane Sign for 10 FENCE GATE SIGNS – SAMPLE 2 (w/ addition of LDWA Phone#), 10 AREA ACCESS GATES – SAMPLE 12 (w/ addition of LDWA Phone # & water drop in Blue), 7 individual TANK SIGNS (as proposed)

Second: Aaron Bateman

MOTION APPROVED: Unanimously

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Proceed in having signs produced and installed	Doris McNally	ASAP

DISCUSSION	ONTAP NEWSLETTER :: MARCH 2020 [Doris McNally]
-------------------	---

Last newsletter was sent DEC 2019, the goal is to send newsletter Quarterly. Based on recent pandemic situation the timing is good to send out newsletter and offer content on this topic. The articles proposed for this newsletter as based on questions we have gotten from shareholders and would be:

- **“COVID-19: Your Drinking Water Is Safe”** – DEQ Article
- **“Do you “Bill Pay”** – Article explaining Bill Pay and how to set it up to avoid late fees or charges.
- **“Understanding your Washington County Water Conservancy District Property TAX assessment”** .
- **“Committed to Providing the Most Affordable Rates in the Area”** – Comparison of prices in area
- **“Mary Petit Retirement Announcement”**
- **“Survey Says”** – Results from recent town survey on services satisfaction and LDWA’s high scores.

Motion made by [Doris McNally]: to approve article topics and offer final approval on individual article content via email by all board members.

Second: Jim Vasquez

MOTION APPROVED: Unanimously (see attached approved FINAL newsletter)

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Share Newsletter DRAFT for final review to all Board members	Doris McNally	03/20/2020
eMail & Post Newsletter for shareholders	Doris McNally	03/23/2020

VII. CONTINUED BUSINESS

DISCUSSION	Main St @ Pecan Lane town repair status
-------------------	--

Repairs have not been done. This is the responsibility of Town. LDWA Office to send letter to town asking them to address it issue. (All Board Members Agree w/ this approach)

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
LDWA Office to send letter to town.	Elliott Sheltman	ASAP

DISCUSSION	Multiple vendor estimates/quotes field supplies
-------------------	--

Just equipment materials we look for at minimum 2 quotes. Request made to Aaron Bateman to oversee this. Discussion was had regarding the importance of transparency and ethics.

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Work on Guidelines/Policy/Procedures, maybe template	Aaron Bateman w/ Office Mgr	ASAP

DISCUSSION	Unassigned water shares, update
-------------------	--

After last meeting we approach the two remaining unassigned shareholders to either release their shares back to LDWA or identify legal use. We approached our legal council to make sure our request was inline with current law. The remaining shareholder is resisting our request. They have sent us a letter positioning his disagreement with our request. LDWA responded with info about our legal standing on the request. Individual has made legal threats, as a result it was the consensus of our board that going forward all communication with this shareholder will be done in writing, and reviewed w/ council if needed.

VIII. DISCUSSION

APPROVAL/VOTE	Commercial Rates
We have 5 properties that have a high risk of Backflow issues. We are investigating a rate change to address some additional needs for these properties due to their usage and potential expose to issues. A proposal will be forth coming.	

APPROVAL/VOTE	Correspondence from shareholder, board
Share holder claimed the LDWA did not communicate the date of our Annual meeting within the guidelines. The LDWA posted agenda & announcement on 1/15 and was also included into the post cards on 1/22, well within the timing required by our bylaws. This was reviewed at the annual meeting, but unfortunately this shareholder still felt a need to voice his wrong opinion.	

APPROVAL/VOTE	Parking of Field Engineer’s Equipment
Darryl Lewis opened a discussion about clearing the area around TANK 00 (Cement Tank) and get a conditional use permit for Field Engineer’s Equipment to be parked. The option of getting a conditional use permit appears to be not applicable for the residential area in which TANK 00 is located. The lot is residential and could be used as a potential LDWA office space, but as far as parking equipment on that lot we would have an issue. The area surrounding our Ricebank Office is considered “magic dirt” that area is not under the preview of the Town of Leeds (this was conveyed to us by the Mayor Wayne Peterson).	

APPROVAL/VOTE	Gravel in Front of the Ricebank Building	
Darryl Lewis inquired about filling in the gravel area in front of the Ricebank Office. The area has not been filled in.		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Investigate County’s response to the need for gravel to cut down the dust in the area due to traffic.	Elliott Sheltman	Earliest Convenience

X. ADJOURNMENT :: [08:50PM]



Doris McNally, Board Member/Corporate Secretary



Minutes

Date/Time/Location:	September 24, 2020 06:00PM 1901 Silver Reef Drive Leeds, UT 84746
Type of Meeting:	Board of Directors Agenda
Note Taker:	Doris McNally
Attendees:	Board Members: Elliott Sheltman (P), Jim Vasquez (VP), Darryl Lewis (M), Doris McNally (M, CS, & WM) Shareholders: Larry & Julie Bruley

Agenda Topics

I. CALL TO ORDER [Elliott Sheltman]

ROLL CALL	Present: Elliott Sheltman, Jim Vasquez, Darryl Lewis, Doris McNally, Absent: Aaron Bateman
------------------	---

II. PLEDGE [Darryl Lewis]

III. PRAYER [Jim Vasquez]

IV. AGENDA CONSENT & PRIOR MEETING'S MINUTES APPROVAL

VOTE	MOTION TO APPROVE: Darryl Lewis SECOND: Doris McNally MOTION APPROVED: Unanimously
-------------	--

V. FIELD REPORTS [Elliott Sheltman]

DISCUSSION	Monthly Tests
All submitted and we passed all test, water system is running well.	

DISCUSSION	Cameras
We have approximately 52 cameras in place now. They are all functioning well.	

DISCUSSION	GIS Mapping, Zones Fire Protection/Equipment, HVFSSD
Working with Karl Rasmussen (ProValue Enigneering) we have conducted a Geographic Information System Mapping (GIS) of all Hydrants within our oversight. Using this information, we can establish fire protection zones and maintaince schedules for the system, and also identify areas where we need may need to make adjustments in coverage.	

VI. ADMINISTRATIVE REPORT [Doris McNally]

DISCUSSION	Office Process Documentation
	<ul style="list-style-type: none">• Created a LDWA RVS User Guides which documents the process of managing accounts within our shareholder account & billing system.• Created a LDWA Itron Guide (and Video Training Tape) which documents the process of downloading files from RVS and transferring them to the new Itron Tablet for use in the field to capture readings and report them back into RVS for the use of LDWA in evaluating customer usage and creating billing.• Created Security Use documentation for Infowest Phone System, Mountain America, SplashTop 24/7 computer access, Team Viewer & Unifi Camera system.

DISCUSSION	Website
	<ul style="list-style-type: none">• Launched Q1 2020• 88% compliant US Americans with Disabilities Act (ADA)• Added Analytics to the site, which gives us visibility to users (Averaging 130 sessions, 260 Page views, Avg. Session: 1m 16s)• Implemented reCAPTCHA, which keeps malicious software from abusive activities on our website.• Implemented updated policies within 12hrs.• Email Registration [from 12% Q4 2019 – 78% Q3 2020]

DISCUSSION	ONTAP NEWSLETTER
	<ul style="list-style-type: none">• OnTap started Q3 2019 – Published QRTLY [5th Edition under development, eta EOM]• Topics for next letter: 90 year History of valued service [Board History]• Request for Articles made to fellow board members.

DISCUSSION	Office Mgt Update
	<ul style="list-style-type: none">• Since our office admin departure (retirement) in February we have converted to a virtual office.• Virtual phone system implemented Q4 2019 w/ transcription• Remote Computer [SPLASH] access for Billing/Office/& Meter Reading 24/7• Reduced CPA [Christen Nichols] Accounting services [\$300/mnth], Staff reduction [\$700/mth]• Electronic archiving of historic paper files underway.• Cloud based backup of LDWA records implemented for past & current records.• Monthly Usage Analysis reports being generated & reviewed.• Use of new ITRON reading system has reduced monthly capture time to approx. 1 hr. w/ high accuracy.• Title Search Inquiries & Account Transfers have increased significantly due to recent Pandemic.• 2 Sheriff Incident Reports Filed in Q3

DISCUSSION	DEQ FEE SCHEDULE MEETING RECAP [Doris McNally & Daryll Lewis]
	<ul style="list-style-type: none">• The DEQ hosted a web meeting to update people on upcoming policy changes. A discussion was had on some of the more important elements.• View the webinar here: https://www.youtube.com/watch?v=scS4hJqTJac&feature=youtu.be• Review 2020 Fee schedule here: https://documents.deq.utah.gov/admin/2020-fee-schedule.pdf

VII. LEGAL REVIEW [Elliott Sheltman]

DISCUSSION	Letter to Shareholder :: Westhoff
A letter was sent to Mr. Jared Westhoff on 09/23/2020 Regarding: Potentially Defamatory Comments regarding Leeds Domestic Waterusers Association and its Officers from the LDWA's attorney David B. Hartvigsen of SMITH HARTVIGSEN. (Copy of letter attached to these minutes.)	
VOTE	MOTION TO ATTACH DOCUMENTATION TO MINUTES IN TOTAL: Doris McNally SECOND: Darryl Lewis MOTION APPROVED: Unanimously

DISCUSSION	Response to Shareholder :: Westhoff LWC Board Member
Mr. Jared Westhoff on 07/06/2020 in a memo to Elliott Sheltman made the allegation that "under your leadership LDWA backed out of its commitment to return the water LDWA used of LWC." FOR THE RECORD: Attached are two documents concerning the water repayment that occurred between the LDWA and the LWC. Upon reading them one can see that all water "owed" to the LWC was fully paid back in total years ago. Mr. Westhoff as a LWC board member should be aware of this fact. [Attached: 2012.07.12_LDWA MTG MINUTES, 2012.06.26 LWC - LDWA SPECIAL SESSION MINUTES]	

DISCUSSION	Unassigned water shares, update
After last meeting we approach the two remaining unassigned shareholders to either release their shares back to LDWA or identify legal use. We approached our legal council to make sure our request was inline with current law. The remaining shareholder is resisting our request. They have sent us a letter positioning his disagreement with our request. LDWA responded with info about our legal standing on the request. Individual has made legal threats, as a result it was the consensus of our board that going forward all communication with this shareholder will be done in writing, and reviewed w/ council if needed.	

VIII. SHAREHOLDER PRESENTATION

DISCUSSION	Shareholder – Not Present
Mr. Jared Westhoff requested an opportunity to address the board at this meeting, unfortunately after being informed of the meeting and given the opportunity on the agenda did not attend meeting.	

IX. ADJOURNMENT :: [07:01PM]

X. EXECUTIVE SESSION

DISCUSSION	Shareholder – Not Present
<ol style="list-style-type: none">1. Addition of credit card payment option. Proposed program launch date Jan 1, 20212. Theft of Water Utility, 165 N Main St, sheriff report filed Sep 23, 20203. Mark Osmer - request lease 700 N Main St parcel4. WR 81-4402, change order transfer POD & use of 24 acre feet = no protest. Approval dependent on State DWR engineer determination5. 90-day notification to Washington County6. 8 remaining cancelled shares, now = \$66,474.00, 2 reinstatements in process	


Doris McNally, Board Member/Corporate Secretary



September 23, 2020

David B. Hartvigsen
david@water.law

Mr. Jared Westhoff

Sent via email to jwesthoff@egingmt.com

Re: Potentially Defamatory Comments regarding Leeds Domestic Waterusers Association and its Officers

Dear Mr. Westhoff:

This firm is legal counsel for Leeds Domestic Waterusers Association (“LDWA”) and we have been asked to respond to comments you have been making regarding LDWA and its officers generally, and regarding its president Elliott Sheltman specifically. Of specific concern is your email dated July 31, 2020 which was addressed to LDWA, your legal counsel, and the mayor of the Town of Leeds.

Under Utah law, a person who makes false verbal or written statements which damage the character or reputation on another person or entity can be found guilty in a court of law when such statements are made or sent to a third party. LDWA does not want to spend the resources of its shareholders in a defamation action in court, but will do so if necessary to protect its good name and that of its officers. Please govern yourself accordingly. This will be your only warning.

With respect to the basis for your stated disagreement with the actions of LDWA’s Board of Directors (“**Board**”) regarding what have come to be called “floater taps,” please be aware that LDWA and its officers are on solid legal ground for the actions they have taken regarding the last one of these floater taps. The Board only took action after consulting with me and based upon my advice as LDWA’s legal counsel.

When the option to acquire floater taps was first offered over 40 years ago, one of the requirements what that buyers of the taps be owners of property within LDWA’s service area upon which the water associated with the taps could be used. (“The rules for sale of this [floater tap] are as follows: ... (2) Buyers must own property in Leeds upon which the water will be used.” Letter dated October 17, 1981.) It is my understanding from your above referenced email to LDWA that you no longer owned property upon which your floater tap could be used. Accordingly, you were in violation of this requirement. The Board, in Resolution 2020-01, gave you the opportunity to come back into compliance or sell the tap back to LDWA. You then elected to come back into compliance by assigning the tap to an existing parcel located within LDWA’s service area that does not have a water share attached to it. Contrary to your views, there is nothing patently unfair

Letter to Mr. Jared Westhoff
September 23, 2020
Page 2 of 2

or illegal about such actions. In fact, LDWA has been lenient by not requiring you to be the owner of that lot, an expressly stated requirement for these floater taps.

Furthermore, LDWA Articles of Incorporation and Bylaws grant the right and impose the responsibility upon the Board to adopt policy changes as laws and circumstances change, based on the best interests of the company and of the shareholders as a whole, even if such changes are not supported by one shareholder, or a minority group of shareholders. Many things have changed in the 40 years since these floater taps were issued, including, but not limited to the fact that all but two of the floater taps that were issued were voluntarily assigned to lots in a reasonably timely manner. Your floater tap and the floater tap of one other were the only ones that have lingered on unassigned for 40 years. Therefore, the Board concluded that it was in the best interests of the company and its shareholders as a whole to retire the remaining two floater taps, after giving the owners of those two taps a reasonable opportunity to utilize them.

The Board was entirely within its rights and responsibilities to the company and its shareholders to adopt this as policy. The owner of the other floater tap quickly, and without complaint to LDWA, attached that floater tap to a lot. You were also able to attach your floater tap to a lot, but have disagreed with the requirement to do so.

If you choose to turn that disagreement into a lawsuit, please be aware that you will have to prove damages to be successful and I don't see any damages when you were able to realize the full benefit of the floater tap by attaching it to a lot. It was not taken from you. You were just required to attach it to a lot within the time established by LDWA ... just as every other shareholder had done. You will also have to overcome the protections afforded to the officers of LDWA under Utah Code Ann. § 16-6a-822(6) for their actions, unless you can prove a high level of intentional misconduct or gross negligence, again something that I just don't see under the facts of this case.

Inasmuch as you are apparently represented by legal counsel, I am cc-ing your attorney on this letter. LDWA requests that any future communications on this matter be handled through your legal counsel and myself.

Sincerely,

SMITH HARTVIGSEN PLLC


David B. Hartvigsen

cc: Leeds Domestic Waterusers Association via email to ldwacorp@infowest.com
Heath Snow, legal counsel for Mr. Westhoff, via email to heath@binghamsnow.com
Mayor Wayne Peterson, Town of Leeds, via email to mayor@leedstown.org